HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

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HOUSE OF COMMONS

Thursday, August 18, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to the 13 petitions numbered as follows: 332-4851 to 331-4855 inclusive, 332-4884 to 332-4888 inclusive, 332-5001, 332-5002, and 332-5031.

[*Editor's note: See today's Votes and Proceedings.*]

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[*English*]

COMMITTEES OF THE HOUSE

STATUS OF DISABLED PERSONS—FIRST REPORT OF STANDING COMMITTEE

Mr. Patrick Boyer (Etobicoke—Lakeshore): Mr. Speaker, I have the honour this morning to present to the House, in both official languages, the first report of the Standing Committee on the Status of Disabled Persons. This report is entitled "No News is Bad News", *et en français, "Pas de nouvelles, mauvaises nouvelles".*

In accordance with Standing Order 99(2), our committee requests a comprehensive response from the Government to this report.

NATIONAL DEFENCE—SECOND REPORT OF STANDING COMMITTEE

Mr. Patrick Crofton (Esquimalt—Saanich): Mr. Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on National Defence.

[*Editor's Note: See today's Votes and Proceedings.*]

EXPORT DEVELOPMENT ACT

MEASURE TO AMEND

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved for leave to introduce Bill C-316, an Act to amend the Export Development Act (commercial credits).

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

Some Hon. Members: Agreed.

Mr. Axworthy: Mr. Speaker, I appreciate the courtesy of the Hon. Member for Essex-Windsor (Mr. Langdon) in seconding my motion in the absence of my colleagues.

• (1110)

This is a Bill designed to amend the Export Development Act, to provide for new commercial credits that would be given to Third World countries. The Export Development Corporation would act as a broker for the sale and exchange of commodities from Third World countries. The funds that would be gathered from such sales could then be used for purchases of Canadian products by those Third World countries in Canada. It is an attempt to provide a way of diversifying trade for Canada around the world and to provide direct assistance to Third World and underdeveloped countries in the sale of their commodities.

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

* * *

POINT OF ORDER

TENTH REPORT OF STANDING JOINT COMMITTEE ON SCRUTINY OF REGULATIONS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, we were anticipating that the House of Commons co-chairman of the Standing Joint Committee on Scrutiny of Regulations would move concurrence in the committee's tenth report. It is our understanding that it deals with the independence of the judiciary and a decision made by the committee.

I do not know if there is another agent in the Chamber who would like to move that motion, but the Government would certainly be willing to concur in it if someone wanted to move it.

Perhaps we could return, on unanimous consent, if there is difficulty with the Member being present.

Mr. Speaker: I should advise the House that along the lines of usual courtesy the Chair did know something about this. However, I am in the hands of the House.

Hon. Herb Gray (Windsor West): Mr. Speaker, I think the co-chairman, the Hon. Member for York Centre (Mr. Kaplan), would prefer to move the motion himself. It is my understanding that he would like to do it tomorrow. I can check further and we can consult on the most appropriate way to deal with the matter.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, since there seems to be some consultation required, if the consultation takes place and there is a request for unanimous consent to deal with this matter later today, we would certainly be prepared to accommodate that request.

Mr. Speaker: I thank Hon. Members. Perhaps some indication could be given to the Chair later. If there is agreement I will make the appropriate accommodations.

Mr. Fennell: Mr. Speaker, I rise on a point of order. I apologize to the House. I have a striking committee report regarding the child care committee to present. I would ask for unanimous consent to revert to presentation of committee reports.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

* * *

[*Translation*]

STRIKING COMMITTEE

PRESENTATION OF 68TH REPORT

Mr. Scott Fennell (Ontario): Mr. Speaker, I have the honour to present the Sixty-Eighth Report of the Standing Striking Committee.

[*Editor's note: See today's Votes and Proceedings for the above-cited Report.*]

* * *

[*English*]

PETITIONS

DESIGNATION OF ROUGE RIVER VALLEY

Mrs. Pauline Browes (Scarborough Centre): Mr. Speaker, this petition is entitled "Help save the Rouge". It is one of many petitions I have presented to the House concerning the preservation of the Rouge Valley system in Scarborough.

The petitioners join with many thousands of volunteers in stating that the Rouge River Valley in Scarborough is a unique and precious natural area, and that protecting this endangered wildlife and wilderness area is in the national interest.

The petitioners join with the Scarborough City Council, the Federal Minister of the Environment (Mr. McMillan), the Save the Rouge Valley System and the Coalition of Scarborough Community Associations to have the valley saved as a Canadian heritage land or a provincial park.

OPPOSITION TO PARKING FEES

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I have the honour to present a petition on behalf of a number of residents of the City of Winnipeg, particularly those who are employed by the Agriculture Research Station. They are submitting a petition asking for redress from the Department of Agriculture. They complain of unfair treatment in terms of the application of substantial parking fees for their vehicles at the Agriculture Research Station facilities, when other federal facilities in the same area of Winnipeg, particularly Revenue Canada, are not required to pay those fees.

The petitioners humbly request that their grievance be heard by the House and the Government. I present the petition on their behalf.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, pursuant to Standing Order 106, it is my pleasure to present a petition on behalf of a number of constituents. These constituents are concerned that the fabric of Canadian sovereignty is being seriously threatened by the trade deal. They point out that the federal Government lacks a mandate from the people of Canada even to negotiate a trade deal, let alone pass it. They believe that the trade deal would seriously reduce our country's ability to plan the economic, social, and cultural programs Canadians want.

They are asking that a national debate in Canada occur on the issue of the trade deal and that the debate take place during a national general election before the agreement is signed.

Mr. McDermid: The agreement is already signed.

Mr. Riis: Signed by the Government, committing Canada before the election.

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I wish to present a petition from many British Columbians, pursuant to Standing Order 106. They believe that Canadian families need a high quality, affordable child care service.

They also believe it has been repeatedly recommended, to make these services available for families, that the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for the development of a comprehensive non-profit child care system which is accessible to all families.

They are concerned that the present legislation regarding child care before the House of Commons is completely, totally, and absolutely inadequate to meet the demands. Therefore, they are saying the legislation should be withdrawn forthwith.

RESEARCH INTO PREVENTION AND CURE OF SCHIZOPHRENIA

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I wish to present a petition on behalf of a number of residents located in the City of Winnipeg. It deals with the serious and tragic illness of schizophrenia, a major illness affecting about 1 per cent of the Canadian population, causing severe anguish among families and friends and costing Canadian society more than $3 billion a year in direct health cost.

Research findings show that this is a genetic malfunction that can be treated, but research efforts in Canada dedicated to schizophrenia are extremely limited and not commensurate with the degree of the disease.

These petitioners humbly ask the House to ensure that research efforts related to schizophrenia will in the future be commensurate with the seriousness of this illness in Canada.

BLOCK AVERAGING OF INCOME

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, it is my honour and duty to present a petition on behalf of a number of citizens in my constituency.

Since farmers and fishermen have enjoyed the right to block averaging for years, they call upon Parliament to take the necessary steps to retain block averaging for farmers and fishermen, as recommended by the Standing Committee on Finance and Economic Affairs in its report on the White Paper on tax reform.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 369 and 387.

[*Text*]

USE OF AUTOMOBILE TO SECRETARY OF STATE FOR EXTERNAL AFFAIRS

Question No. 369—**Mr. Kaplan:**

Canada-U.S. Free Trade Agreement

In the past three years, has the automobile allocated for the use of the Secretary of State for External Affairs been taken into the United States and, if so, on what dates and, in each case, (*a*) for what length of time (*b*) was the automobile used (*i*) by the Minister (*ii*) by some other person or persons and, if so, by whom (*c*) on what government business?

Right Hon. Joe Clark (Secretary of State for External Affairs): According to our records, the automobile allocated for the use of the Secretary of State for External Affairs has never been taken into the United States.

INTERNATIONAL TROPICAL TIMBER ORGANIZATION

Question No. 387—**Mr. Caccia:**

For the past two fiscal years, did the Government make any contributions, financial or otherwise, to the International Tropical Timber Organization and (*a*) if so, on what dates and in what amounts (*b*) if not, for what reasons?

Right Hon. Joe Clark (Secretary of State for External Affairs): On May 21, 1986 Canada acceded to the International Tropical Timber Agreement (ITTA) which is administered by the International Tropical Timber Organization (ITTO). In fiscal year 1986/87 Canada paid C$12,665.68 in assessed contributions to the ITTO administrative budget for the period November-December 1986, the last two months of ITTO fiscal year 1986, and for the period January-June 1987, the first half of ITTO fiscal year 1987. Payment was received by the ITTO in Geneva in late October/early November 1986.

In fiscal year 1987/88 Canada paid C$37,636.30 to cover its contribution to the ITTO administrative budget for the last half of ITTO fiscal year 1987 (July-December) and all of ITTO fiscal year 1988 (January-December). Instructions to affect payment of the assessed contributions were issued in Ottawa, May in 1987 in the first case and on January 8, 1988 in the second.

[*English*]

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

• (1120)

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed from Tuesday, August 16, consideration of Bill C-130, an Act to implement the free trade

agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee; and the amendments of Mr. Axworthy:

Motion No. 9

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to apply to lands, resources, and waters claims by aboriginal peoples under an aboriginal claim."

Motion No. 10

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall affect programs to protect the environment or conservation of land, resources and waters."

Motion No. 11

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to affect or preclude the continuation of existing or the establishment of new special adjustment programs to help firms or workers adjust to the changes brought about by the implementation of the Agreement."

Motion No. 12

That Bill C-130 be amended by adding immediately after lines 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to affect or preclude the continuation of existing or the establishment of new regional development programs."

Motion No. 13

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to affect the continuation of existing or the establishment of new Canadian social programs, including medicare, unemployment insurance, daycare, pensions, minimum wage laws, labour laws and maternity benefits."

Motion No. 14

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to affect or preclude the continuation of existing or the establishment of new cultural programs by future Canadian governments."

Hon. Herb Gray (Windsor West): Mr. Speaker, we are dealing with a group of motions which in effect challenge the Conservative Government to put its money where its mouth is. Specifically, the Government continues to claim that its trade agreement will not affect vital Canadian characteristics, policies, and programs. However, this set of motions would enable this House to exempt specifically from the Bill aboriginal people's land and resource claims, the environment and environmental protection policy and programs, programs and policies to assist workers and firms in adjusting to the agreement, regional economic development policy, social policy, and cultural industries and programs.

There is no specific mention of environmental protection or environmental issues in the trade deal as such. However, this does not mean that it is entirely clear that there are no valid grounds for concern that the Government's trade deal with the United States will impair existing environmental protection programs, both federal and provincial, or hamper our ability to put new or improved ones in place in future. No environmental impact study of this agreement has been carried out by the Conservative Government before, during, or after the deal was signed.

Canada may well also face pressures to lower Canadian environmental standards to American levels. Canadian business could argue that more stringent Canadian environmental regulations on such things as acid rain emissions, air pollution, liquid waste disposal, and the use of pesticides could place Canadian companies at a competitive disadvantage *vis-à-vis* their American competitors. Canada may also lose the ability in pricing energy exports to recover financial compensation for environmental damage caused by energy exporters. Furthermore, subsidies given by Canadian federal and provincial Governments to reduce pollution emissions could be attacked by American companies as an unfair subsidy.

The definition of "unfair subsidies" is still to be negotiated by Canada and the United States over the next five years to seven years. Pollution control subsidies and subsidies relating to the environment have not, I repeat, been explicitly excluded from these negotiations.

Environmental groups have sent letters to the Prime Minister (Mr. Mulroney) asking for assurances on this issue. They have not received a specific reply from the Prime Minister. They only received a reply from the Minister for International Trade (Mr. Crosbie) stating that the trade deal has nothing to do with the environment. I do not know how one can place any confidence in the words of the Minister for International Trade on what the trade deal has to do with the environment or anything else because he has stated quite categorically—he boasted—that he has not bothered to read the deal. He wants to treat the whole matter in the same way he treated the sale of vacuum cleaners when he was trying to do that years ago as a student, but Canada and its environment is more important than the way one treats the selling of vacuum cleaners.

The Canadian Wildlife Federation has quite clearly denounced the Government's trade deal as a threat to Canada's control over its environment. The executive vice-president of the federation stated that it was "not convinced that Simon Reisman's negotiating team had given any consideration whatsoever to possible environmental impacts of a free trade agreement".

It would be very simple if the Government were sincere in what it says about not wanting environmental programs, present and future, to be affected by this trade deal. All the Government would have to do to show its sincerity would be to agree to accept our amendment and clearly exempt environmental programs, present and future, from being affected in any way by this trade deal. However, if the Government is not willing to do that, and if we continue to have in the trade deal

the provision that the issue of subsidies remains to be negotiated over the next five years to seven years, then the protection of our environment now and in the future is clearly put at risk by this trade deal.

Let me say a few words about the trade deal and social policy. The Conservative Government has consistently denied that social programs are affected in any way by the trade deal. However, it is very clear that our safety net is not protected by the absence of references to it in the final text of the agreement. Certainly, there are a number of American politicians and corporate leaders, and some Canadians as well, who clearly view our current Canadian social programs as constraints to achieving the level playing field they believe must come as part of the Government's trade deal with the United States.

What does the American playing field look like? A recent study by the Conference of State Manufacturers Association reported that the quality of a state's business climate was defined by low taxes, low union membership, low workmen's compensation insurance rates, low unemployment benefits, low energy costs, and the fewest days lost because of work stoppages. Implicit in that study is the idea that the less there are social programs to benefit workers and the community at large, the better it is, and this shows why Canadian social programs could and likely will be undermined by the Canada-U.S. free trade deal.

American interests may launch a direct attack by countervail suits similar to the 1986 action of fresh groundfish which named fishermen's unemployment insurance as a subsidy. There is nothing whatsoever in the trade deal that exempts Canada or Canadian programs from being the subject of countervail suits or any other U.S. trade remedy legislation. We are still subject to that kind of harassment. The so-called dispute settlement mechanism does nothing more than enable a panel to say whether or not the American legislation has been properly applied according to its own terms. We are not given any exemption whatsoever.

The second way in which the Canada-U.S. free trade deal creates a threat to our Canadian social programs is far more insidious. It could have a very substantial impact on social programs in general. Under this scenario, an evolutionary process would see a greater harmonization of policy objectives and instruments in order to achieve the level playing field which the corporate sector will be desiring. It will argue that the cost of doing business must be equalized subject only to what they would call some natural comparative advantage.

We only need to look at a background study prepared for the Macdonald Commission, and the Government always cites the Macdonald Commission and its report as evidence that its trade deal is a good thing for the country. I can say as an aside that which the Macdonald Commission did not say a word about the trade deal the Government is trying to force down the throats of Canadians. The report came out well before that trade deal was negotiated and its text was available. In any event, the background report states that Canada would be required to make wage and tax rates and welfare policies conform to American practice and to follow all important changes in the United States with virtually identical changes in Canada. We have already seen some first evidence of this process through Bill C-22 on prescription drugs.

• (1130)

This pressure to harmonize Canadian social policy with the American system will be an inevitable consequence of the Government's trade deal with the United States. Aside from the pressure by big business interests on both sides of the border, we have the situation that will undoubtedly arise because there will be the five-year to seven-year negotiating period to come up with a definition of subsidies pursuant to this deal.

There is nothing in the deal to say that an agreement will not be made over the next five years to seven years, accepting American contentions that our social programs such as medicare are unfair subsidies and that if they are not changed then it will be open to the American Government, on behalf of American business interests, to bring actions for countervailing duties or special duties under not only existing American trade remedy laws but the omnibus trade Bill which has just been passed by the U.S. Congress. This Bill has new forms of investigation of alleged undue Canadian subsidy, and new methods of trade harassment by the American Government and American business interests.

These points have been signalled by Canadian business spokesmen. For example, at an annual meeting of the Auto Parts Manufacturers Association held recently in Toronto, Past Chairman Larry Beganto stated: "Services such as national day care and indexed pensions, universal medicare and others may be laudable but they add to the cost of doing business". This just provides an example of how business interests are already thinking of creating pressure for a forced harmonization of our social programs with the much lower level of social programs in the United States, a country where doctors check a person's pocket-book before they check his pulse, a country where a very high proportion of the population has no adequate retirement pension, a country in which a substantial portion of the population has no adequate unemployment insurance program.

Obviously, if the Conservative Government's trade deal comes into effect, there will be pressure for a realignment of our tax policy and cut-backs in social expenditures in order to answer the pressure of business for tax cuts. Should the federal Government accept this argument, personal income taxes will go up in order to support social programs, or social expenditure will be cut. Either way Canadians lose.

I also want to say again, by way of conclusion, that the most frightening thing in this deal when it comes to social programs is that the whole area of definition of what will be unacceptable subsidies, subject to retaliation by the Americans, remains

open in negotiation. The way the Conservative Government has always weakly caved in to American pressure on any issue, the way it has weakly agreed to a thoroughly bad deal with the United States on trade, indicates that if in the unlikely event it continues in office it will cave in on a definition of subsidies which will put our social programs, pensions, unemployment insurance, and medicare in peril.

Only the acceptance of these amendments by the Government will provide at least some partial answers to the concerns I have stated. I do not think the Government will accept these amendments. Therefore this is a powerful reason to defeat this deal here in Parliament but, more important, to defeat this deal through an early election.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I listened to my colleague, the Liberal House Leader, in the last 10 minutes and of course on Tuesday night when we were debating these series of amendments. I listened to all the fearmongering, the scare tactics that have been dug up by members of the Opposition on this particular agreement. In the few minutes allotted to me in this particular section I will attempt to answer some of the concerns that have been expressed.

I chuckled to myself when I heard the Hon. House Leader stand up to say that the Government should put its money where its mouth is. He is the Member of Parliament who in the last Parliament said that he would resign his seat if interest rates went up. They went up to 22 per cent. For him to be telling us to put our money where our mouth is is somewhat amusing when listening to his speech.

Mr. Gray (Windsor West): I made no such statement in the last Parliament.

Mr. McDermid: The next thing I want to mention is that the series of amendments we are debating would put something into the Act to say that it is not in the agreement. Members opposite want to put something in the Act to say that it is not in the Act. This really boggles my mind. I cannot understand what they are trying to do. The Hon. House Leader talks about his Party's policy on trade—GATT. He said that we will deal with the Americans through GATT. They have negotiated a number of GATT rounds. Did they put anything in about aboriginal rights in those GATT rounds? Did they put anything in about health care? Did they put anything in about regional development? Did they put anything in about social programs? Of course they did not.

Mr. Axworthy: We did not have to because we were not threatening them.

Mr. McDermid: I give an example of an agreement that we all understand because most people, most families, have at one time or another bought themselves a home or have been involved in such an agreement. When one signs an agreement to sell or buy a house, one does not put in the agreement that the wife and kids are not part of the agreement. The point is not put in that the car is not part of the agreement. What one puts in the agreement is what will be affected. It is the same with the trade agreement.

I want to go through the motions because of the scaremongering about this country going to hell in a handbasket. I do not think there is a Canadian who honestly believes that any Government, no matter what its political stripe, would endanger our social programs, our medicare, our education, and so on. It is absolute foolishness to try to frighten the people that way.

Aboriginal peoples are mentioned in these amendments. The rights of aboriginal peoples and their land claim settlements have constitutional protection. The free trade agreement does not supersede the Constitution. The Government's comprehensive land claims policy, which was revised last year, is grandfathered in the free trade agreement. There is no need to put forward an exception.

There is nothing in the free trade agreement that would affect programs to protect the environment. We are working under GATT rules. Under GATT rules the environment is protected. This free trade agreement comes under the GATT rules and that is very clear all through it.

Ms. Copps: That is absolute garbage.

Mr. McDermid: There is the expert from Hamilton East. She is the expert on everything—absolutely everything. She knows everything about everything. She is wonderful.

Existing statutes and policies regarding protection of the environment continue to apply. They have absolutely nothing to do with the agreement—nothing.

Ms. Copps: That is what you said about senior citizens' pensions. Your word is not worth the paper it is written on.

Mr. McDermid: There is nothing in the agreement that would prevent the Government from undertaking appropriate adjustment programs—absolutely nothing.

Ms. Copps: What about the grape growers?

Mr. McDermid: We have announced an adjustment program for the grape growers in British Columbia, and there is a soon to be announced program in Ontario, once the Ontario Government gets its act together.

Ms. Copps: Who introduced the deal?

Mr. McDermid: Who did the unfair, discriminatory pricing, as has been determined by GATT in Ontario and British Columbia? There is a great supporter of GATT. As soon as GATT brings down a decision against Canada all of a sudden GATT is terrible. We are to ignore it and not pay any attention to it. That is the Hon. Member for Hamilton East. She really understands this thing.

Ms. Copps: The trade deal preceded the GATT decision. You do not know anything about it.

Mr. McDermid: We have an excellent advisory committee under the chairmanship of Mr. de Grandpré who will be making recommendations on adjustment procedures that are required, if any—

Ms. Copps: People are going bankrupt today.

Mr. McDermid: The Hon. Member who delivers her best speeches from the seat of her pants should know that and understand that.

• (1140)

Motion No. 12 states:

> "7. For greater certainty, nothing in this Act shall be interpreted so as to affect or preclude the continuation of existing or the establishment of new regional development programs."

That motion is extremely misleading. Regional development programs are not covered by the Act or the agreement.

Ms. Copps: Come on!

Mr. McDermid: Moreover, it is misleading to state that nothing in this agreement shall affect regional development. The agreement itself will positively affect regional development, since the economic benefits of the free trade agreement will be felt throughout all regions of Canada, and any legitimate study has shown that. The support that we have in western Canada and in Atlantic Canada is ample proof. Therefore, that amendment is not necessary.

I want to talk about the establishment of new Canadian social programs. We have introduced a new Canadian social program since the free trade agreement was signed—the child care legislation which is presently being debated in the House. If we could not introduce new social programs why, in heaven's name, would the United States not object now to the day care program?

The other day I listened to my friend, the Hon. Member for Spadina (Mr. Heap), talk about how our health care will be wiped out, education will be wiped out, and all those things will happen. Let us examine the facts. First, provincial Governments have absolutely no obligation to contract out health services, health care management, or education. There is no obligation. Second, even if they chose to do so, they may give preference or exclusivity to Canadians. They are not affected by the procurement obligations. The provincial Government can state that only Canadians can provide services to us here and would absolutely not be in violation of the free trade agreement.

All the free trade agreement states is that if a province decides to allow an American company to come in, as Ontario allowed a management company to come in and try to straighten out the mess at the Hawkesbury hospital, it has to be treated fairly. That is what the free trade agreement states, but it does not say that they have to be allowed in. Americans can be kept out of health care in this country if the province desires. The Hon. Member talks about the blood bank in Montreal. That was a decision permitted by the provincial Government. It has absolutely nothing to do with the free trade agreement, and it has absolutely nothing to do with the federal Government whatsoever.

Ms. Copps: That's totally false. It's the Canadian Blood Committee. It's the federal Government's responsibility.

Mr. McDermid: There she goes again. She's the expert on everything.

Ms. Copps: Do you know anything about the Canadian Blood Committee?

Mr. McDermid: She knows the whole ball of wax, and we love to hear her speak from the seat of her pants.

Mr. Hopkins: You are the greenhorn, John.

Mr. McDermid: Well, I will stack my knowledge on the free trade agreement up against the knowledge of the agreement of the Hon. Member for Renfrew—Nipissing—Pembroke (Mr. Hopkins) any time. I will debate him any time, anywhere, on the free trade agreement, because he has not read further than page 2 yet.

Mr. Hopkins: That's not much of a challenge, John.

Ms. Copps: Eganville.

Mr. McDermid: Great. I love Eganville, and I am well known in Eganville.

Mr. Hopkins: I'll say you are.

Mr. McDermid: I will look forward to going into Eganville any time.

In conclusion, the Hon. House Leader of the Liberal Party rose today and told everybody that all our social services add to the cost of the goods and services we buy in this country. That was his first statement. He said that because of that it put us in an unfair advantage and therefore we would have to reduce our social programs. In the next breath he said our social programs would be looked upon by the Americans as unfair trade practice and that they were going to attack them. The Hon. Member cannot have it both ways. If it makes our goods more expensive, how can it be an unfair competition? Why would the Americans complain at all? The arguments brought forward are total nonsense. They are scaremongering. These amendments should be rejected out of hand.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, I appreciate the opportunity to make a few statements on Motion Nos. 9, 10, 11, 12, 13, and 14. The Parliamentary Secretary suggested that these were irrelevant. He even suggested that they were improper, and he could not understand why they were in there in any case.

Mr. McDermid: I did not say "improper".

Mr. Hovdebo: That is disrespect for the Chair, Mr. Speaker. These motions were ruled proper and acceptable by the Chair. Therefore, they refer directly to the Bill and can effectively be used to amend it. They do not change the direction of the Bill. Perhaps, when these particular amendments were written, we neglected to put in one clause. Instead of saying "for greater certainty" at the beginning of each of these amendments, we probably should have said "because nobody trusts the Government, for greater certainty, nothing in this Act shall do these things". That is exactly why these particular amendments should be in the Act, for greater certainty, so that we know these things cannot happen. The Parliamentary Secretary made a great to-do about the fact that they are not put in treaties. That might be the case where they can be negotiated at a later date. However, in this particular case we would like to be sure that these things are not going to happen.

The Indians and Inuit have gone through a long, slow process establishing their right to land, their right to self-government, and the rights that came out of the treaties. There is no assurance in this Act that those rights will not be affected by the free trade deal.

Mr. McDermid: The Constitution guarantees it.

Mr. Hovdebo: One of our friends in the Indian community suggested that the free trade deal would put everybody in the same category as the Indians find themselves now, as far as this particular Government is concerned. In negotiations Indians may find themselves defending their self-government against the United States instead of against the Government with which they presently negotiate.

Because nobody trusts this Government or trusts the negotiations with the United States, Motion No. 9 states:

> "7. For greater certainty, nothing in this Act shall be interpreted so as to apply to lands, resources, and waters claims by aboriginal peoples under an aboriginal claim."

Why should that certainty not be put into the Act? Why should we not agree that aboriginal people need that type of security?

Again, because we do not trust the Government, Motion No. 10 states:

> "7. For greater certainty, nothing in this Act shall affect programs to protect the environment or conservation of land, resources and waters."

The Parliamentary Secretary suggests that those types of things are not put into an Act. However, in the next few years the Government of Canada and the Government of the United States will be establishing how and what are considered subsidies. There is no certainty, by what is presently contained in the Act, that a subsidy given or made available to a company in order that it can contribute to a cleaner environment, or that it can follow the environmental rules and laws that we put down or may put down in the future, will not be considered a subsidy and put those companies at an unfair advantage, or that it would be accused by the United States of having an unfair advantage because it is receiving support to contribute to clean air or a clean environment. Why should we not put in the Bill a clause saying "for greater certainty, nothing in this Act shall affect programs to protect the environment"? As soon as those programs or that protection, programs which attempt to protect the environment, are considered subsidies they become unfair advantages for Canadian companies.

• (1150)

Turning to Motion No. 11, because nobody really trusts this Government and nobody trusts this agreement, for greater certainty, adjustment programs to help firms or workers adjust to change brought about by the implementation of the agreement should be recognized in the agreement. For instance, areas are already being affected by the agreement. The grape growers of British Columbia and Ontario are being affected by the program. This has been admitted by the Government. The Prime Minister (Mr. Mulroney) has even gone out to British Columbia and said: "We will help you where it hurts". There is no guarantee that the Government will be able to go on helping them after the agreement is in place and after this particular Bill has been passed.

There is no suggestion, no guarantee, that if the Government were to decide in the future to help a victim of this Bill—and there are going to be many—the United States may not take the Government before its panel and say that this is improper. Since we do not trust the Government and since the people of Canada do not trust this agreement, why not include for greater certainty, a guarantee that these things will be carried out?

Motion No. 12 reads: Again, no one trusts this Government or this agreement:

> For greater certainty, nothing in this Act shall be interpreted so as to affect or preclude the continuation of existing or the establishment of new regional developmental programs.

One great fear in more remote areas of the country is the fact that many programs which have done some good in such areas will be considered to be an unfair advantage in the future

Mr. McDermid: Why wouldn't it be now?

Mr. Hovdebo: The Parliamentary Secretary has stood in this House and said that those kinds of programs are in danger, that they are the kinds of programs that we are going to have to look at and withdraw if they affect the ability of companies in the United States to compete with those areas.

Mr. McDermid: When did I say that? Point that out to me. I never said that.

Mr. Hovdebo: That is the basic understanding of this Bill. Anything that is paid to a certain area and affects the production of a product in that area can be recognized as an unfair advantage.

Mr. McDermid: Get your facts right.

Mr. Hovdebo: We have a clause which should be included because the Bill does protect regional development programs now and the need for them in the future. I notice that I am coming to the end of my time, Mr. Speaker, but there are two other motions both for greater certainty, both because the people of Canada do not trust this deal to protect them. These amendments give the kind of protection the people of Canada want. If this deal is to be forced on them, if the Government is to push through this deal without giving the people of Canada an opportunity to decide yes or no, to decide that they want it, this kind of security should be in the Bill. The social, environmental, self-government, and regional development programs which are in place or will be in place should be secured. We should have some security, ensuring that they will be in place after the Bill has been rammed through the House of Commons and has become law.

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, in listening to some of the speeches that have been made by the coalition on the other side of the House, I am reminded this morning of Chicken Little crying "The sky is falling". I guess that nursery rhyme is as true today as it was whenever it was written. We have people here who are not willing to look at what is really in the agreement or at what the agreement is all about. The FTA, as the Canadian public and all of us know, is an agreement we set out to put together with our neighbours to the south for the lowering of tariffs.

What we have now is both opposition Parties combining to try to put into legislation what is not in the agreement. We do not have anything in the agreement which does anything about our social programs, yet they are trying to scare Canadian people with misrepresentations about things that are not in the agreement. The legislation before us deals with incorporating into law what was agreed to with our neighbours to the south.

They say that "for greater certainty, we want to turn around and make sure that the aboriginal land claims are protected". Well, the agreement does not address aboriginal land claims. If we took all aboriginal land claims that have been enunciated in British Columbia, there would not be enough land in British Columbia to satisfy them: We have heard Members this morning talk about "for greater certainty", as proposed by the Liberals and seconded by the New Democrats, that "for greater certainty," these are the things that we should be including. I do not know how they think a Government can govern when they try to satisfy the whims of the people who talked about these things this morning.

It really behoves the Canadian public to be careful what they listen to. I fear our Loyal Opposition is not telling the truth.

Mr. Hovdebo: No more so than the Government.

Mr. Belsher: They are not telling the people what is in the agreement. They are dealing with half-truths. Nothing is more dangerous than when people deal with half-truths and work up into such a lather that they start believing it themselves as being the truth.

We have before us an agreement which has been carefully worked out. We know that it is not perfect. In the area of agriculture, we already found that people in the grape industry were going to be seriously affected. When we discovered this, we turned around and said to these people: "We want to help you, we want to work with your provincial Governments". We have gone, along with the Province of British Columbia, to the grape growers and said: "Here is how many dollars per acre. We are willing to share with you in either taking out the grapes you now have or changing your grapes and replacing them with varieties that you feel can be secure in as far as what you can produce in the future is concerned". That is one small demonstration. Yet we have the opposition Parties standing up this morning with pompous, righteous indignation saying "for greater certainty, you should put into the law that you are going to do all these things for any person that comes along and says the free trade agreement has seriously affected them and they want the Government to bail them out".

• (1200)

We have an agreement. It is a good agreement, and it is time we got on with passing this legislation and putting it into effect. It is for that reason that I stand here today and say that I support the Bill before us. I will be glad to vote against the motions we are debating this morning. With those few comments, I will sit down so we can get on with business.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, one of these motions deals with regional economic development policy and other items relating to the social fabric of our country. As my House Leader, the Hon. Member for Windsor West (Mr. Gray) said, the Government is not representing Canada properly in this trade deal. It is not a trade deal; it is a bad deal. We have to ask ourselves who is speaking for Canada in this deal.

The Hon. Member who just spoke said that there was nothing worse than half-truths. I say to him that there is nothing worse than having the whole truth pointed out to you and refusing to recognize it. This is what is happening in this debate. The Hon. Member for Brampton—Georgetown (Mr. McDermid) said that this did not affect regional development. I would not want to misquote him; I am sure that is what he said.

Mr. McDermid: It will positively affect it.

Mr. Hopkins: I want to point out to him that I have a case in my constituency which proves him wrong.

Mr. McDermid: The free trade agreement is not in place yet, how can it?

Mr. Hopkins: The eastern Ontario area was designated for regional development incentives up until June 30 when the Government cut them all off.

Mr. McDermid: What has that got to do with the free trade agreement?

Mr. Hopkins: A group of people who wanted to start a planing and lumber business in my constituency had their application in long before June 30. Everything was in order. They were having trouble getting it through. I took it up with the Department on their behalf and was told that it was not going to approve any subsidy for a milling process dealing with softwood lumber, for example, because it would upset the free trade deal. This is a fact of life, so I do not want any government Member getting up in this House and trying to tell the Canadian people that this trade deal does not affect regional development.

Mr. McDermid: It does not.

Mr. Hopkins: That is a perfect case in point.

There is an old saying that none are so blind as those who will not see. There are none so dangerous as those who will not think. The Government has turned a blind eye to everything pointed out to it. Regional development is definitely affected by this deal.

The experience with the lumber mill that I just spoke about was not a lower level decision. The decision was sent down the line in the form of directives from senior bureaucrats in the Government. As a result, it becomes government policy. The Government cut off regional development incentives long before June 30 in my area of the country, yet Members opposite turn around and say that the trade deal is not affecting regional development.

I also want to talk this morning about small business set-asides. These are contracts coming out of the Pentagon in Washington on which Canadians are sometimes allowed to bid. However, the Americans have had a policy for some time now where they lift a large number of those contracts out of circulation as far as Canada is concerned and set them aside strictly for bidding by American contractors. We had greater free trade on defence contracts with the U.S. in the 1950s and early 1960s than we have today under this deal. On July 5, the Minister for International Trade (Mr. Crosbie) made this statement in the House in answer to a question. He said that the free trade deal was negotiated. That is a terrific statement. He also said:

> We know that there is a U.S. small business set-aside program. It was agreed to have a mutual opening of government procurement which extends the multilateral provisions already signed under the GATT, and estimating the size of the U.S. government procurement market which will be opened to competition from Canadian businesses, including small businesses, the portion excluded under the U.S. set-aside program has been netted out. The estimate is that Canadian businesses will be free under the agreement to compete for a portion of the U.S. government spending, estimated at $3 billion Canadian. That was not possible before, Mr. Speaker.

I took this matter up with Department of Supply and Services senior officials who are in on the trade deal firsthand. They informed me that not a single thing has changed with respect to the small business set-aside program with the U.S. and Canada as a result of this agreement. That means that Canada did not get free access to the American market as the Government is trying to tell Canadians. That simply backs up what our critic, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy), and our Leader are saying, that Canada did not get free access to American markets. That is absolutely true when it comes to small business set-aside programs.

Every time someone brings out the facts on this and starts talking about it, government back-benchers and the Cabinet get up and say that we are backward looking, that we are not progressive thinkers, and so on. You are not backward thinking if you are trying to protect Canadians from a bad deal that the Government is projecting as a positive thing, when in fact the very openness of the market that they are projecting is in fact not there. We do not want to sell out Canada. They should not project all these things when they are not true.

We know there has always been a building up of infrastructure and transportation facilities in this country on an east-west basis. Always there has been, long before Confederation, a north-south axis as a result of our relationship with the U.S. However, we have always been able to resist that. Now, in one fell swoop in this trade deal, the Government has taken away all the positive things that Canadians have done over more than a century to build a nation on an east-west basis. In one fell swoop it has given in to the north-south axis, and it is now going to be fully influenced by the large economy and culture to the south.

• (1210)

Government Members are talking about people running scared. They are running scared because they say that if we do not get this deal, something terrible will happen to us. They are saying that we will be rejected, but we are saying that Canadians have fantastic relations throughout the world and we should not be putting all our eggs in one basket. All over the world Canada is well known and highly respected. If the effort that had gone into this one basket of eggs had gone into total global trade, we would be in a much better position today and for years to come.

Why did the Government allow Americans to bid freely on Canadian contracts in the small business set-aside program, for example, without gaining free access to the American market for Canadians? Government Members are going around saying that they have that access.

Returning to the issue of the north-south pull, factors in the southern states such as lower labour costs, fewer unions, and lower employee benefits have contributed to an exodus of manufacturers from the northern states. The same pull is occurring in the United States itself. Between 1973 and 1980, employment in the manufacturing sectors of Michigan, New

York, and Ohio decreased by 17 per cent, 10 per cent, and 11 per cent respectively. At the same time, manufacturing employment in Texas and California increased by 31 per cent and 21 per cent respectively. This same north-south trend would apply to the Canadian manufacturing sector in the aftermath of the trade deal.

The pull will take Canadian industries south into the United States now that the Government has caved in and given the U.S. the markets of Canada. Our industry will be pulled south, just as the industries of the northern United States are pulled south because of cheaper labour and operating costs in the southern United States. The Government has given up trying to build Canada on an east-west basis, the basis that pioneers for a century and a half have worked to build up to form a Canadian identity and a Canadian national spirit. This Government is destroying that in one fell swoop with this trade deal.

Mr. Bill Gottselig (Moose Jaw): Mr. Speaker, I want to make some general comments, particularly to follow up on some of the misinformation that was put forward by the Hon. Member who just spoke.

The natural flow of trade, and I speak as a western Canadian here, is north-south. There is absolutely no question about that. We have seen that over and over again with the fact that 80 per cent of our trade today is with the United States. The Party represented by the Hon. Member who just spoke is the Party that has been in power for most of the last 100 years that he spoke of. Some of that north-south development came as a result of the Liberals being in government. Are they now saying that it is bad?

Normally and naturally we would trade with the Americans. A large percentage of the population of Canada lives close to the American border, particularly in southern Ontario. The Hon. Member spoke as a Member from Ontario and put forward an argument that the provincial Government of Ontario has been putting forward with some vigour, although it is certainly losing its vigour as we get further into this debate. They argue that if it is good for Ontario, it is good for Canada. That simply is not so.

I have a constituent who manufactures fibreglass truck tops south of Moose Jaw. He sells these truck tops all over western Canada and into the United States. Over 40 per cent of his production is now marketed in the United States. He has absolutely no difficulty selling his product. He makes a very, very good product which is readily accepted in the States. The projection is that with the removal of tariffs, he will get an ever-increasing share of the American market, and he is looking forward to that.

My constituent has told me that Toronto is about the same distance away from him as Los Angeles where there is a much larger market which is much easier to get into. Why would we not trade that way? This is what will result from the Canada-U.S. trade agreement. The cry of the people who are against this agreement that we are losing our sovereignty is codswallop, to quote the Member from Newfoundland. We will see an ever-increasing amount of trade with the Americans, and that is as it should be. We will gain more secure access, and some of these hazards to trade that exist will be removed.

Hon. Members should speak to the red meat producers of western Canada. Saskatchewan pork producers will tell Hon. Members the same thing. There is an ever-increasing market in California—

Mr. Axworthy: Tell us about the Saskatchewan pools. What will they say?

Mr. Gottselig: Listen to the Hon. Member who is just leaving the Chamber talk about Saskatchewan pools.

Mr. Langdon: Answer his question.

Mr. Gottselig: The Canadian Federation of Agriculture does not take a position on this. It does not support it but neither does it go against the agreement.

Mr. Hovdebo: They just did.

Mr. Gottselig: No, they did not. That is the Hon. Member's interpretation. Another problem with this debate is that when people take a very narrow interpretation of it, it is like taking a quote from the Bible. Those people would like to try to rewrite the Bible as well, but that will not work either.

Saskatchewan pork producers have an ever-increasing market for a very, very good product. They will gain a more secure access to that American market through this agreement. The same is true of the beef producers. The Canadian Cattlemen's Association is very strongly supportive of this agreement. These are the people who are producing a commodity that they will sell in the American market.

I welcome the upcoming election for which the Parties that oppose this agreement are calling. I think the Liberal Party would be well advised to refer back to an article which appeared in the Winnipeg *Free Press* last week that took the Right Hon. Leader of the Opposition (Mr. Turner) to task for some of the statements he has made. The article referred to how the Leader of the Opposition plucked a section of the agreement out and put it together with other words. The article mentioned that the Liberal Party has been crying: "Let the people decide". The Leader of the Liberal Party should have a look at the closing words of that article which were: "Tell the people the truth".

The people will decide. The people of western Canada who I represent are strongly supportive of this trade agreement. They will return me in the next election as a result of their support for me and for the free trade agreement. I will be very happy to go on the election trail and to debate this agreement, and my people support this agreement and will continue to support it.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: We have just debated Motion Nos. 9, 10, 11, 12, 13, and 14. A vote on Motion No. 9 will apply to Motions Nos. 10, 11, 12, 13, and 14, so the question is on Motion No. 9.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114, the recorded division on the motion stands deferred.

We will now deal with Motion Nos. 17, 19, 21, 22, 23, and 25. They will be grouped for debate and will be voted on separately.

• (1220)

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 17

That Bill C-130 be amended by deleting Clause 8.

Motion No. 19

That Bill C-130 be amended by deleting Clause 9.

Motion No. 21

That Bill C-130 be amended in Clause 11 by adding immediately after line 29 at page 5 the following:

"(d) that appointments to such committees, panels, commissions or other bodies ensure representation from consumer groups, labour and business."

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 22

That Bill C-130 be amended in Clause 11 by adding immediately after line 35 at page 5 the following:

"(3) One such committee that the Governor in Council may establish, under this section, shall monitor and review matters arising out of the Act or the Agreement, including

(a) the adjustment impact on company workers and communities;

(b) the activities, economic viability and ability to compete within a given sector of all companies doing business in Canada and the United States of America; and

(c) agricultural pressures in Canada resulting from the agreement."

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 23

That Bill C-130 be amended by deleting Clause 11.

Motion No. 25

That Bill C-130 be amended by deleting Clause 12.

He said: Mr. Speaker, this grouping of amendments carries with it a number of important presentations which were brought forward during the course of the committee hearings. As much as those committee hearings were restricted, limited, and short-changed, we still managed to hear approximately 50 groups of the several hundred that wanted to be heard. Many of the groups brought forward items very crucial to the wine and grape industry in British Columbia and Ontario.

A number of organizations, consumer associations, and labour groups quite vividly pointed out that during the course of discussion about trade they had never been consulted, never been asked for their opinion, and never been given any opportunity to present their case.

I want to deal specifically with Motion No. 17 which moves to strike out Clause 8. Clause 8 is a very simple clause. It says that we should approve the agreement. I am here to argue that this legislation should not be approved and the agreement should not be ratified until there is an election.

There are some very fundamental and simple rules about democracy. We can get very complicated and bureaucratic, but basically 2,500 years ago people started putting forward the assertion that there was a certain popular will that had to hold Governments accountable and would express itself from time to time in the decisions of a community. The Greeks had a wonderful word for it, civitas, a sense of obligations and responsibilities of the people. At that time people participated directly in government. They were required to show up on a monthly basis at a forum and take over part of the responsibility for making government work.

As this democratic system evolved we came to a representative system. Citizens did not participate directly but elected others to do it for them. In our parliamentary system they elect a Government, and the Government is given a mandate for a certain number of years to exercise that popular will, always subject to the fundamental rules of democracy; the right to fair and open speech, the right of citizens to be heard, and respect for certain liberties.

Throughout each stage of consideration of this trade deal those principles have been compromised. At every step along the way there has been a deliberate design to frustrate the proper role of democratic institutions.

I cite as an example the cabinet document which was revealed about two years ago on communications strategy. It said very clearly that the role of the Government should not be to inform Canadians but to sell them on the trade deal. The document said "don't inform, sell". That document was actually discussed and agreed to by Cabinet. That set the tone.

Since that point in time there has been a very deliberate effort to cut off all avenues of information. The $30 million or $40 million being spent by the Government on brochures and advertising is not for information. It does not detail what is in the Act or what are its consequences or implications; it is a sales job pure and simple. It is propaganda.

The role of Parliament itself has been victimized by this agreement. In the haste to get approval from Parliament every single procedure of open and fair debate has been rejected. Closure has been brought in at every single stage.

Mr. McDermid: Three hundred and fifty days?

Mr. Axworthy: The problem is that the Parliamentary Secretary spends more time in this House haughtily harrumphing than giving any form of information. That is the attitude. They do not want to engage in a fair and honest debate.

They talk about misrepresentation. Well, misrepresentation started with a gentleman named Mr. Mulroney who became Leader of the Opposition and eventually Prime Minister, who said, in 1983, that he would never engage in a free trade agreement with the United States. Then, three or four months after the election, he introduced it. What greater lie could be told to the Canadian public?

In his platform in the election campaign he did not mention or even hint that his Government would bring in the most drastic, radical departure from the historical Canadian tradition that we have ever seen. He did not even talk about it, and now they talk about misrepresentation. Was the Prime Minister (Mr. Mulroney) walking around all that time with a secret that he would not tell anyone? I do not know, but under the democratic process it is an absolute requirement that we are accountable to the public who are, after all, what democracy is all about. Democracy does not only involve this institution and Members of Parliament. Democracy is all about the individual voter. How can the Government justify not telling them the truth in the election campaign and now pretending that it has a mandate?

The problem was not only the then Leader of the Opposition; it was his colleagues as well. The gentleman who is now Secretary of State for External Affairs (Mr. Clark) said that anyone who would sign a free trade agreement with the Americans was naive. The Minister of Finance (Mr. Wilson) said that one would be a fool to sign a free trade agreement.

We can quote the entire front bench with the exception of the present Minister for International Trade (Mr. Crosbie) whose family, since 1949, has wanted not only economic union but political union with the United States. I give the Minister for International Trade a small mark for consistency. At least he and his family have made their intentions well known. They want to be American citizens. They said so in 1949, and I do not think the Minister has ever changed his opinion. This Bill will give him the key to open that door.

There is only one way of cleansing this incredible smirch and that is to let the Canadian public have another go at the Prime Minister. He must try to explain to the Canadian public why he thinks this is a good deal and let the opposition Parties explain why we believe it is not. The 18 million or 19 million Canadian voters must be allowed to decide who is right, not a Tory majority which has run out of mandate.

Do you realize, Mr. Speaker, that since World War II only three Governments have gone beyond the four-year term? This Government is already an aberration; it has already gone beyond the normal time of office for a Government.

Mr. McDermid: There he goes misleading again. The election was September 4, 1984. The Liberals are misleading again.

• (1230)

Mr. Axworthy: We have the chimpanzees rattling their cages again. There they go climbing on the swings and throwing bananas from their cages.

There is a simple solution. It is interesting that every time we start talking about calling an election Tory Members of Parliament get agitated. It is because they are scared. They are terrified at the prospect of an election. They know that the moment Canadians have in front of them that kind of information about this trade deal, the Tories will go down to defeat. They will not have the kind of support they had in 1984. That is why Allan Gregg is doing polls two or three times a week and rushing to Sussex Drive to say "Not now, Mr. Prime Minister, people still think you are untrustworthy. You still have not been able to convince people that you tell the truth".

The fundamental issue here is that when we talk about telling the truth, the people of Canada do not trust the Prime Minister to tell the truth. Furthermore, they do not trust him to negotiate a good trade deal. They understand full well that the Prime Minister has failed in all his negotiations. As a result, we are faced with the ultimate sell-out.

I suggest that the reason for supporting this motion is that the Bill should not be approved until the Canadian people have had a right to decide.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, it is with great pleasure that I moved Motion No. 22 in the list of motions we are debating. I want to make a case to the Conservative majority that this particular amendment is not only something that they should regard positively, but something which they should consider as a helpful and constructive addition to their Bill.

The amendment suggests that one committee that may be established by the Governor in Council, because it is a very useful committee, is one which would have the purpose from the Canadian perspective of monitoring what is happening under the trade deal. It could monitor many things, but three things that we see as especially crucial to monitor in order to assist Canadians to come to terms with this new trade context

would be, first, the adjustment impact which has taken place with respect to companies, with respect to workers, and with respect to communities.

Second, we think that monitoring carefully the activities, economic viability, and the ability to compete within given sectors of companies doing business in Canada and the United States would be a very important contribution to companies in our country being able to compete successfully with those in the United States.

Finally, because we heard a great deal of testimony with the message that there would be serious agricultural problems and pressures associated with this trade deal, we felt that too should be something that is monitored carefully by this committee.

I want to expand on a variety of these points. First, let me talk about the adjustment question. It is absolutely clear, wherever we have had a case of a free trade arrangement being established, that very careful attention must be paid to adjustment programs which are generated as a result of that trade situation.

There has been much talk over the years in which we have been debating this trade deal about the Auto Pact. It should be remembered that the Auto Pact, among other things, recommended an important, useful, and very generous adjustment program associated with it. The TAB program, Transitional Assistance Benefits Program, made it clear that any worker who lost a job because of disruption of trade associated with the Auto Pact would get assistance from this TAB program. In fact, that is what made the trade unions in this country enthusiastic in the end about the Auto Pact.

We recognize the Auto Pact as a sectoral agreement with guarantees that protect Canadian jobs, but the adjustment provisions which were associated with it were nevertheless very important.

The same is true of the Tokyo Round of trade liberalization. We had the labour adjustment benefits program, which was brought into effect to offer retirement benefits to workers in affected industries. Again, it is a very important contribution to making that trade liberalization work effectively.

It has been suggested, even by supporters of this trade deal, that the trade disruption in terms of employment that will take place will be considerable. If we take the Economic Council report, for instance, which supported this deal even with its most optimistic scenario, it came up with 188,000 workers whose jobs would be lost. That is what one requires some response to.

I think the response, at the very least, should be a monitoring of what is happening to these workers and therefore the potential to respond quickly if adjustment programs are hitting them, their communities, and the company they work for.

With respect to my own constituency, for instance, it is quite clear that one of the major producers in a medium-sized town in my constituency is almost certain to shut down as a consequence of this deal. That would be 550 jobs in a town of 8,000 people. It would devastate the town. Attention must be paid to the adjustment problems of such workers and communities.

Second, if we talk about the competitiveness issue, which I discuss in the second clause of this amendment, it is especially important. We have, for instance, a detailed survey from the Canadian Manufacturers Association. It indicates, first, that fewer than 12 per cent of the companies surveyed by the CMA had actually analysed the free trade agreement in detail. Therefore, the work has not been done by these companies with respect to competitiveness and what is going to face them as they move into a new trade situation. That same survey indicates that if the value of the Canadian dollar rose to 85 cents, 67 per cent of these companies would feel themselves at a competitive disadvantage with the United States. We can say that the dollar is not likely to do that, but in fact the dollar has risen by close to 6 cents in the last six months. For it to move another 4 cents and put 67 per cent of CMA companies into this uncompetitive situation *vis-à-vis* the United States is absolutely possible. Therefore, we need a committee to monitor this and be able to prepare responses if this kind of thing begins to happen.

• (1240)

Finally, I want to speak briefly about the agricultural pressures which were brought before us in the committee. There must also be close monitoring to be able to respond to these possibilities. The submission of the prairie pools, which represent a combined membership of over 130,000 farmers in Manitoba, Saskatchewan, and Alberta, states:

> The three Pool organizations are concerned about changes that may occur in the grain marketing system, and the impact which these changes may have on the competitive ability of western Canadian farmers.
>
> We are concerned about losing the Crow benefit on products moving to the U.S.A. through Pacific ports.
>
> We are concerned that the U.S.A administration may interpret Article 705(5) as giving the U.S.A. the right to restrict Canadian grain into their market while increasing exports to Canada.
>
> We are concerned about pressures, originating in the U.S.A., to require the Canadian Wheat Board to make public their actual selling price—

There is also concern expressed by the Saskatchewan Wheat Pool that energy commitments to the U.S.A. may on occasion create a shortage of domestic agriculture needs. There is also concern expressed by the Saskatchewan Wheat Pool that because of changed investment regulations, Canada may pass control of many institutions important to Canadian agriculture to companies outside of Canada that have no understanding of our industry or recognize its unique requirements.

We see that in all three of these areas there are potential crucial problems which face this country.

I urge Conservatives, in this case, to look honestly at the amendment and recognize that it is a constructive attempt to improve what would face this country if this trade deal in fact

goes through. We disagree with this trade deal. Nevertheless, this is a constructive amendment meant to improve our position as a country, if we face serious pressures in agriculture or serious adjustment pressures which are damaging to our communities and our workers, and if we face competitive disadvantages for our industries which the Canadian Manufacturers Association itself says could very well be there if the value of the Canadian dollar continues to rise. Therefore, I ask the Conservatives to tell the truth in this case and recognize that these problems exist, to accept this amendment and in that way improve the legislation which is in front of the House at this particular time.

Mr. Felix Holtmann (Selkirk—Interlake): Mr. Speaker, it is an honour at this time to enter into the debate on the amendments put forward by the Liberal Party. I note with interest that the Hon. Member for Essex—Windsor (Mr. Langdon) had some quite unique things to say with respect to the legislation and what may affect it either positively or negatively. I found very interesting his comments about the possible potential problem. That is pretty vague. There is always a possibility of problems with Canada's trade throughout the world, but he warns us of a possible potential problem. What is new? Even if we did not have a free trade agreement, problems would arise from time to time. He should certainly know that. That is what our trade negotiators have to be concerned with. That is natural.

I found his idea of economics interesting. He mentioned the change in our exchange rate with the United States. Before we had a trade agreement with the United States I recall at one time that we had a higher rate. The Canadian dollar was worth more than the American dollar, and no one jumped in to lower it so that we could have some kind of advantage. I believe the New Democratic Party at one time advocated dropping the dollar to a lower level to give us an advantage in our trade. That kind of economics never works. That would mean that the people of Mexico should be flourishing in business activity today because there are over 300 pesos to the dollar. What kind of nonsense economics is that?

What else can one expect but that type of expertise from a person who stands here and advocates that kind of concern? Our dollar relationship with the United States has always had some bearing on our trade, but I might add that as our dollar has been strengthening against the U.S., our trade has been strengthening. As a matter of fact, we had the highest trade surplus in the last month that has been recorded for many, many years. I ask Hon. Members to think about what they are saying and not to make statements that have no bearing at all.

• (1250)

I would return to some quotations with respect to the Hon. Member from Fort Garry who said that Clause 7 should be deleted. A great many of his colleagues and supporters from across Canada say exactly the opposite. I would like to point those out.

The Premier of Quebec made the following statement, as reported in *The Toronto Star* on January 28, 1987:

> Bourassa took the unusual step of switching to English to hit out at Broadbent for claiming that 'Canada is for sale' under the terms of the proposed free trade deal.
>
> "Mr. Broadbent should know that we are not talking about the sovereignty of Canada," he said.
>
> "We are not even talking about a custom's union. We are not talking about a monetary union. We are not talking about a common market. We are talking about enlarging trade between Canada and the U.S.
>
> "How could you seriously say that Canadian sovereignty is at stake when we want to protect Canadian markets in the U.S.?"

That is the Premier of Quebec lecturing in a very wise way the Leader of the New Democratic Party who needs some lecturing from time to time. As reported in *The Toronto Star* on November 27, 1987, the Premier of Quebec had this to say:

> What's at stake are dozens and dozens of billions of dollars of potential growth for Canada's resource-based economy. Canada is the only one of 24 developed countries which is not part of some sort of free trade area. Why this isolation?

The New Democratic Party would advocate isolation. The Premier made the following statement in the Assemblée Nationale on March 8, 1988:

> Quebec is supporting this free trade agreement because it wants to make its economy more modern, more efficient and more productive.

What is wrong with the premier of a province wanting to do that? He went on to state:

> This agreement will enable Quebec to be more confident about its economic future.
>
> Mr. Speaker, there is no doubt that the free trade agreement will be good for Quebec's energy sector.

Why would anyone in this House, especially members of the two opposition Parties, want to hinder Quebec from reaching its potential and enhancing its economic growth? Therefore the Liberal Leader of this House is in complete disagreement with the Leader of the Liberal Party in the Province of Quebec. In *Le Devoir*, as reported on August 17, 1987, there appeared this:

> The Premier of Quebec reiterated his total support for free trade between Canada and the United States. "If we perpetuate protectionism, we will, in the medium term, be dooming ourselves to an irreversible economic decline," he said.
>
> The Quebec Premier wants a minimal agreement dealing with investment, tariff barriers, transitional measures and the creation of an arbitration panel. Other issues, such as trade in services, could be dealt with later.

The Premier of Quebec had this to say, as reported in *La Presse* on December 15, 1987:

> Finally, Quebec is satisfied with a supplementary appeal procedure to the bi-national panel that will rule on trade disputes.

Mr. Langdon: Are you switching to a Quebec riding?

Mr. Holtmann: Do you have something against Quebec? Stand up in the House and say it.

Let us go to other parts of this country—let us take all of Canada. Let us consider a fellow by the name of John Ciaccia,

Quebec's Energy Minister. I probably did not pronounce his name right, and I apologize if I did not.

In *The Financial Post* of November 23, 1987 he is reported to have said:

> Some Quebec Liberals have begun talking openly about sitting out the next election. Even Bourassa's energy minister, John Ciaccia, has been quoted as saying, "I will have problems supporting a guy who takes such positions," referring primarily to Turner's free trade stand.

Is that not interesting? Let us now move on to Ontario. We will cut across the nation.

Ray Curran, President of the Sarnia—Lambton Riding Association—and I am referring to Liberals, by the way, and I will go on to some New Democrats later—had this to say, as reported in *The Gazette* of Montreal:

> Liberal Leader John Turner's position on free trade is totally irresponsible. You can't make agreements between two sovereign governments and then just rip them up.

Let us move along to what Allison DeLong said in the New Brunswick Legislative Assembly:

> Mr. Speaker, our Premier and this government have gone on record as endorsing the impending free trade agreement. I believe this is the most significant event for our people since Confederation.

We now have New Brunswick, pretty well 100 per cent, on side; except for a few New Democrats if they could ever be found. They are all saying this openly.

Mr. Langdon: Why don't you run in Selkirk?

Mr. Holtmann: Why does the former premier not run in my riding instead of me running to his? He is quite scared.

I know members of the New Democratic Party have no respect or regard for a Liberal, but in *Maclean's* on March 28, 1988 Milton Harris, a former chairman of the Liberal National Executive Finance Committee, said:

> I am going to vote for the Conservatives, and if they ask me, I will give them money.

He is putting his money where his mouth is, I will tell you, Mr. Speaker.

What about Don Johnston—I realize I should refer to the Hon. Member for St. Henri—Westmount since he is still a Member of this House. In a speech in Vancouver, B.C., on November 22, he said:

> If we are unsuccessful and American protectionism grows, I believe the costs of adjustment will be much greater than would be the case if we negotiated a trade agreement. Job losses may not only be larger, they may indeed be more concentrated regionally, leaving little scoop for job creation—

Mr. Langdon: Scope!

Mr. Holtmann: That is right, there is a misspelling here. The point is that those who argue the free trade agreement will cost jobs must also look at the other side of the coin. What will U.S. protectionism cost? I suspect the Member from Essex—Windsor is probably not worrying about what protection might do in his area, taking into consideration where he lives.

Mr. Johnston said some other interesting things as recently as January 20, 1988, as reported in *The Ottawa Citizen*:

> Our position on free trade is indistinguishable from that of the NDP . . . why would anyone vote Liberal?

Mr. Langdon: Good question.

Mr. Holtmann: That is an unbelievable statement when they are both sitting on the same side of the fence. The Hon. Member for Saint-Henri—Westmount in another statement, as reported in *The Ottawa Citizen*, said the following:

> Free trade is absolutely vital to Canada's economic health.

I could go on and on. In *The Globe and Mail* of November 3, 1986, the following was reported:

> In a letter to Lloyd Axworthy, Liberal International Trade Critic, and James de Wilde, a University of Western Ontario Political Scientist, Don Johnston tears to shreds their jointly-written "framework for Liberal trade policy", the third draft of a proposed trade policy.
>
> The paper calls for a framework for the resolution of disputes between the two countries, for some provision to compensate sectors hurt in the process and for some form of protection for new growth sectors.

Mr. Johnston was quite disturbed. It is no wonder that he had to take the big move across the floor of the House.

The debate on this issue has gone on for hundreds of days now, often in committee.

Some Hon. Members: Oh, oh!

Mr. Holtmann: Members opposite sit and laugh about the debate that we have had in this House and across Canada. I think it has added up to about some 190 days.

I see that the Speaker is indicating that my time has run short. I advise some members of the Liberal Party to sit and look at what all their Liberal supporters and some of their former supporters, such as Mr. Lalande who is not with us any more, have to say about the agreement. I do not think that they would like to see it ripped up.

Mr. Deputy Speaker: It being 1 p.m., I do now leave the chair until 2 p.m.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

PENSIONS

LOWERING OF ELIGIBILITY AGE URGED

Mr. Sergio Marchi (York West): Mr. Speaker, I believe that our pension age should be lowered from 65 to 60 years of age with full benefits. Not only would this represent progressive reform, but it would also recognize the need to provide dignity and comfort to a large segment of Canadian society who are forced to work until 65, despite having to cope with serious physical disabilities and pain.

How many men and women, particularly in the construction trades, and professions requiring extreme physical activity, continue to work despite backs, legs, and arms which have given way to years of hard, physical labour, yet they persist without alternatives because their families must keep up with the expensive cost of life.

While a parliamentary committee has just urged that mandatory retirement should be abolished, I urge that a pension option at 60, in full, be the right of all Canadians. Let us offer a sense of well-earned dignity to those Canadians whose bodies have been badly bruised by their jobs.

It was a Liberal Government in 1966 which lowered the pension age from 70 to 65. After more than 20 years it is now time to lower the age threshold to 60.

* * *

COMMUNICATIONS

CANADIAN TECHNOLOGICAL ADVANCE

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, MSAT, Canada's proposed new "Mobile Communication Satellite" will revolutionize voice and data communication across this vast and sparsely populated country. People, anywhere in Canada with a small terminal the size of today's cellular telephone, will be able to tie themselves into the world communications system.

The advantages to transport companies, construction, forestry, and exploration projects in remote areas, and government agencies, are tremendous, not to mention the commercial opportunities in manufacturing the new equipment.

The Department of Communications and its private sector partners are to be urged to work toward an early launch date and rapid completion of this revolutionary project.

UNEMPLOYMENT INSURANCE

RULING FAVOURING SPOUSES

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, yesterday the Federal Court of Appeal upheld a human rights ruling that a law denying unemployment insurance to wives or husbands employed by their mates is invalid. New Democrats welcome this ruling as it was an amendment that we have supported for many years.

[*Translation*]

Canadian women, especially, will benefit by this decision, because their work has so often been done without remuneration, without recognition. The federal Government has discriminated against women by denying them the same social benefits because of their conjugal ties with their employer. We know that this concept arises from an age-old perception of the work done by women. According to this perception, it is normal for a woman who works for her husband to do so without pay, as part of her spousal duties.

I think all Canadians will welcome the Court's decision because it recognizes a fundamental right of all married persons.

We can only hope the Conservative Government will not appeal this ruling.

* * *

[*English*]

BROADCASTING

CALL FOR AMENDMENT

Mr. Alan Redway (York East): Mr. Speaker, condominium homeowners are understandably most upset and concerned by the provisions of the Broadcasting Bill C-136 which discriminates against them.

A single family detached dwelling with a satellite television receiver is exempt from regulation under the Bill. A large nursing home with a satellite television receiver is exempt from regulation under the Bill. However, a condominium with a satellite television receiver is regulated as if it were a profit-making cable company.

Bill C-136 must be amended to eliminate this discrimination by exempting condominiums as well.

* * *

NATIONAL DEFENCE

PARLIAMENTARY SECRETARY'S ANSWERS

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, the answers given to my questions two days ago by

the Parliamentary Secretary to the Minister of National Defence (Mr. Bradley) do not warrant his receiving extra pay for the job.

The Parliamentary Secretary does not know what is going on around him and he is ill-informed. The Parliamentary Secretary has learned the methods used by other Conservatives in the House of how to abuse and downgrade Question Period by not answering questions, instead using the time for propaganda purposes and making statements that have no relevance to the questions asked.

The Liberal Party has been on record since day one as being opposed to the nuclear submarine program because the $8 billion will rob other programs in the Department. The Parliamentary Secretary did not know that. Where has he been?

During the last election campaign the Prime Minister (Mr. Mulroney) said that he would increase the Canadian Armed Forces to 90,000 within three years. He is not even close after four years, and he has failed once again with his promises.

If it was not for the defence budget put together by the Liberal Party when it was in power, the present Tory Government would not be able to move, because the Government has not kept its own financial commitment to the Canadian Forces, and in its first year in office it failed even to meet the rate of inflation because of its lack of financial commitment. Why do we pay such people extra money to be a Parliamentary Secretary?

* * *

• (1405)

GOVERNMENT APPOINTMENTS

NEW LIEUTENANT-GOVERNOR OF BRITISH COLUMBIA

Mrs. Mary Collins (Capilano): Mr. Speaker, I wish to bring to the attention of the House and pay tribute to the recent appointment of the new Lieutenant-Governor of British Columbia, Dr. David See-Chai Lam.

Dr. Lam is a self-made man. He immigrated to Canada from Hong Kong in 1967, and came only with his skills, his tenacity, and his ideals. In 20 years he built up his company to a million dollar company, Canadian International Enterprises, right from the ground up, and founded the Hong Kong Merchant's Association which assists new immigrants from Hong Kong to adjust to the Canadian way of life. And more than this, Dr. Lam is a philanthropist. He is the founder and President of the Floribunda Philanthropic Society and the David and Dorothy Lam Foundation which has helped many organizations in our local community.

Dr. Lam is an example of an individual who has immigrated to Canada and has become a success, but he has not turned his back on those less fortunate, and has given much to his new home and community.

As the first Canadian of Chinese origin to achieve the position of a Lieutenant-Governor of a Canadian province we wish Dr. Lam well, and we commend the Prime Minister (Mr. Mulroney) and this Government on this most worthy appointment.

Some Hon. Members: Hear, hear!

* * *

BANKS AND BANKING

BANK OF MONTREAL—SEIZURE OF HUMBOLDT AND DISTRICT AGRICULTURAL SOCIETY'S FUNDS

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, Humboldt, Saskatchewan, has been treated to an example of corporate insensivity and bank greed and poor citizenship. The Humboldt and District Agricultural Society has been forced into near bankruptcy by the action of the Bank of Montreal.

The Agricultural Society had $15,000 on deposit with the bank, money taken in at the Agricultural Fair last month. The bank, without notice, seized all the funds and applied them to their loan. There was no courteous discussion and no notice. The Agricultural Society had many local bills to pay, but their ability has been pre-empted by the bank action.

This is a fine example of corporate citizenship. It is obvious that the bank has little faith in volunteer community organizations and very little concern for the community. The Humboldt Agricultural Society has been treated in a very cruel and unfair manner.

* * *

[*Translation*]

REGIONAL DEVELOPMENT

CITY OF LONGUEUIL—ACCOMPLISHMENTS OF FEDERAL GOVERNMENT

Mr. Nic Leblanc (Longueuil): Mr. Speaker, this week I had the pleasure of being received by the Council of the City of Longueuil, the only city in my riding. The council was delighted to hear that their federal Member had been working very hard to make Longueuil the federal government's administrative capital on Montreal's south shore. Since I was elected, most federal offices have located in Longueuil, to give the people of Longueuil and the whole south shore of Montreal easier access to federal services. The council was also delighted to hear that over $200 million has been invested in the private sector, in turn generating investment worth nearly $1 billion in Longueuil alone.

Mr. Speaker, I am very happy with what the federal Government has accomplished in Longueuil, and I am proud I was able to do my share.

* * *

[*English*]

TAX REFORM

NATIONAL SALES TAX

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, every Canadian from coast to coast should be warned that in 1989 the Prime Minister (Mr. Mulroney) is going to launch the biggest, most massive tax attack in Canadian history. Do not be fooled, this new national sales tax will not be a two-bit little tax. In Great Britain this tax is 15 per cent, in Denmark it is 22 per cent, in France it is 18 per cent, in Norway it is 20 per cent, in Ireland it is a whopping 25 per cent.

This Conservative tax is going to raise the price of everything that we buy. McDonald's meals will increase by 75 cents, video rentals will increase by 90 cents, movie tickets will increase by 98 cents, cassettes and records will increase by $1.35, baseball tickets will go up $1.80, football tickets will increase by $2.70, hockey tickets will increase by $2.95, a typical oil change will go up $3.75, children's school supplies will go up $6.50, children's running shoes will increase by $7.95, women's winter coats will increase by $19, a set of winter tires will be an additional $30, a Toronto home price will increase by a whopping $20,000.

The jig is up for the Prime Minister and the Government. Canadians will not stand for this tax attack any longer.

* * *

THE DISABLED AND THE HANDICAPPED

TREATMENT BY JOURNALISTS

Mr. Patrick Boyer (Etobicoke—Lakeshore): Mr. Speaker, the news media in Canada examined the role and workings of parliamentary committees. Is turnabout fair play? Today, the Standing Committee on Status of Disabled Persons tabled a report examining the relationship between Canada's working journalists and the needs and aspirations of the 3.3 million Canadians who have varying degrees of mental or physical disability.

It was because of the unevenness of the coverage, the stereotypical portrayal of the disabled, and the need for more attentive and sensitive treatment of the issues affecting this 13 per cent of our population, that this report was entitled "No News is Bad News". We feel the report is a challenge to all thoughtful journalists and news gathering and disseminating organizations in this country to turn some of that acute sense of critical analysis inward for a period of time and, if the shoe fits, wear it.

• (1410)

Until there is greater awareness there cannot be the political action which is required to see that all Canadians get a fair deal.

* * *

[*Translation*]

REGIONAL ECONOMIC DEVELOPMENT

REQUEST THAT QUÉBEC GET ITS FAIR SHARE

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, I was glad to see that after his meetings with the Prime Minister of Canada (Mr. Mulroney) and the Leader of the Official Opposition (Mr. Turner) and future Prime Minister of Canada, my friend Robert Bourassa admitted, for the first time, that Quebec had been poorly treated under a Conservative Government. On the basis of my figures for regional development, he admitted Quebec had only received $590 million, while Western Canada and the Atlantic Provinces received $2 billion.

Mr. Speaker, there are 10 major issues involving Quebec which demonstrate how unfairly it is being treated by this Tory Government. First of all, there is the space agency, the contracts that should be forthcoming, a genuine banking centre, all the industries relating to railway transportation and shipbuilding, and so forth. We know that with the frigates Quebec got a very raw deal from the Conservative Government. There is also the matter of the east end of Montreal, southwest Montreal and the job creation programs. Mr. Speaker, Quebec got nothing from the Tories and every time we got something, it was because there was a survival committee to defend the interests of Quebecers, and not thanks to Conservative Members.

* * *

HOUSING

REINTEGRATION OF ELDERLY IN SOCIETY

Mr. Guy Ricard (Laval): Mr. Speaker, I recently learned that the suggestion I made to the Minister of Public Works (Mr. McInnes) and the Minister of Veterans Affairs and Minister of State for Seniors (Mr. Hees) was accepted and put on the agenda for the Canadian seniors' housing options conference to be held in Halifax from October 17 to 20. The purpose of this proposal is to return seniors to society by making it possible for them to play an important role in our development.

S. O. 21

Mr. Speaker, I asked that this conference deal with home-sharing as a serious and effective way to live near one's relatives. This would help young people to know their elders better and help seniors to know young people better. My request was accepted and I would like to thank the Ministers involved for taking my concern seriously. Also, I would like to say that if solutions are found for the seniors' housing problem, again, it will be under a Progressive Conservative Government.

* * *

[*English*]

AIRPORTS

PEARSON INTERNATIONAL AIRPORT—DISPOSAL OF GARBAGE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I thought I had heard everything out of the mouths of Tories, but, lo and behold, yesterday the Hon. Member for Etobicoke North (Mr. Pennock) accused the City of Hamilton of creating a potential health hazard at Pearson International Airport because we do not take Toronto's garbage. I cannot believe Hamilton is accused of being self-serving when the responsibility for Pearson International Airport's garbage should fall flat on the face of the federal Government which for years and years has refused to acknowledge the fact that Hamilton Airport needs business, that Hamilton Airport needs airlines. Hamilton Airport is not good enough to fly planes to, but we are good enough to dump your garbage on.

I challenge the Hamilton West Conservative, the Hamilton—Wentworth Conservative, and the Lincoln Conservative to repudiate the comments of the Hon. Member for Etobicoke North who suggested Hamilton is not good enough to fly to but we are good enough to take their garbage. I suggest the Hon. Member retract these ridiculous and repugnant statements against the people of the city of Hamilton.

* * *

UNEMPLOYMENT INSURANCE

SITUATION OF WOMEN WITH TERMINALLY ILL CHILDREN

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, recently in my riding in Manitoba it came to my attention and the attention of others that there is a special class of people who are put in a very difficult position by the current unemployment insurance rules. I am talking about women who have terminally ill children and have to quit their jobs in order to be with their children at the hospital on a day-to-day basis. These people are put in the position, for obvious reasons, of having to quit their jobs and then are sometimes found to be ineligible for unemployment insurance. I do not think I need to say much more in order for everyone to imagine how difficult this whole situation is for these people.

• (1415)

I am calling on the Government to address this problem so that women who find themselves in this dilemma will be able either to collect unemployment insurance or maintain their incomes in another way. Perhaps the Government may choose to address this through parental leave, or whatever the case may be.

The fact is that women who find themselves in this very difficult position should not be penalized in the way they are now being penalized by unemployment insurance regulations.

* * *

AIRPORTS

PEARSON INTERNATIONAL AIRPORT—DISPOSAL OF GARBAGE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Member for Hamilton East (Ms. Copps) a few moments ago accused the Hon. Member for Etobicoke North (Mr. Pennock) of doing something in relation to Hamilton and the Hamilton municipal government. The words from yesterday's *Hansard* are: "irresponsible municipal government action has created a potential health hazard". The Hon. Member did not accuse the municipal government of Hamilton of doing anything.

We have been subjected in this Chamber to another example from the Hon. Member for Hamilton East of inventing data and dumping on Members of this Chamber for saying things they did not say. The record says what the Hon. Member said, and that Hon. Member should learn to read before she stands up in this Chamber and dumps on members of this Party. Learn to read, get your facts straight, smarten up!

* * *

CHILDREN

GARBAGE PAIL KIDS CARDS—CALL FOR ACTION TO HALT IMPORTATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I call upon the federal Government to put an immediate stop to the importation into Canada of a product known as Garbage Pail Kids. Constituents of mine have seen their children purchasing products which look like bubble gum cards but which, unfortunately, are obscene in every way, shape and form.

This product is printed by Topps Chewing Gum Incorporated of the United States. As an example of some of the material this includes, the product referred to as Garbage Pail Kids contains such things as depictions of small children and dolls being mutilated and decapitated. One particular card has

a so-called joke which reads: "What did Charged Marge's dad say when he saw her plug her umbilical cord into the wall?"

This kind of product should not be allowed to come into Canada and should not be sold to our children. I call upon the Government to use the obscenity provisions in the Criminal Code to stop this kind of activity.

ORAL QUESTION PERIOD

[*Translation*]

GOVERNMENT CONTRACTS

PATRONAGE ALLEGATIONS—GOVERNMENT POSITION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, in the absence of the Prime Minister, my question is for the Deputy Prime Minister.

I have in my hand here an article by Gilbert Lavoie in *La Presse*, according to which the former Minister of the Environment and Member for Rosemont says, and I quote:

"I personally know that patronage goes on and has continued to grow, that there is a pay-off system for contracts."

Mr. Speaker, this is no laughing matter. I ask the Deputy Prime Minister what the Government intends to do as a result of these revelations in this morning's *La Presse*?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am not aware of the details to which the Hon. Member has referred, but if they are anything like what we have been subjected to over the last little while in the House, they are half-truths, falsehoods, distortions of the facts, innuendo, smear, and allegations based on unsubstantiated rumours. If the Hon. Member has a specific allegation, why does he not come forth with it? I would be very glad to look into it.

ALLEGATIONS ATTRIBUTED TO FORMER MINISTER

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my supplementary question is directed to the Deputy Prime Minister. The Deputy Prime Minister will know of these revelations made by a colleague of his in the Conservative Caucus, a former Minister who sat for three years at the same cabinet table as he did.

Can the Deputy Prime Minister tell this House when exactly it was that he and the Prime Minister found out about the allegations made public by one of his own colleagues today? Those allegations are that there is a system of kickbacks in existence. Those allegations were made by a Conservative Member of Parliament and former Cabinet colleague of the Deputy Prime Minister. When did he first find out, and what is he going to do about it?

• (1420)

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I answered that in response to the Member's first question. I am not aware of that which the Hon. Member has raised. It is probably based on unsubstantiated rumour and innuendo. If he has something specific to bring forth, let him bring it on and we will look at it.

MINISTER'S POSITION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the Deputy Prime Minister may call me what he likes, but one of his colleagues in the Conservative caucus has made an allegation to the media.

Very specifically, when did he first learn of these allegations? Even I refuse to believe that it was two minutes ago. Can he specifically tell the House whether he is willing to refer this matter to a parliamentary committee? There have been a number of such allegations made by very credible sources, this time by one of his colleagues. Isn't that enough?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, if the Hon. Member has specific allegations, why does he not outline them to the House or bring them to me and we will take them into consideration?

The Member is using a broad brush to suggest wrongdoing. If he has some clear examples of wrongdoing, let him bring them forth and we will certainly look at them.

KICKBACK ALLEGATIONS—INVESTIGATION QUERY

Hon. Bob Kaplan (York Centre): Mr. Speaker, half an hour ago Deputy Commissioner Jensen confirmed to me by telephone that indeed the RCMP has asked the FBI for assistance, through the American Embassy here in Ottawa, in investigations relating to kickback allegations.

My question is directed to the Deputy Prime Minister. Is the Government aware of this? Do the allegations and this investigation, which is ongoing, involve any Ministers presently sitting in the Government or Members of the Conservative caucus? If so, what steps will the Prime Minister or the Deputy Prime Minister take to ensure the integrity of the Government during this investigation?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, if Hon. Members have some specific allegations to bring forth, they can certainly do that and they will be considered. The Member is making broad and sweeping unfounded allegations, using newspaper and radio reports. I regret that I cannot respond with specific answers to the broad charges the Hon. Member is making.

The Member has been around here for a long time and has served on both sides of the House. If he has specific allegations

he knows what he can do, and he knows what the consequences are.

STATEMENT MADE BY DEPUTY COMMISSIONER OF RCMP

Hon. Bob Kaplan (York Centre): Mr. Speaker, I am not talking about a radio broadcast, I am talking about a statement made to me by the senior official responsible today for the operations of the RCMP, Deputy Commissioner Jensen. I phoned him and asked him to confirm it, and he did.

Will the Deputy Prime Minister, following Question Period, check this very specific statement made by the Deputy Commissioner and then inform the media and the House of Commons what steps will be taken to protect the integrity of the Government during the investigation which the Deputy Commissioner will confirm to him is under way?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, of course I will take that recommendation and make inquiries as soon as I possibly can. I will report back to the House in the usual way. I think the Hon. Member recognizes that on previous occasions I have taken notice of questions and reported back, and I will do so in this particular case.

* * *

BANK OF CANADA

REQUEST THAT GOVERNMENT ISSUE INSTRUCTIONS ON INTEREST RATES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Deputy Prime Minister in the absence of the Minister of Finance. I am sure the Deputy Prime Minister will have noted that, without exception, the Premiers representing all regions of Canada—Atlantic Canada, western Canada, and central Canada—who addressed the issue on their way into the meetings that are taking place today in Saskatoon, expressed their concern that interest rates in Canada be kept down.

Within the past hour the Bank of Canada announced a further increase in the bank rate. When will the Government of Canada start accepting its responsibility to the regions in this important matter and instruct the Governor of the Bank of Canada to keep interest rates down?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I know that the Hon. Leader of the New Democratic Party will recognize that inflation is not only a serious national problem but a serious regional problem which must be dealt with.

• (1425)

He will recall that, as a result of the high inflation and high interest rate policy of the former Government, this country suffered not only nationally but in the respective regions. For example, in 1981 the bank rate was at 21.4 per cent.

Mr. Riis: We are different from the Liberals.

Mr. Mazankowski: Just cool your powder there, Mr. House Leader. I will come to you. In September, 1984, it was 12.3 per cent. Today the bank rate is at 9.8 per cent.

At the same time we had inflation rates which were very serious. It affected the incomes of individuals, it affected the business community.

What is important is to ensure that the fight against inflation continues. It is in that regard that the Bank of Canada has established the policy to maintain in a balanced way the lowest possible interest rates while at the same time containing inflation.

[*Translation*]

GOVERNMENT POLICY ON INTEREST RATES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I would like to inform the Deputy Prime Minister that inflation is not a problem, except in the Toronto area. In Canada's other regions, in the Maritimes, the West and Quebec, the problem is not inflation but unemployment.

That is why I wish the Deputy Prime Minister would explain to the House why the Government has an interest rate policy aimed at discouraging investment in most of Canada's regions.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Leader of the New Democratic Party, who says that he speaks for ordinary Canadians, would recognize that the people who would be hit the hardest by a resurgence of inflation would be those on fixed incomes, senior citizens, those at the lower end of the income scale, or the ordinary Canadians whom he says he represents. If he is suggesting that we should ignore the war against inflation, then he should say so clearly and categorically.

What we and the Bank of Canada are trying to do is establish a balance to ensure that the interest rate levels remain at a tolerable level while at the same time containing the flames of inflation.

REQUEST FOR GOVERNMENT ACTION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I am sure the Premier of the Province from where the Deputy Prime Minister comes will be amazed to hear his expression about the flames of inflation in Alberta, or Atlantic Canada or most regions, other than is the case that it is a problem in Metropolitan Toronto where the economy is working flat out.

The rate of inflation even in Toronto has not reached a serious proportion but unemployment remains unacceptably high in most regions. If there is a genuine concern about balanced economic growth over-all, why does the Government

not keep interest rates down so it would benefit most regions of Canada?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Leader of the New Democratic Party does not have to pretend to speak for the Premier of the Province of Alberta. He can do so himself. I can tell the Member that what the Premier of Alberta does not want is a recurrence of inflation at 13 per cent, 14 per cent and 15 per cent. He does not want a recurrence of interest rates of 21 per cent to 25 per cent which almost broke the Alberta economy.

What we and the Bank of Canada are doing is striking a reasonable balance so that we can contain inflation and maintain a low level of interest rates.

* * *

LABOUR CONDITIONS

UNEMPLOYED OLDER WORKERS

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, my question is directed to the Acting Prime Minister. Yesterday the Standing Committee on Human Rights tabled a unanimous report urging resolute action to help unemployed older workers, that is, workers from 45 to 65, pointing out that while unemployment had declined for the general population since the recession of 1982, it has increased in a serious way for older workers. Further, the average duration of unemployment for older male workers is 36 per cent greater than for all unemployed male workers.

• (1430)

First the Government cut unemployment insurance benefits for older workers, then in its budget of February, 1986, it cancelled the existing Labour Adjustment Benefits Program and promised a program for older worker adjustment. After two and one-half years that has not see the light of day. Another broken promise by this Tory Government.

Some Hon. Members: Question!

Mr. Allmand: When is the Government going to start listening to these many unanimous reports and take action to help laid-off older workers in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, may I take this opportunity to remind the House and the Hon. Member that some 1.3 million new jobs have been created as a result of the economic policy of this Government since we came to office.

What is most important is the percentage of those people who have been unemployed for more than one year fell by 38 per cent, and that there were 194,000 new jobs in the economy in the first half of 1988. That is a tremendous achievement, something that has never been achieved in the last 25 years. The Hon. Member should be applauding the Government rather then criticizing it.

REQUEST THAT GOVERNMENT ACT ON REPORT'S FINDINGS

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, the Deputy Prime Minister is totally ignoring several unanimous reports which talk about the older workers in this country, not the general population. Not only do we have the report tabled yesterday but we have two reports by the Employment and Immigration Advisory Council, one in 1985 called "Older Workers, An Imminent Crisis in the Labour Market" and a follow up by the same committee in June, 1988. The report yesterday said it is clear that older workers have been hardest hit by long-term unemployment and the consequences for them are exceedingly harsh. Many of them are aware that at this stage—

Some Hon. Members: Question!

Some Hon. Members: Order!

Mr. Speaker: The Hon. Member knows that the report is available to all Hon. Members and does not need to be quoted in extensive detail. The Hon. Member will put his question.

Mr. Allmand: Two and one-half years ago the Government promised a program for older worker adjustment—

Some Hon. Members: Question!

Mr. Allmand: When is the Government going to take action on this report? Here we have another broken promise by this Government and nothing being done.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I think what this Government has done is bring in a strategy which deals very well with older workers. I said in this House before that the Canadian Jobs Strategy was a new concept. It took a little while to have an impact. It is now having a major impact. The Canadian Jobs Strategy does respond to the needs of the long-term unemployed, and in some sense is dealing particularly with problems of older workers. We have a program specifically for that in terms of the skills training program.

We have seen 129,000 new jobs being filled by older workers in the last 12 months. That is a major improvement. We have seen the decline that was published yesterday by Statistics Canada. What this is saying is that these job programs are starting to bite where they really count, that is, among long-term unemployed workers, many of whom are older. It is the first time we have had a job training program that deals specifically for them.

UNEMPLOYED OLDER WORKERS IN HAMILTON

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. This week marks Hamilton's second Older

Workers' Week, a week of community awareness events to draw attention to the plight of the older workers. Older workers are facing a crisis situation in Canada. There are an estimated 15,000 people in Hamilton alone, older workers, who cannot find employment. I think the Minister has a responsibility to tell this House what the Government is willing to do to implement a program that will respond to these older workers.

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration)): Mr. Speaker, as the Hon. Member just said, the Canadian Jobs Strategy we have implemented is based on a new philosophy and is adapted to all groups in Canada, from older workers down to students. We have also implemented the Canadian Jobs Strategy for women. The unemployment rate among older workers is 5.6 per cent, which is well below the national average. I think we can say that older workers are working, and that within our programs we have components that are appropriate for all groups in this country.

[*English*]

ADVISORY COUNCIL'S RECOMMENDATION

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, what I am hearing is that the Canadian Jobs Strategy is responding to older workers. We know by three reports now that older workers are in a crisis situation in Canada. Certainly there have been all sorts of reports that have come out. The Advisory Council of Employment and Immigration has asked the Government to put 100 per cent dollars in it. If it is not going to meet the promises it made to Canadian older workers two years ago, is it at least willing to see that that recommendation is implemented?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration)): Mr. Speaker, during the past two years, we have spent a major part of our budget on our job strategy. The results are there, and we are proud of what we have accomplished. Of course older workers are part of our new strategy and our new philosophy. We are working to achieve results in the long term, and we are convinced that the political measures we took were the right ones, and we are proud of this.

* * *

[*English*]

EMPLOYMENT EQUITY

PUBLICATION OF COMPLIANCE REPORTS

Mr. Alan Redway (York East): Mr. Speaker, my question is also directed to the Minister of State for Employment and Immigration. It involves the fact that two years ago the Government introduced, and this Parliament passed, the very first ever employment equity legislation in this country. It was aimed, of course, at providing equal opportunity in employment for women, visible minorities, the disabled, and native people.

The legislation provided that businesses regulated federally were required to file compliance reports by the first of June of this year. Will the Minister advise the House when the Government intends to make those compliance reports public, and whether the Government intends to introduce employment targets under this legislation the way it has for visible minorities, women, the disabled, and native people, in the Public Service?

[*Translation*]

L'Hon. Monique Vézina (Minister of State (Employment and Immigration)): Mr. Speaker, I want to thank the Hon. Member who is to be commended for his interest in our employment equity legislation, a social measure this Government introduced. It is a pleasure to be able to announce today that I have received 96 per cent of the first annual reports that companies were supposed to file. This is a remarkable response, and by the end of this fall, I will table my general report in the House.

I am also considering what kind of incentives we can use with respect to the small number of persons who have failed to comply with the legislation. We are analysing these files and will take appropriate steps to deal with the situation.

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GOVERNMENT CONTRACTS

PATRONAGE ALLEGATIONS—GOVERNMENT POSITION

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, my question is for the Deputy Prime Minister and concerns the statements by the Hon. Member for Rosemont. In answer to my colleague from York Centre as to whether an investigation would be conducted of members of the Conservative Party regarding the allegations of a system of contract pay-offs, the Deputy Prime Minister said that he would investigate, that he would check with the Deputy Commissioner of the RCMP and that he would report to the House of Commons.

My question is, further to the statements made by the Hon. Member for Rosemont, a former Cabinet Minister, would the Deputy Prime Minister be prepared to do that, to contact the Hon. Member for Rosemont, to find out about the accusations she made . . . statements she made to the press and report to the House of Commons at the same time as he reports to the Deputy Commissioner?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, that is a perfectly legitimate question. My understanding is there was one short sentence in a very long story that was in the press. Of

course, I will make inquiries. She may have said it, she may not have said it. It may have been a misquote. It would not be the first misquote that has occurred in this country, Mr. Speaker.

[*Translation*]

REQUEST FOR INVESTIGATION

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, I wish to ask the Deputy Prime Minister a supplementary question.

Should the Deputy Prime Minister not get an answer or should the Opposition not be satisfied with the answers the Deputy Prime Minister gives us, would the Deputy Prime Minister be prepared to allow the Hon. Member for Rosemont to testify before a Committee of the House of Commons so that an investigation can be held and this matter cleared up, because these accusations, following all the patronage of the last four years, affect the credibility of all Members of this House. It is therefore important, before an election campaign, that any suspicion be removed.

Would the Deputy Prime Minister be prepared to allow the Member for Rosemont to testify before a Committee of the House of Commons?

• (1440)

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think I made it quite clear to the House that I would look into this matter. The Hon. Member says if I get an answer they may not be satisfied. That may very well be true. They are very seldom satisfied about anything that we do.

It really strikes me very strangely that every time the Liberal Party seems to be slipping in not being able to get its act together, it resorts to getting back into the gutter. Just because members of that Party were the masters of patronage they think everyone else is the same way.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—
GOVERNMENT ADVERTISING CAMPAIGN

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is addressed to the Deputy Prime Minister. It concerns the Government's free trade ad campaign in this pre-election period. When this question came up previously in the House of Commons under the last Liberal Government one authority said: "The whole purpose of an advertising campaign is to obscure the issues and to put across one simple point of view". He went on to suggest that the Opposition viewpoint should also be presented in the ads.

Will the Deputy Prime Minister take this suggestion, treat this advertising fairly, and see to it that the Opposition is able to design and present half the advertising being put forward in this campaign?

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I thank the Hon. Member for his question because it gives me the opportunity to talk about the demands from the Opposition and the demands from the public for more factual information on the agreement.

Our advertising campaign does two things. First, it lists all the information that is available and provides the people an address to write to, or a phone number to call, to receive the factual information on the free trade agreement.

Second, the other series of advertisements is for people in Canada who are preparing for the realities of the 1990s and on into the 21st century, who are going to be on the leading edge of trade not only between Canada and the United States but throughout the world. That is what the advertising is all about. It is to provide more information for the public, exactly what my friend has been demanding for a long time.

TIMING OF CAMPAIGN

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, of course the authority whom I was quoting was the present Minister for International Trade who criticized the last Government so strongly for its advertising campaigns.

I would like now to ask how it can possibly be justified for this Government to be running ads which states "Free trade. We're getting ready now", when in fact this legislation has not even passed the House of Commons, has not passed Parliament, and, if the people of Canada have anything to do with it, will never be put into effect?

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the theme "We're getting ready now" is being put forward by the business people. They are saying that. Business people understand that we must have a trade agreement with our largest binational trading partner. They are getting ready for the realities of trade in the 1990s. That is what it is all about.

I forgot to mention one other thing. That is that the advertising is inviting Canadians from all walks of life, ordinary Canadians or whoever, to come to seminars which are being sponsored by the Department for International Trade, to introduce the opportunities at these seminars that this trade agreement will provide.

Because it is important, it should be noted that in the first series of seminars 600 companies which had never exported before have been identified and are looking at the new advantages of this trade agreement. The seminars are very successful.

Oral Questions

CANADIAN WHEAT BOARD

GRAIN EXPORTS THROUGH PORT OF CHURCHILL

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, my question is directed to the Minister of State for Grains and Oilseeds. He is certainly aware that as of today, August 18, the Port of Churchill, which is a very valuable part of the grain shipping system of Canada, has yet to receive any allocation of shipments. Today we had an announcement by the Wheat Board that it will now be rationing exports of grain.

Considering that that rationing program should take into account the traditional 3 per cent of movement through the Port of Churchill, is the Minister prepared to ensure that that kind of fair sharing will be given to the Port of Churchill so that the facilities will continue to be used and its future will not be put in jeopardy by the lack of any shipments at all this year?

Hon. Charles Mayer (Minister of State (Grains and Oilseeds)): Mr. Speaker, with regard to the so-called rationing of grain, we face the prospect in Canada this year of having as much as 40 per cent or even more lower than the previous crop year, which means that the Board is not going to be out looking for new customers as it might be with larger exports.

When it comes to the Port of Churchill, Churchill is an important port. It is one of four export spouts out of the country. To date the Canadian Wheat Board has not been able to line up a customer to take grain from Churchill within the Wheat Board's mandate.

I should remind the Hon. Member, since he was once responsible for the Canadian Wheat Board, that the Canadian Wheat Board's mandate is to market grains in the best commercial interests of western Canadian farmers. When that happens I assure the Hon. Member that we will market every bushel of grain that we can find a customer for through Churchill that is in the western Canadian producers' best interests.

WHEAT BOARD COMMITMENT

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, in response to the Minister I would remind him that in the agreement that was signed in 1984 on the development of the Port of Churchill the Canadian Wheat Board made a commitment to follow best efforts to ensure that not only would there be a continuation but an increase in grain shipments through the Port of Churchill. I do not think that zero shipments are what could be called best efforts.

Considering that the Minister would not meet last week with the committee of the Manitoba Legislature that has been established to examine grain shipments through the Port of Churchill, can we get a commitment from the Minister today that he or other Ministers of the Crown will sit down with officials, Ministers of the Government of Manitoba, Members of the Legislature, to work out a proper program for the utilization of the Port of Churchill and for the continued shipment of grain through that very important port?

Hon. Charles Mayer (Minister of State (Grains and Oilseeds)): Mr. Speaker, last week I met with the provincial Minister of Highways in Manitoba. I met with two members of the NDP in Manitoba. I was in Winnipeg a week ago today. I offered to meet with members of the Official Opposition. They did not want to meet with me.

What the Hon. Member is suggesting is that the 1984 agreement calls for the Wheat Board to make best efforts to see that a minimum of 500,000 tonnes of grain go through the port every year. I am satisfied that the Wheat Board is making its best efforts. What the Member is doing is accusing the Wheat Board of not performing up to its mandate. I reject that totally.

Further, if any Member has any evidence whatsoever that the Wheat Board is not living up to its mandate, I will investigate it to the fullest. In the meantime what the Hon. Member is suggesting I do is interfere with the day-to-day operations of the Canadian Wheat Board. What he is suggesting is that we have political interference with one of the best run Crown corporations in the country. There is no way that under my mandate I want to interfere with the day-to-day operations of the Wheat Board. If I did, it would be political interference and Members opposite would be the first to complain.

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IMMIGRATION

ADMISSION OF UKRAINIAN REFUGEES

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, I have a question for the Minister of Employment and Immigration. For the past month and a half a group of more than 200 Ukrainian refugees from Poland have been waiting in Vienna for word on their acceptance by the Canadian Government as sponsored refugees. These Ukrainians want to come to Canada. The Canadian Ukrainian community wants very much for them to come to Canada. I wonder whether the Minister can tell the House now whether she will allow this group in.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, my staff and my officials have been working with the Ukrainian Aid Committee on behalf of these refugee claimants. We are willing to look at all the applications as they come to us. Those that we can accept into next year's figures we will quite happily accept. It takes a certain amount of time to process some of these anyway. Those who do not come under the above but pass the medical and security checks will be considered through a joint sponsorship between the federal Government and the Ukrainian Aid Committee.

• (1450)

GOVERNMENT POLICY

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, there is a question of time involved, and a question of anxiety for those people who might have to return to Poland.

The Minister knows in recent years there have been virtually no Ukrainian refugees from eastern Europe, and in this case a special permit is justified. At the present time because of the lack of action the Ukrainian Immigrant Aid Society is now sponsoring on its own 40 of the most pressing cases of youths aged 16 and under.

Because there is this urgency, and because the Austrian Government cannot guarantee that these persons will not be returned to Poland, where they may be regarded as traitors, will the Minister set a deadline for next week to make absolutely clear what government policy is, and what she intends to do?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, we have been assured by the Austrian Government that these people will not be sent back to Poland. We are working with the Ukrainian Immigrant Aid Society right now. I am not prepared to put a deadline on when those discussions will end.

We certainly encouraged them in terms of the private sponsorship of the most needy cases, and we have expedited that process through our officials. We will continue to look at it. In respect to the time urgency, it does take a certain amount of time anyway.

* * *

SUPPLY AND SERVICES

BRITISH COLUMBIA—VALUE OF FEDERAL PROCUREMENT CONTRACTS

Mrs. Mary Collins (Capilano): Mr. Speaker, my question is for the Minister of Supply and Services. I was dismayed and disturbed recently by statements that were made in the House which would allege that federal government procurement from companies in British Columbia has declined since the Government took office.

Mr. Riis: As a percentage, it has.

Mrs. Collins: After 20 years of neglect from the previous Government, it was my impression that in recent years the value of federal government contracts in British Columbia had actually increased.

Mr. Riis: The percentage has gone down every year under a Tory Government.

Mrs. Collins: Could the Minister clarify the situation? Could the Minister also indicate what he is prepared to do to ensure that companies in British Columbia get an even greater share of procurement from the federal Government?

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, the Hon. Member should know that this would not be the first time that Members from the Opposition, particularly the New Democratic Party, would be selective in their statistics.

As the Member points out, the fact is that British Columbia and the West had been ignored for some 20 years by previous administrations.

Mr. Fulton: Right up until today.

Mr. Jelinek: In the last year alone, in terms of dollar value, an increase of some 12 per cent in procurement went to British Columbia. In the last two years together the increase in terms of dollars was some 20 per cent.

We are still not satisfied with those figures, as I told business people in British Columbia and the West. That is why the Minister of Western Diversification and I last month announced the new western procurement initiatives which will bring an additional $600 million on top of the 20 per cent increase.

We have brought in the small business access which will benefit all small business people, and with the large population of small businesses in British Columbia that will help British Columbia.

Last week I announced the elevation of the status of our Supply and Services office in Vancouver to a Pacific directorate. Now British Columbian businesses can do business with the Government of Canada in British Columbia as opposed to here in Ottawa.

Some Hon. Members: Hear, hear!

* * *

LABOUR CONDITIONS

RETRAINING AND APPRENTICESHIP PROGRAMS—USE OF HAMILTON INSTITUTION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Employment and Immigration, and it concerns the damning indictment of this Government's record toward older workers. She actually had the nerve to say earlier in the House today in response to a question from my colleague, the Hon. Member for Notre-Dame-de-Grâce, that the Canadian Jobs Strategy was the vehicle for retraining that was getting these workers back into the market-place.

If the Canadian Jobs Strategy is working so well, can she explain why the second largest campus for retraining and apprenticeship in the Province of Ontario, that is the Hitac campus in the city of Hamilton, is on the verge of closing

because it has had no assistance from the federal Government to keep its operation open, one that serves several thousand Hamilton area older workers?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I would be happy to attempt to explain the situation to the Hon. Member, because it is an important issue. Early this year the Hamilton—Wentworth Skills Training Advisory Committee determined that 40 per cent of the trainees in this college came from outside the community, and 50 per cent of the graduates found related employment beyond Hamilton—Wentworth.

There are identified by that group other priority training needs. The committee advised Mohawk College that it would be reducing its direct purchase requirement for this year. It recommended to the province that future training be supported under the apprenticeship program, and the province turned it down.

REQUEST FOR INCREASED FUNDING

Ms. Sheila Copps (Hamilton East): Mr. Speaker, it may come as some surprise to the Minister that Hamilton serves as a focal point for the Niagara region and should be funded accordingly. It comes as no surprise to members of the Liberal Party who are fighting to keep that campus open.

I remind the Minister that it is the second largest centre for skills training in Ontario. The Minister knows that there is a desperate shortage of trained and skilled workers in the Province of Ontario. Yesterday I met with the board of governors and they are on the verge of closing what has been described by the former Minister as one of the stellar programs in Ontario.

Will the Minister consider increasing the funding which has been frozen over the last three years as a result of her Government's 32 per cent cutback in funds for job retraining across the country?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, first, there has not been a cutback in funds. As the Hon. Member knows, there has been a change in classification.

One of the things that the Canadian Jobs Strategy does is that it takes the advice of local advisory councils.

Ms. Copps: No, it doesn't.

Mrs. McDougall: That is what we were advised. If the Hon. Member is so concerned about this, I would suggest that she talk to her provincial colleagues. The Province of Ontario turned them down for provincial assistance for post-secondary funds.

SUPPLY AND SERVICES

BRITISH COLUMBIA—FEDERAL PROCUREMENT CONTRACTS

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, my question is directed to the Minister of Supply and Services. Would the Minister confirm that, while the West got the short end of the stick year after year under Liberal administrations, under the Conservative Government's administration would he not admit that in terms of the percentage of supply and services contracts that went to British Columbia suppliers, the actual percentage from 1985 went down in 1986, and went down again in 1987? In other words, under the Conservative Government the procurement pattern of Supply and Services got worse every year.

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, I used to have a lot of respect for the Hon. Member, but because of the type of irresponsible statements that he has been making for the last six months he has not only lost respect from me, but also from his constituents. We will see it in the next election.

Mr. Broadbent: He didn't answer the question.

Mr. Speaker: The Hon. Minister may want to reply.

Mr. Jelinek: Mr. Speaker—

Ms. Copps: Just ask the shoe workers in Oakville about respect.

Mr. Jelinek: Talking about irresponsibility, the big mouth from Hamilton East is at it again.

Mr. Axworthy: You are ducking the answer.

Mr. Speaker: I would ask Hon. Members to respect each other.

PERCENTAGE OF CONTRACTS

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, in 1987 the population of British Columbia provided 11.4 per cent of the population of Canada, and British Columbia was receiving 4.1 per cent of Supply and Service contracts.

The Minister misled the House a few moments ago when he said that things were actually improving. I want to ask the Minister of Supply and Services to confirm that—and I request that he not go off on some other tangent—in 1985 the percentage of contracts under Supply and Services to British Columbia went down from 1984, it went down in 1985, it went down in 1986, and went down again in 1987.

Will the Minister simply rise and say that that is correct?

Mr. Axworthy: Because it is.

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, I repeat what I said in answer to the question from the Hon. Member for Capilano. In terms of dollar value—

Mr. Broadbent: The population has grown.

Mr. Riis: You are misleading the House. B.C. is getting hosed under this Conservative Government year after year.

Mr. Broadbent: Ask another question over there.

Mr. Jelinek: Keep it down, you guys.

I hope the New Democratic Party does not want the numbers up and dollars down in British Columbia. In terms of dollar value—

Mr. Riis: We want our fair share. We only want our fair share. All we are asking for is our fair share for once.

Mr. Jelinek: Why don't you let me answer the question?

Mr. Riis: Because you won't answer the question. You are afraid of the answer. You are afraid to go on the record.

• (1500)

Mr. Speaker: The Hon. Minister.

Mr. Jelinek: I hope the Hon. Member will let me answer the question. The answer to the question is that for 20 years under the previous Government British Columbia did not get its fair share. It is only in the last two years that we are seeing the pay-off of the efforts of this Government over the past four years. That is why I am saying that the increase in procurement for British Columbia increased by 20 per cent in the last two years. We are still not satisfied, and that is why we elevated the DSS office in Vancouver to a Pacific directorate. The business community and Government of British Columbia applaud this initiative, so that our final objective on procurement is to bring equality of opportunity not only to British Columbia but to every region of the country.

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[*Translation*]

SMALL BUSINESS

DISCRIMINATORY PRACTICES AGAINST SMALL BUSINESSES—REQUEST THAT GOVERNMENT ISSUE DIRECTIVE

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, my question is for the Deputy Prime Minister, in the absence of the Minister of State for Finance. Last week, the Canadian Bankers Association and the Canadian Federation of Independent Business met to settle the matter of the charges for bad cheques that banks levy on small businesses. At that meeting, there was no progress and no solution to this problem. Yesterday, the Minister gave the banks high marks and paid them compliments. I would like to know if it is government policy to have small business pay twice for NSF cheques. If not, when will the Government issue an order to stop this discriminatory practice that is unacceptable for small business?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think the Minister of State for Finance responded to that question in a very general and, indeed, in a specific way yesterday. There has been a great deal of compliance to date. Significant progress has been made with respect to service charges as they relate to small business. There are still discussions going on and further announcements will be made in due course.

GOVERNMENT POLICY

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, why should small business be penalized for accepting what turns out to be a bad cheque from their customers? Why does the Government not take its responsibilities seriously, like it did for the consumer, and issue the same policy for small business? Isn't small business creating 80 per cent of the jobs? That is why the Minister of State for Small Businesses is travelling around the country announcing his empty Institute of Entrepreneurship. Why not do something concrete and help small business to be relieved of this unjustified charge?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, it is rather interesting that in an offhand way the Hon. Member has applauded the Government for its efforts towards improving the climate for small business. That is precisely why 80 per cent of the new jobs have been created by the small business sector. That is part and parcel of the economic policies of this Government which set out in the first place to scale down the regulatory burden and make the climate more attractive for the small business community.

Indeed, as I indicated in my earlier answer, there are ongoing discussions, but significant progress has been made with regard to service charges. As I indicated, discussions are ongoing and there will be further announcements in the future.

It all goes without saying that the small business community is very satisfied with the policies of this Government, and that is reflected in the massive job opportunities which have been created by it.

* * *

EXTERNAL AFFAIRS

ZIMBABWE—DETENTION OF CANADIAN CITIZEN

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, my question is addressed to the Parliamentary Secretary to the Secretary of State for External Affairs.

Last December I asked about Canadian citizen Dick Laban who had been held in a Zimbabwe jail for several months. To date there has been no trial and there are still no charges outstanding, yet Mr. Laban is still in jail.

What are Canadian authorities doing to end this unjust imprisonment?

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, we are aware of the situation, namely that Mr. Laban was arrested on September 22, 1987 and that he has been detained since. We were notified on August 4 that the charges were dropped. But Mr. Laban is still in prison under the emergency measures. He is being held on the basis of regulations under an emergency law. Mr. Speaker, I think that Canada cannot ignore this case. Furthermore, the High Commission in Harare is following the situation very closely. Mr. Laban is being represented by a lawyer and we are monitoring the situation very closely.

[*English*]

Mr. Allmand: Point of order, Mr. Speaker.

Mr. Speaker: I understand that the Hon. Member for Notre-Dame-de-Grâce—Lachine East rises on a point of order, but there is a prior question of privilege from the Hon. Member for Hamilton East.

* * *

PRIVILEGE

STATEMENTS ASCRIBED TO MEMBER

Ms. Sheila Copps (Hamilton East): Mr. Speaker, very briefly, in the course of Question Period the Hon. Member for Calgary West (Mr. Hawkes), in commenting on my statement about the City of Hamilton being asked to take garbage from the City of Toronto, claimed that the word "Hamilton" was not used in the statement made by the Hon. Member for Etobicoke North (Mr. Pennock). If the Hon. Member took the time to read the statement he will see that Hamilton is described by the Hon. Member as self-serving, and that Hamilton is supposed to take it because of its incinerator capacity. So the statements ascribed to me by the Hon. Member for Calgary West are totally false and I would like him to correct the record.

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, talk about falsity. I would invite the House to examine what the Member just said. She started out by talking about my comments in Question Period. I have answered no questions, I have asked no questions, I did not participate in Question Period. I think that exemplifies what I believe to be that Member's reputation for accuracy in the chamber.

If indeed an examination of *Hansard* shows that I have said anything that is incorrect, I would be very happy to stand in the Chamber and correct it. I have done that on two or three occasions in nine years because I do not like to make inaccurate statements in this Chamber. Yesterday I corrected the *Hansard* record from the day before; I spoke correctly but *Hansard* reported it wrongly.

I would be glad to do it, but to accept in this Chamber her assertion about anything I said is something I am not prepared to do until I see the written record, because she is too often inaccurate in this Chamber about what Members say.

Mr. Speaker: I am going to adjourn this matter. I will return if necessary. I will look at the *Hansard* record and act accordingly.

Ms. Copps: Mr. Speaker, I want—

Mr. Speaker: The Hon. Member for Hamilton East made her point. I am going to examine the *Hansard* record very carefully. If it is necessary I will hear the Hon. Member further. However, I am going to look at the record before there is any further debate on it.

* * *

POINT OF ORDER

QUOTATION FROM DOCUMENT

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, during Question Period you called me to order and suggested that I should not quote a public report, in this case the second report of the Human Rights Committee, which was tabled yesterday. I think your words were that since it was a public report Hon. Members could read it. I would like to know from Your Honour—

Mr. Speaker: Perhaps I can help the Hon. Member. I did not say that it was inappropriate to quote a public report or anything else in the course of a question. I said that the quote was going on unduly long. I am sorry if in my comment I may not have made myself clear. The correction was only because there has to be some limit to the use of extensive quotes in questions. That, of course, applies equally in answers. I will certainly hear the Hon. Member further, but I do not want him to belabour the point that I in any way indicated that a report in this place ought not be referred to, or quoted at least in modest terms. I felt that the Hon. Member had gone on too long.

• (1510)

Mr. Allmand: I am pleased to have your clarification on the first point that I was going to make, Mr. Speaker. Before preparing that quote, I had checked with what has been said often with Ministers in answering questions, and I found that the quote that I made was in fact shorter than many of the quotes that are often made by Ministers in answering our questions. As a matter of fact, a day or two ago the Secretary of State went on for a very long period of time, quoting reports and things that he had done. If that is to be allowed on the

ministerial side, I would ask that the same treatment be allowed on the opposition side.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, it is Thursday and it is the usual time of the day when we ask the Deputy Government House Leader to outline the Business of the House for the next few days.

I wonder if I could make a special request of the Hon. Minister. Since we are all interested in the final vote on third reading of the trade deal, I wonder if he might give some thought to being specific as to the day that we might vote on that, to allow for ample notification of Members who are here today and, perhaps more important, Members who are in their constituencies, so that they can be sure to be here for that very important vote.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I welcome my hon. friend's interest in the vote, and I am sure that his Party will be here. Let me first of all outline exactly where we are headed. Today, we are going to continue with report stage consideration of Bill C-130, the free trade Bill. Tomorrow, we have suggested to the opposition Parties a combination of the following five Bills, whichever we can make the most progress on, and we will take them in the order which would result in the most progress: Bill C-146, the Tax Court of Canada Bill, perhaps at all stages; Bill C-143, the substance abuse centre Bill, at all stages; Bill C-123, the Indian Act amendments, report stage and third reading, that recently came back from committee; Bill C-150, Indian Act amendments on the death rule, at all stages; and Bill C-147, the human rights centre Bill, at all stages.

On Monday we will be resuming report stage consideration of Bill C-130 and, it being a long day, we would go until ten o'clock, pursuant to the House Order. Any divisions which are demanded at report stage, including the concurrence motion, would be deferred by a House Order to Tuesday, August 23, at 6 p.m.

Tuesday, for debate purposes, we would be calling, first of all, Bill C-144, the child care Bill, which we would like to send to committee. If it is in fact back from committee, we would be dealing with Bill C-139, the tax reform Bill at report stage.

I appreciate my hon. colleague's interest in the balance of the third reading debate on Bill C-130.

Mr. Riis: To facilitate Members' travel and to facilitate Members' voting on important matters, I simply want to ask the Deputy Government House Leader once again whether at this point it is impossible to say or to state on what day the actual third reading vote will take place. He does now have the right to set aside any two days for debate, and I would like to suggest that if there is any way that he could indicate on which days that vote would take place, it would certainly facilitate individual Members organizing their own schedules.

Mr. Lewis: I think that at the present time I am stuck with my statement that we would like to give long days, and that would mean Thursday, Monday or Monday, Tuesday. As soon as that gels and I can give the House some idea, I think that it is in the interest of all Members to do that. I will certainly be here. It is either Thursday, Monday or Monday, Tuesday.

Hon. Herb Gray (Windsor West): Mr. Speaker, I now have confirmation from the distinguished critic on Indian Affairs of the Liberal Party that it would be acceptable to him to begin with Bill C-150. Second, with respect to the comments made by the Deputy Government House Leader about the days for the third reading stage imposed on this House by the Order that was obtained by the Government the other day, I would like to discuss this with him during the course of the afternoon. I may have some suggestions that would assist him in deciding what to do.

Mr. Speaker: On a point of order, the Hon. Member for Lethbridge—Foothills.

* * *

POINT OF ORDER

MONTREAL RAILWAY COMMUTER SERVICE—CLARIFICATION OF ANSWER

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I rise on a point of order to clarify my response to a question from the Hon. Member for Ottawa Centre (Mr. Cassidy) during Question Period on Tuesday of this week. While the Member is not present at the moment, I have spoken to him by telephone and he knows that I will be rising on this point of order.

I did not realize that the Member was referring to a commuter service, and I may therefore have inadvertently misled the House. As commuter services are not within the jurisdiction of the federal Government, CN is not required to apply to the NTA for the abandonment of the St. Hilaire service. I have referred to the NTA and to the processes which are required under that Act. This decision is purely a management or an operational one on the part of the railway, and it would be inappropriate for the federal Government to interfere. I would, however, point out to the Hon. Member that CN sustains an annual deficit of some $1.3 million for this underutilized service.

Federal funds were available for the modernization of the Saint-Hilaire service through the Canada-Quebec agreement signed in 1981. The province decided not to modernize the service, as no satisfactory agreement could be reached with the concerned municipalities at that time.

Motions

TENTH REPORT OF STANDING JOINT COMMITTEE ON SCRUTINY OF REGULATIONS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): I was just going to note, Mr. Speaker, that earlier this day there was an indication from all three Parties that if the co-chairman of the Standing Committee on Scrutiny of Regulations appeared later in the day and wanted to move concurrence in the report, there was a general predisposition in the House, by unanimous consent, to admit that motion and to dispose of it in a positive way without debate. I think that it is in the nation's interest and in the committee's interest.

ROUTINE PROCEEDINGS

[*English*]

SCRUTINY OF REGULATIONS

CONCURRENCE IN TENTH REPORT OF THE STANDING JOINT COMMITTEE

Hon. Bob Kaplan (York Centre): Mr. Speaker, I would like to move concurrence in the tenth report of the Standing Joint Committee on Scrutiny of Regulations. I understand that the unanimous consent is based on no debate. I would simply note that this is a report which was unanimous, which has already been concurred in in the Senate, and which explains to Parliament the reasons for which the committee has decided not to review the regulations issued by courts in certain cases about the procedures that apply in the court. The report is short and self-explanatory. I commend it to all of the Members of this House, and I thank you for the unanimous consent.

Motion agreed to.

• (1520)

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee; and the amendments of Mr. Axworthy (p. 18476). and of Mr. Langdon (p. 18476).

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to rise to address, in the few moments available to each Member to speak, the fourth grouping of amendments including the ones put forward by our trade critic, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). I would like to concentrate on Motion No. 19 to delete Clause 9 of the Bill which refers to the Canadian grape and wine industry. I would also like to deal with Motion No. 21 which, if passed, would ensure a true partnership with various consumer, labour and business interests and/or organizations represented on a number of committees and commissions in charge of overseeing the Mulroney-Reagan trade deal.

If there is any industry that will have a negative fallout from the Mulroney trade agreement, clearly it is the grape and wine industry. This industry is largely focused in the Niagara fruit belt of the Province of Ontario and in the Province of British Columbia. The Canadian wine industry and grape growers will be major losers from this deal.

Every conceivable analysis done by any independent authority predicts widespread job losses in the Provinces of Ontario and British Columbia, because the agreement will remove tariffs over a 10-year period and will affect provincial pricing mechanisms that are in place to try to protect and enhance our own industry. It is very obvious that the wine industry will come to a fatal end. As well, the jobs connected to it through the multiplier effect in other key sectors in both provinces will be at stake.

I had an opportunity, along with other members of the Liberal Party, only two days ago to meet firsthand with a number of grape producers who made the trip to Ottawa. They got up at five o'clock in the morning, got in their cars and came to Ottawa with the intention of making a pitch, a last ditch effort, an eleventh hour plea, for the sensitivity and protection that is needed and justified for their industry. In the face of American and European competition, this industry will no longer be viable.

The pleas of the grape growers were desperate ones. They were real ones. We could tell from the look in their eyes that they were on the threshold of losing their livelihoods and in some cases abandoning generations of grape growing. They came to Ottawa to ask the Government to try to protect this industry. They said that if it was the vision of this Government to enter into a trade arrangement with the United States, if that was its economic answer to the woes we face, then that vision should be put before the Canadian people.

What the grape growers fail to take lying down is the blind attitude of this Government which knows of the consequences of its actions on the wine and grape producers. Those actions would sound the death-knell for those families in that industry of some 1,500 jobs. They fail to accept a Government that will walk into this free trade arrangement blindly when it has those kinds of ramifications.

The Government has said that it will take care of these people by providing adjustment programs so they can grow other kinds of tender fruits. However, the tender fruit industries in the Niagara fruit belt and the Okanagan Valley are at a saturation point. Other fruit growers are already struggling. Not only will this action cause a serious rupture in the grape producing farm belts of Canada, but because it will force these people into producing other fruits it will endanger other fruit

farmers who are already operating at saturation points and who just barely make ends meet.

These people are asking themselves, as are we, led by our trade critic, what kind of economic sense this kind of deal makes for the grape producing industry.

Given that there is a very limited growing season in Canada, given that the industry is under a barrage of competition, given that there is some pride in producing our own grapes and wines for domestic consumption, given that there are 1,500 jobs that will evaporate and disappear from the Okanagan Valley and the Niagara fruit belt, and given that there is already enough competition in the other tender fruit markets, what kind of government would not care about all those factors and would simply say: "This is the kind of deal you're going to get, take it or leave it"? That is why the grape producing farmers made the trip to Ottawa on Tuesday morning. They tried to sensitize the Minister of Agriculture (Mr. Wise) to their problem. I hope they will have an opportunity to do that another time, because it was impossible to do so on that day.

These people want the Government to understand that livelihoods are at stake. That is why the Hon. Member for Winnipeg—Fort Garry, the Liberal trade critic, moved Motion No. 19 to delete the clause that would do damage to these people. He did it to protect and respect an industry that has roots in Canada and that has a sense of pride. With some assistance, it might have a viable future.

It is no secret that this industry has had difficulties in the past, but that is not an excuse to trample over it completely. Instead, if it has had difficulties, that would be all the more reason for the Government to be extra sensitive to this industry that is trying to find its legs when entering into this kind of agreement. My colleague's Motion No. 19 provides a viable alternative. It is an amendment that has been put forward with a degree of urgency and with a degree of sensitivity.

Though I only have a few moments remaining in my time, I would like to deal with Motion No. 21 which I believe is a very fair motion. It would provide for an effective mechanism of consultation with Canadians. Motion No. 21 would ensure that various consumer, labour, and business interests would be represented on the various organizing structures that would oversee the application of this agreement.

It is bad enough that the Prime Minister (Mr. Mulroney) was against free trade in 1983. It is bad enough that the question of free trade was not debated in the last election. It is bad enough that the Government does not want to go to the people before officially ratifying this deal. Because the Government is timid and negligent in those three ways, we have moved Motion No. 21 which would ensure that Canadians who are involved in various interest groups would have a direct and meaningful partnership in deciding on and applying what will become known as the Mulroney-Reagan trade deal.

• (1530)

Mr. McDermid: Mr. Speaker, I rise on a point or order. It has been the tradition in this House for a considerable length of time that we refer to Members of this House as Hon. Members or, if they hold a position with the Government, by that position. Throughout his speech the Hon. Member has been referring to a "Mulroney-Reagan trade deal". The title is the "Canada-U.S. Free Trade Agreement"; the other is not. I believe the Chair should draw to the attention of the Hon. Member that there is no such thing as that about which he is speaking.

Mr. Deputy Speaker: The Hon. Member for Brampton—Georgetown is correct in his remarks. The Hon. Member for York West may conclude.

Mr. Marchi: It is very interesting that the Parliamentary Secretary gets on his feet to correct me in how I refer to this deal when he fails day after day to get to his feet to tell the House of Commons and Canadians that he will be reacting to our concern about the farmers in the Niagara fruit belt and the Okanagan Valley. Those are the real issues and the stands the Hon. Member for Brampton—Georgetown (Mr. McDermid) ought to be taking rather than pathetically getting to his feet to lament because I called this deal the Mulroney-Reagan trade deal. What is wrong with calling it the Mulroney-Reagan trade deal?

Mr. Deputy Speaker: The Hon. Member for York West knows that he should not use personal names to refer to Members in the House. I hope the Hon. Member will remember that in future.

* * *

[*Translation*]

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following Bills without amendment: Bill C-92, An Act to amend the Canadian Wheat Board Act; Bill C-145, An Act to amend various Acts to give effect to the reconstitution of the Quebec Provincial Court, Court of the sessions of the Peace and Youth Court as the Court of Quebec; Bill C-103, An Act to increase the opportunity for economic development in Atlantic Canada, to establish the Atlantic Canada Opportunities Agency and Enterprise Cape Breton Corporation and to make consequential and related amendments to other Acts; and Bill C-30, An Act to amend the National Parks Act and to amend An Act to amend the National Parks Act.

Royal Assent

THE ROYAL ASSENT

[*English*]

Mr. Deputy Speaker: I have the honour to inform the House that a communication has been received as follows:

Rideau Hall

18 August, 1988

Sir,

I have the honour to inform you that the Honourable Gérard V. J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 18th day of August, 1988, at 3:30 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Anthony P. Smyth,
Deputy Secretary,
Policy and Program

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee; and the amendments of Mr. Axworthy (p. 18476), and of Mr. Langdon (p. 18476).

Mr. Rob Nicholson (Niagara Falls): Mr. Speaker, I am very pleased to enter the debate on these amendments. As one of the number of representatives in this House of the grape growing and wine producing areas of Canada, I am very pleased to give my opinions with respect to this industry.

I heard the previous speaker's remarks. I must categorically disagree with his comments that this industry will not survive because of free trade. That is absolutely incorrect. That is nonsense. An examination of the facts would bear me out on that subject.

I do agree with him that there have been difficulties in this industry which extend back a number of years. For the record, there have been surpluses within the grape industry in 10 of the last 12 years. There are a number of reasons for that, chief among them the competition that we face, which I suggest is in many ways unfair, from the Europeans who, through the years of indirect subsidies, have flooded Canada in the past. That, along with a number of other things, has caused a surplus of grapes. Expanding production within the Niagara and British Columbia regions has contributed to the excess as well.

One of the first things I did as a Member of Parliament after being elected in 1984 was to approach the representatives of the Treasury Board with my request that the Government take up the surplus of grapes that was produced in the fall of 1984. To all those who say that the Government does not or has not supported this industry, I say that the Government has purchased every single grape that could not be sold privately. Every single grape was purchased with the assistance of the federal Government.

It has been recognized for a number of years that there is excess capacity in this important industry. That excess was recognized by the Province of Ontario. There has been tabled in the Ontario Legislature changes to be made in the Wine Content Act which, among other things, acknowledge the fact that with the removal of labrusca grapes from certain types of wines in Ontario there will be excess capacity and a vine removal program will be necessary. That is acknowledged by the Ontario Government.

What is not acknowledged by the critics of this free trade agreement which will be so helpful to the Niagara Peninsula—

ROYAL ASSENT

[*English*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, it is the desire of the Honourable Deputy to the Governor General that this honourable House attend him immediately in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

• (1540)

[*Translation*]

And being returned:

Mr. Deputy Speaker: I have the honour to inform the House that when the House went up to the Senate Chamber, the Deputy Governor General was pleased to give Royal Assent in Her Majesty's name to the following Bills:

Bill C-129, An Act to provide for the continuance of Air Canada under the Canada Business Corporations Act and for the issuance and sale of shares thereof to the public.—Chapter 44, 1988.

Bill C-132, An Act to amend the Western Grain Stabilization Act.—Chapter 45, 1988.

Bill C-112, An Act to amend the Canada Grain Act and other Acts in consequence thereof.—Chapter 46, 1988.

Bill C-92, an Act to amend the Canadian Wheat Board Act.—Chapter 47, 1988.

Bill C-30, An Act to amend the National Parks Act and to amend An Act to amend the National Parks Act.—Chapter 48, 1988.

Bill C-145, An Act to amend various Acts to give effect to the reconstitution of the Quebec Provincial Court, Court of the Sessions of the Peace and Youth Court as the Court of Quebec.—Chapter 49, 1988.

Bill C-103, An Act to increase opportunity for economic development in Atlantic Canada, to establish the Atlantic Canada Opportunities Agency and Enterprise Cape Breton Corporation and to make consequential and related amendments to other Acts.—Chapter 50, 1988.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee; and the amendments of Mr. Axworthy (p. 18476) and of Mr. Langdon (p. 18476).

Mr. Deputy Speaker: Resuming debate with the Hon. Member for Niagara Falls.

Mr. Nicholson (Niagara Falls): Mr. Speaker, I was saying how important it is that this agreement be passed for the benefit of the Niagara Peninsula. Many companies have indicated to me how important it is that I and other Members from the Niagara area, as well as members of the Government, get out to support the free trade agreement. Acres International, an employer of over 400 excellent jobs, recently contacted me to let me know that they are firmly behind it. I was at the Norton plant recently, and I got the same message from them. General Motors, B.F. Goodrich, C and C Yachts, T.R.W., Hayes-Dana, Muller's Meats, Brunner Manufacturing, almost all major employers in the City of Niagara Falls have contacted me to indicate their support for it.

I tell them I will do my best, despite the fact that there are so many so-called experts here on the economy of the Niagara Peninsula.

We were talking about the grape and wine industry. Something the critics of this agreement seem to forget, perhaps conveniently because they can sometimes get away with that without being called to task, is that we are also part of the General Agreement on Tariffs and Trade. That is a group of all countries in the world trading together. It is sometimes forgotten that Canada has agreed to remove discriminatory provincial liquor pricing policy within GATT. We agreed to that over 10 years ago, but that is conveniently forgotten.

This free trade agreement is an agreement within GATT. It complies with GATT, so that the critics of this agreement do not realize, will not admit or will not be straightforward enough to admit that if the trade agreement disappeared it would not make one bit of difference to the problems we are having with the grape-wine industry. We have GATT to contend with, an agreement by which we agree to reduce and eliminate provincial liquor pricing policies. The attitude of the Province of Ontario on this matter is very interesting. It knows it has agreed to it. It has acknowledged that in the past. However, when asked about it, it says that any problems with provincial liquor pricing policies is not its concern and that the federal Government has to worry about that. Curiously enough, this is the provincial Government's complete attitude as it relates to this industry.

• (1550)

On the grape surplus program, each year the federal Government has indicated that it will do its share and put up 50 per cent to purchase every surplus crop, and the Province of Ontario is expected to meet the other 50 per cent. The Hon. Member for Lincoln (Mrs. Martin) can tell us that the provincial Government drags its heels every single year to the point where last year we had to give out the cheque. The federal Government gave its money and said that it did not know what was happening in Ontario. It did not know what the problem was with Queen's Park. That has been the rule of thumb with the Ontario Government. I hope some of my colleagues in the Opposition, the next time they talk to Premier Peterson and some of his friends in Queen's Park, will tell them to ante-up and start supporting this industry. This is not my only example.

We almost had a very terrible drought in the Niagara Peninsula. There was a drought in western Canada that caused great damage to agriculture, and we went for a long time without rain in the Niagara Peninsula. I was very concerned. I contacted the Department of Agriculture and asked to have the situation monitored, that we might have a problem, but as soon as it looked like there would be any problem with drought in the Niagara Peninsula, the word came from Queen's Park that it would have nothing to do with it. It said that if there was any problem we had better look to Ottawa, that the drought was Ottawa's problem. However, we were also told that the provincial Government was our best friend. The Ontario Minister of Agriculture came to my area and told us: "We are the best friends the farmers of this area ever had", but he did not bring his cheque-book. He said that if we were looking for any money we had better talk to the federal Minister of Agriculture (Mr. Wise), but that we should not forget the provincial Government was our best friend. That was the attitude of the provincial Government.

Ms. Copps: Bring on the trade agreement.

Mr. Nicholson (Niagara Falls): The Hon. Member for Hamilton East (Ms. Copps) must still have a few friends down there at Queen's Park. She should tell them to bring their cheque-book the next time they visit the Niagara Peninsula and quit dragging their feet in supporting this industry.

Mr. Turner (Ottawa—Carleton): Right on, brother.

Ms. Copps: That isn't going to wash in the Niagara Peninsula.

Mr. Nicholson (Niagara Falls): The provincial Government changed the Wine Content Act. It said that we could not use labrusca grapes in certain types of wines, but when the vine removal program which is necessarily attendant upon that is presented to that Government, it says: "We may have helped

caused this excess capacity in labrusca grapes by our changes to the wine content, but you had better look to Ottawa if you want help and, remember, we are your friends". People are not going to buy that. Right now there are negotiations going on between the federal Government and the provincial Government to support this industry which will make it a viable, expanding and vital industry for the well-being of Ontario and Canada for years to come. I put the Ontario Government on notice. It has to do its share. It has benefited to the tune of billions of dollars from this industry over the years. It is now its turn to join with us to help make this a viable industry.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity this afternoon to speak on Motion Nos. 17, 19, 21, 22, 23, and 25. You will know, Mr. Speaker, that those motions give a pretty broad latitude.

I would like to start with a few quotations. First, I think it is important that Canadians know the genetics of this deal. Where did it come from and what does it mean? After about August 30, the country will be inundated with taxpayer-paid advertising giving only the view of the Government and big business of the deal. Let us look back to see what the former Minister for International Trade, the present President of the Treasury Board (Ms. Carney), had to say a little while ago. This was just after the deal had been negotiated. It had taken place, of course, in Washington, not in Canada. She was interviewed by a reporter from *The Vancouver Sun*, and she is quoted as saying:

> The boss has not indicated any interest in moving me, in spite of all your Ottawa rumours to the contrary. He thinks I have done a great job. As a matter of fact, he phoned me up the night we did it and said, "How does it feel to be a mother of confederation?" So I thought, gee. I have never thought of it that way. That is pretty neat.

There we have the Hon. Member for Vancouver Centre, the former Minister for International Trade, the present President of the Treasury Board, receiving a call from the Prime Minister (Mr. Mulroney) who, I suppose, was telephoning from 24 Sussex to Vancouver or Hawaii, or wherever she was at that point in time, and asking how it felt to be the mother of Confederation. That is how the Prime Minister looks at this deal and how at least one Conservative Member of Cabinet thinks of it: "Gee, I've never thought of it that way. That's pretty neat".

We hear selective quotations from the government side all the time, including from the Hon. Member for Niagara Falls (Mr. Nicholson) who just spoke about the grape industry, which will be heavily and negatively impacted both in British Columbia and Ontario by the proposed deal. Headlines read: "Economy will do well with no deal, panel says". People would not wonder who the panel is because the present Minister for International Trade (Mr. Crosbie) is always quoting selectively from the Economic Council of Canada. Here is what it had to say:

> The collapse of free trade negotiations "need not be catastrophic" for the nation, the Economic Council of Canada says in its annual review to be released this week.
>
> With 80 per cent of exports still entering the United States duty free—even without free trade—Canadians' standard of living will continue to rise, the council says.

The government side is always eager to quote selectively from the Economic Council of Canada, but there it is on record as saying that even without the deal Canada would probably be as well off, if not better; certainly from the perspective of sovereignty, we would be better off. A headline from another article in *The Globe and Mail* reads: "Free trade: a Losing Proposition". It is an article by Marjorie Cohen, author of *Free Trade and The future of Women's Work*. She teaches economics at the Ontario Institute for Studies in Education and represents the National Action Committee on the Status of Women in the Coalition Against Free Trade.

> Mr. Mulroney's grand design to "secure" access to the U.S. market has failed. Unless Canada "harmonizes" its social and economic programs to conform to U.S. notions of what is fair play, it will have no improved access to U.S. markets. And social and economic programs are in greater danger than ever. Why? Because the economy will be tied even more closely to that of the United States, and Canada will have even more to fear from U.S. complaints if its programs aren't sufficiently similar to those south of the border.

I must point out that we cannot forget that the countervailing action taken by the U.S. against our east coast fishing industry found some 50 to 60 Canadian programs which they felt were countervailable. Of course, that is a precedent set for future countervailing actions by anyone in the United States against Canadian social programs such as unemployment insurance, the Canada Pension Plan, and medicare. Marjorie Cohen goes on to say on energy:

> The free trade agreement binds Canada to more than just a pathetic disputes-settlement mechanism. It is bound to give up what is potentially the most effective weapon it has in gaining a competitive advantage with the United States: Control over energy pricing and energy supply.
>
> This agreement has given the United States something Canada historically has resisted—total access to Canadian energy supplies. The gravity of the problem is indicated by the fact Canada has given up its ability to reserve resources for its own people even when such resources are very scarce. The agreement specifically states that, when energy is in short supply, the United States will have "proportional access to the diminished supply".

She concludes the article under the heading of "The Politics":

> In his speech before Parliament last Monday, Mr. Mulroney boasted about the way his Government "brings Canadians into the decision-making process". This is political double-talk of a high order. Ordinary Canadians have not been involved in this process—it has been an initiative of big business and the Conservative Government.
>
> The latest polls indicate that more people in Canada are against free trade than are for it. Before he was elected, Mr. Mulroney assured the country that he was against it. He said: "Don't talk to me about free trade. That issue was decided in 1911. Free trade is a danger to Canadian sovereignty. You'll hear no more of it from me".

We see what kind of a flip-flop the Prime Minister can do. He can be absolutely opposed before he is elected, but he comes into office and goes in exactly the opposite direction. We hear from the government side quotations which are never fully verified from certain people and certain groups that are

highly supportive of free trade. No doubt. The large multinationals are very much in favour of it, and I will come to the reasons for that in a moment.

Let me quote again from *The Gazette* of Montreal. The headline reads "Free trade worries computer firms. Pact would mean loss of 150,000 jobs to U.S., association says". That is a story out of Winnipeg.

> The Canada-U.S. Free Trade Deal will ensure that Canadians subsidiaries will lose 150,000 high-paying computer-data jobs to their U.S. parent firms over the next six years, the Canadian Independent Computer Services Association told a parliamentary committee yesterday.

These are the kinds of impacts independent associations feel they will have as a result of the deal.

• (1600)

I have to spend a moment on the obvious hypocrisy of the Liberal Party. Members of that Party speak out of all sides of their mouths on this issue. We have the Liberal Premier of Quebec, Mr. Bourassa, publicly stating he is absolutely in favour of it. We have the former Trudeau Liberal Minister of Finance, Donald Macdonald, publicly supporting it. Of course he has to quieten down now a little bit since he has been appointed as the High Commissioner to Great Britain as his just rewards for having promoted free trade along with his Conservative buddy, the former Premier of Alberta.

Even Senator George van Roggen has split from the Liberal caucus and has gone public saying free trade is the greatest deal of all. Let us not forget that on January 30, 1985 in Vancouver he was interviewed and he said: "Agriculture should be excluded from such an agreement, as is the case in nearly all other free trade areas". We will probably find out in a few months or years down the road what his just reward will be for not living up to his own words. As we know now, the Canadian Federation of Agriculture does not support the FTA. It represents the overwhelming majority of farmers and farm groups in the country.

I want to quote now from the briefing paper for Secretary Baker and Ambassador Yeutter, a briefing paper provided to them in relation to the FTA on energy. I think Canadians have a great deal to fear in terms of the lost future when it comes to the kind of control Washington and the U.S. Congress and Senate now have over our oil supplies. This is called "Questions and Answers for Clayton Yeutter". It states:

> Canada is by far our largest supplier of imported energy. In 1986 Canada was our largest supplier of oil (ahead of Mexico, Venezuela and Saudi Arabia) and uranium (about two-thirds of our imports and about one-fourth of total consumption), and accounted for almost all our imports of natural gas and electricity. Canada was also the largest market for U.S. coal exports for the first nine months of 1986.
>
> The total value of two-way energy trade between the U.S. and Canada has been about $10 billion per year or more in recent years, with the likelihood that it will grow in future years as a result of increasing U.S. import requirements. The U.S./Canada energy trade relationship is the world's largest and the total value of this trade exceeds the value of our total trade (all goods and services) with all but a handful of other countries in the world.

Is it not interesting, Mr. Speaker, that here, even in a situation in which there is diminished supply, we have to continue to provide it to U.S. consumers? Even if they do not have line-ups at gas stations in the U.S. during an oil crisis, Canadians would have to be lining up knowing that at various border crossings our energy was going across into the U.S. to provide fuel to Americans at a time when we were facing shortages.

Mr. McDermid: That has been in effect since 1974.

Mr. Fulton: The Parliamentary Secretary from Brampton—Georgetown thinks that is just right. There are an awful lot of Canadians who do not like that idea.

Let me quote an article written by Marjorie Nichols entitled "Energy pact fuels fears for future" in which she states:

> The energy pact is the Trojan Horse in this trade deal. In fact, it's dishonest to pretend that the energy pact has a logical place in a trade deal dedicated to dismantling the man-made barriers to commerce between Canada and the U.S.
>
> The energy package is devoted to an entirely different objective. Its purpose is to dismantle the God-given distinctiveness assigned to Canada by its resources.
>
> Under the section, the U.S. is to be awarded the right for all time to sup as an absolute equal at Canada's resource table.
>
> There is no other independent country in the history of this world that has voluntarily and peacefully agreed to share its sovereignty with another country.

Let me conclude with another point. She went on to state:

> As troubling as the realization that we have a government that doesn't know what it has proposed giving away rights that other nations would go to war to preserve, is the suspicion that the entire energy section may have been drafted by the Americans.

Marjorie Nichols goes on to point out why. Let us just remember one other thing in terms of history on the question of energy. I refer to the great pipeline debate that went on in this House a few years ago and the great American promise that the construction of the prebuild that goes down from just south of Calgary in California and into the Midwest would be completed from Alaska down to Calgary and provide back to Canada the natural gas that we had sold them through the prebuild. Where is that promise? Of course it was Mitchell Sharp who sat on there drawing down 50 or 100 grand a year all these last years while nothing was going on.

So on a whole variety of fronts I think I have made it clear with quotations from authorities that this deal is bad for Canada. I suppose we can just sleep at night thinking it was the former Member for Vancouver Centre who is so pleased to be the Mother of Confederation with the United States.

Mr. Deputy Speaker: I would like to hear the speeches from the Hon. Member for Selkirk—Interlake (Mr. Holtmann) but I think the Member has already spoken on this set of motions. The Chair recognizes the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) on debate.

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): As you know, Mr. Speaker, we are presently debating six amendments to Bill C-130. These amendments have been grouped together for purposes of debate. I particularly want to address three of them.

The first one I want to address is Motion No. 21 which would amend Clause 11 of the Bill. Our amendment would ensure that the committees, panels and commissions which would administer the free trade agreement would have appropriate representation from consumer associations, labour and business. As is usual with a Conservative Government, it looks on this free trade agreement totally in terms of business. There is no attempt to have involved in the administration of the agreement or, as a matter of fact, in consultation leading to the establishment of the agreement, the views of labour and the views of consumers. This amendment is the direct result of the submission made to the legislative committee on Bill C-130 by the Consumers Association of Canada.

When the Consumers Association of Canada was before the legislative committee its principal goal was to make sure that there would be a continuing consumer presence in the administration of this agreement. It pointed out that during the consultations which took place while the trade agreement was being negotiated it was only consulted in a very token way. Over and over again the Government has said that it has done a lot of consultation with respect to the development of this U.S.-Canada free trade agreement. It referred to the work done by what is known as the SAGIT committees. SAGIT means Special Advisory Groups on International Trade—

Mr. Nickerson: Sectoral Advisory Groups—

Mr. Allmand: Sectoral Advisory Groups on International Trade. We have called it by the acronym for so long that it is difficult to remember what it means. In any case, there were SAGIT groups in many sectors. The consumers were in a token way represented on a couple of them, as was pointed out before the legislative committee. But it said that even those recommendations which were made were ignored. It said, as a last resort would we please make an amendment to the Bill which would ensure its presence on these various committees, commissions and panels. For the life of me I cannot understand why the Government would not do that. Even if it is its intention to do it in an administrative sort of way, I think it is worth-while as is done in other legislation to ensure this presence.

So through Motion No. 21 we are suggesting that Clause 11 be amended by adding another subsection which states:

> —that appointments to such committees, panels, commissions or other bodies ensure representation from consumers groups, labour and business.

You know, Mr. Speaker, that we think this is a bad agreement and should be defeated altogether. But if it is to go ahead, at least it should be improved in the best possible way. One of these ways is through such an amendment as we are proposing in Motion No. 21. There is no doubt that as this agreement is administered there will be serious impacts on workers. Therefore, that is why we are asking that labour be represented in the administration of the agreement. There will also be serious impacts on consumers through prices and the quality and safety of products. I urge the Government to give serious consideration to this amendment. It was strongly recommended by the Consumers Association of Canada.

• (1610)

Related to that amendment is one that is suggested in Motion No. 22 which states that one of the committees that should be set up under Clause 11 should be a committee that would monitor and review matters arising out of the act or the agreement, including the adjustment impact on workers and communities, as well as the activities, economic viability, and ability to compete with companies from the United States doing business in Canada, and also the agricultural pressures in Canada resulting from the agreement.

In the speech that I made on Tuesday to another amendment under this Bill, I referred to the serious impacts that this agreement would have on workers and the necessity of having special adjustment provisions to deal with the impacts on workers. I refer again to the report of the Economic Council of Canada published in April of this year in which it assesses the Canada-U.S. Free Trade Agreement. At page 21 of that report the Economic Council states: "It indicates clearly that without improvements in Canadian manufacturing productivity, increased U.S. competition could result in a net decline of output and employment in 17 of the 36 industries studied, virtually all of them in manufacturing". It goes on to state: "Some firms will have to merge, others will have to close". Then the report refers to the electrical products industry, which it states will account for 40 per cent of all the job losses in manufacturing.

There is also a table which lists the manufacturing industries that are likely to lose employment as a result of the agreement. For example, the rubber and plastics industry, the leather industry, the textiles industry, the knitting mills industry, furniture and fixtures industry, paper products industry, metal fabricating industry, machinery industry, transportation equipment, electrical products, non-metallic minerals, and the chemical products industry. The Economic Council states that all those industries will be threatened with job loss as a result of the agreement.

The report goes on to point out that there will be job gains, and I quote again from the report which states: "Under the most likely scenario, a number of major occupations in the service sector, clerical, sales and services, managerial and administrative jobs will dominate, accounting for close to 148,000 new jobs". While it seems that we will lose jobs in the manufacturing sector as a result of the agreement, we will gain jobs in the service sector. It is well known that jobs in the manufacturing sector are usually well paid jobs with unions, full-time, and with benefits. On the other hand, many jobs in

the service sector for sales and clerical people are part-time, minimum wage, without benefits, and non-unionized.

Under this agreement it appears that we will be exchanging solid, full-time manufacturing jobs for service jobs which do not have the same salaries and benefits. As some of the witnesses who appeared before the committee said, we will be exchanging factories for warehouses; companies will concentrate their manufacturing, research and development in the United States, and they will have warehouses, and sales, distribution, and service people in Canada.

I strongly support this amendment in Motion No. 22 which states that one of the committees to be established for the administration of this agreement should monitor and review the adjustment impact of the agreement on company workers and communities and, in addition, monitor and review the economic viability and ability to compete within a given sector by Canadian companies with the United States companies operating in Canada.

Another amendment under this group of amendments is all-embracing. It simply states that we should delete Clause 8 of the agreement. Clause 8 of the agreement states that the agreement is hereby approved. To knock out that particular section of the Bill is one that we in this Party would like to do with all the ability and force that we could muster. The reason we want to do so is that it is a bad agreement for Canada.

The Conservative Government, in an attempt to lower tariffs and get assured access to the United States, sold out the country. It gave non-discriminatory access to Canadian energy on an assured basis. It gave national standing to American companies operating in Canada. It restricts the use of Crown corporations in Canada. For the first time in the world it has opened free trade for service industries, which is an unknown factor. It has put at risk regional economic development, agriculture, fisheries, and many other sectors.

We point out that, under Liberal policies for freer trade since the end of the Second World War, we now have a situation in Canada where there are no tariffs whatsoever on 80 per cent of all goods and services between Canada and the United States. However, that was done in a multilateral context, and our independence, identity, and sovereignty were not threatened. We eliminated tariffs on 80 per cent of goods and services without selling out the country. Now with this agreement, where the attempt was to ensure access to the United States, it is only eliminating tariffs on the remaining 20 per cent of trade, but the real culprit and barrier to trade in the United States, countervail and anti-dumping, have not been touched at all. We do not approve of this agreement, and we move that Clause 8 stating that the agreement be approved, be struck from the record.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I want to review some of the absolutely atrocious statements made by the Opposition. I listened to my hon. friend, the Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand), who, every time he is on his feet, knocks Canadians. He says that we cannot compete, and everything is going to be American. Remember Trudeau used to say: "Zap, you are frozen". These guys are going around saying: "Zap, you are American".

Mr. Allmand: The Economic Council says that.

Mr. McDermid: I have never met a Canadian who wants to be an American.

Mr. Axworthy: John Crosbie wants to become an American.

Mr. McDermid: I have not met one yet. We are not going to become American any more than fly to the moon, and the Hon. Member knows that. What a dumb thing for him to say, and to stand up time after time making stupid statements like that. What absolute truck!

Opposition Members want to take the clause out of the Bill which reads: "The agreement is hereby approved". If they want to take that out, why are they bringing in all the other amendments? If they want to take that one out, fine, but why bring in all the other amendments?

Mr. Hovdebo: Do you agree?

Mr. McDermid: No, this section is a standard clause, the general approval of an international agreement by Parliament. It is in all international agreements. No, I do not agree. It stays in. We are going to defeat that amendment, because it is a silly amendment. It is nonsense. It is crazy. It was brought by the Liberals. It was not brought by the NDP. I am looking at my hon. friend, but I am talking to the Liberals.

• (1620)

I want to cover the wine situation. I hear time after time Members getting up and talking about the free trade agreement—there is the Member for Hamilton East (Ms. Copps). She stands up and says, "The free trade agreement caused the wine industry the problems". I am going to give the chronology of what has gone on in regard to the wine industry in Canada. From 1960 to the mid-1970s, the issue of the discriminatory pricing practices of the provinces was raised by the United Kingdom and France at the Canada-France and the Canada-United Kingdom bilateral meetings. It was in the Tokyo Round, from 1975 to 1979, of the GATT negotiations—and the opposition Parties think that GATT is the only answer—that the issue was pressed by the United States, the European Economic Community, Australia and New Zealand.

At the end of the Tokyo Round, on April 5, 1979, to be exact, a Canadian letter to the Economic Community providing provincial statements of intention—these are the provinces that were involved; British Columbia and Ontario—made a statement of intentions at that time. This is in April, 1979. This letter said that the provinces gave a commitment to end discriminatory pricing practices.

On June 7, 1984—the Liberal leadership convention was going on, as a matter of fact—the European Community requested consultations under GATT, claiming that the provinces had not lived up to their 1979 commitment. On October 5, 1984, consultations were held with the European Community in response to the request. On November 29, 1984, a three-part proposal was put forward by Canada on a possible bilateral solution to their complaint. It was turned down.

On February 12, 1985, the European Community requested the establishment of a GATT panel. I want you to see that date, February 12, 1985. That was before free trade negotiations were ever discussed. That is when the GATT panel was requested and established on March 12, 1985, long before the free trade negotiations got under way. That is the GATT panel that came in in 1987 and said, "Ontario and British Columbia, your discriminatory pricing, marking up foreign wines, is an unfair trade practice". It has nothing to do with the free trade agreement. If we had never discussed the free trade agreement, the grape industries in this country were in trouble. Do you want to know why? Let me tell you why. This is from the wine industry itself in its presentation to our committee, I might say. It is dated a couple of days ago. They said:

> The development of the Canadian wine industry has taken place in an environment dominated by provincial government intervention.

That is their first statement. It continues:

> Provinces have enacted legislation which creates preferences for locally-produced wines, thus ensuring that job-creating wineries are located within their boundaries. These barriers mean that there is no truly Canadian market, but 10 separate provincial markets.

We cannot even trade east-west in the wine that we produce, or in the beer that we produce, for that matter, because of the provincial regulations. We have these 10 little markets all across the country. The presentation further states:

> Regulations have been enacted to maximize the use of Canadian grapes in Ontario and British Columbia - the only provinces where grapes are grown in commercial quantities.
>
> Due to higher input costs in Canada caused by our scale of production—

Marketing boards have negotiated grape prices which, on average, are double that of comparable grapes in California. It continues:

> Provincial and federal governments have purchased surplus grapes, thereby limiting the need for adjustment in the supply and type of grape produced in Canada.

There is the key to the whole thing. There was no incentive for them to change to the varietal types of grapes. That is what we have been missing. The Governments were buying their surplus grapes, so why change? Who cares? The presentation further states:

> Indeed, because of the annual purchase of surplus grapes by the federal and provincial governments, there is now a chronic surplus of unwanted labrusca grapes; and a shortage of vinifera varietals—in a world that is literally awash in wine and grapes.

They went on to say:

> The result of these government actions and attitudes—

They are talking of provincial Government, not federal Government:

> —has been the development of a commercial wine industry which is often required to produce product from artificially expensive imports in uneconomic facilities.

This is quite a brief that they have presented. If people read this and went on to read it and talk about it, they would find that the wine industry was in trouble in this country for a number of reasons, primarily provincial. Yet, here is the Premier of the Province of Ontario who says—and he is speaking to the grape people:

> At some point or another, you're going to have to make your feelings known to the federal government that created this situation—

The federal Government that created this situation!

> —it takes more than one to dance. We did not cause this problem.

This is Peterson from Ontario who is saying this. The Wine Institute has irrefutable evidence saying that it is the province that is causing this problem.

You cannot have it both ways. Somebody is not telling the truth. I have known David Peterson for years. I knew David Peterson before most people in Ontario knew him. I have worked with him at Queen's Park. I remember the tough leadership battle he had against the Hon. Member for Hamilton East. But here he is saying, "We did not cause the problem". Yet, here is the Canadian Wine Institute that presented us, the committee, with a brief saying that they did cause the problem. So, there are problems. We admit to that.

Our Government has, in the West and in co-operation with the Province of British Columbia, arranged help for the grape growers to change to those varietal grapes that are so important to produce a good quality wine. Our good quality wine in Canada is being sold around the world. It is winning medals around the world. Hillebrand is exporting 4,000 cases of its wine this year to Japan. So our wine industry can survive. Our grape growers need some time and some help to tear out those old vines and bring in the new vines.

Let me just read from this article. There was a woman who met the Premier of Ontario, and here is what she said:

> The Government of Canada has agreed to set aside $70 million for a vine-removal program and to support a surplus buying plan for 1988—

She is talking to Peterson, face to face. This is the quote:

> —(but) we have no commitment from the Ontario Government at this time. We as growers are asking for a commitment from the Ontario Government for these two programs—

That is what she said. He said, "The negotiations are tough. You are not going to like the solution, but hopefully we can give you one that you can live with. But it is not our fault". This is the Premier of Ontario.

Ms. Copps: That is right.

Mr. McDermid: I must tell you that the amendments that are proposed in this grouping are totally unnecessary. If I had more time, I could quote chapter and verse as to why they are unnecessary. For example, the Minister for International Trade (Mr. Crosbie) announced the make-up of the International Trade Advisory Committee, representatives of labour, industry, small business, large business. As a matter of fact, the Minister emphasized that he invited the Canadian Labour Congress to discuss the CLC's participation in the International Trade Advisory Committee. The CLC's views and the multilateral trade negotiations will be important, and I hope that they will accept my invitation. They did not accept my invitation the first time when they were invited. Let us hope that they do this time.

We involve people in the consultative process that we have instituted over the last four years, and we will continue to do so. These amendments are unnecessary.

Some Hon. Members: Hear, hear!

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, I appreciate the opportunity to rise again and to point out to some extent to the Parliamentary Secretary to the Minister that in his description of the grape growers' problems and their suggestion to both the provincial Government and the grape growers of the involvement of the federal Government and the need of assistance from the federal Government, it is relative to the decision made by this Government that 50 per cent of the differential must be made up at once, or at the beginning of the trade agreement. That in itself puts the federal Government in the driver's seat and makes it responsible for the dilemma the grape growers are faced with in this next year.

• (1630)

Mr. McDermid: No, that is nonsense. Read the GATT panel.

Mr. Hovdebo: These six clauses we are dealing with cover a great deal. The first one suggests that we just not agree with this Act in any way and delete Clause 8. One of the problems in this whole discussion is the fact that government Members are making a great deal out of what they call the truth in interpretation of this agreement. In doing so, they show how arrogant they are. The interpretation of this Bill is exactly what is being disagreed with. We have a different interpretation of many of the terms of the agreement and clauses of the Bill. By saying that the government interpretation is the truth and anyone else's is a lie, government Members are insulting everyone who has given a little bit of thought or study to this Bill and the agreement and come up with any kind of interpretation different from the Government. What arrogance. That does not contribute to understanding of this deal.

The understanding or lack of understanding of this deal will be what will eventually defeat this free trade agreement. A voter faced with making a decision on the deal is being asked to choose between the *status quo* and something he or she does not understand. If you are faced with that kind of a decision, you are going to choose the *status quo*. It would seem to be in the best interests of the Government if it were to help voters to understand.

Mr. McDermid: We are.

Mr. Hovdebo: However, there is the rub. The more the voters understand about this agreement, the more they disagree with it, and the Government is caught in a real dilemma.

Mr. McDermid: That is the NDP, accept the *status quo* or go backwards.

Mr. Hovdebo: I recognize the dilemma that government Members are faced with, and in the process I recognize that the action they are taking is to confuse the issue as much as possible. That is the only alternative they have. It is the only way out. If the people understand it, they will vote against it. If they do not understand it, they vote for the *status quo*.

I want to speak on Motion Nos. 17, 19 an 21 for just a minute. Motion No. 19 deletes Clause 9. Some day one of the provincial Governments is going to take Clause 9 to the courts and the Government is going to lose. It attempts to impose the will of this agreement on the provinces even if they do not want it. Premier Bourassa, who claims that he and everybody in Québec supports this Bill—although that is very doubtful—has decided that he could not face this elimination of provincial rights. If you cannot beat them, join them. He said he is going to, and has done it to some extent by passing permissive legislation which allows the Government to come in and do that, or he is going to pass it before the federal Government does, say it is already in place and therefore does not affect our rights at all.

Premier Peterson appears to be doing exactly the opposite. He is making sure he has legislation in place which this Bill will confront. We are going to have a confrontation between this Bill and provincial government law which will protect water, the wine industry and other products controlled by the provincial Government.

Ms. Copps: Pretty good Premier.

Mr. Hovdebo: Yes, he is.

That is what will happen as far as Motion No. 19 is concerned, so it makes sense to eliminate Clause 9 by accepting Motion No. 19.

With respect to Motion No. 21, a Liberal motion, although we accept the idea of broader representation on the government board dealing with the agreement, it must be recognized that this amendment does not require that there be farmers' groups, women's groups and multicultural groups on the board as well. We will support the amendment but it does lack a bit in that it does not recognize those groups I just mentioned in

addition to the ones it does. It could be broader than it is but we will support it.

Motion No. 22, an NDP motion, aims at setting up a commission that would monitor the problems of community workers, community and worker adjustment, sectoral competitiveness of Canadian and U.S. companies, and agricultural pressures resulting from the agreement. The motion recognizes there are going to be problems in every one of these areas and we should know what those problems are when they happen and be able to do something about them, or do something about them before they happen, if possible.

If the Minister or his Parliamentary Secretary wishes to find out what those areas of concern are, what those pressures of competitiveness will be, he should just go back to some of the briefs that were presented to the committee. The Canadian Federation of Agriculture's brief did not take an exact stand on whether it is for or against the agreement, but it pointed out that there are a myriad of concerns that should be dealt with. The prairie pools made representations indicating that there are some concerns over the fact that the whole process is undermining the Canadian Wheat Board. National farmers' unions have listed a great many concerns about agriculture. These are things that the panel should know about before they have a disastrous effect upon the industries with which we are concerned.

• (1640)

Mr. Patrick Crofton (Esquimalt—Saanich): Mr. Speaker, it is a pleasure to rise in my place to offer a few comments on this important legislation. All of us have listened for some days to many observations and presentations made by many Members.

The Hon. Member for Prince Albert (Mr. Hovdebo), in his speech a few moments ago, suggested that any Canadian who criticized the free trade agreement would be condemned by members of my Party. That, of course, is totally untrue. There are a great many Canadians, as we continually find to our sorrow, whose knowledge of the proposal is somewhat less than we would wish it to be. Not everyone has taken the trouble to study the documents or to follow the debates. The people have gained their impressions of what is occurring by reading the newspaper headlines and by hearing little squibs about what is taking place.

The Hon. Member for Prince Albert said that anyone who has studied the matter briefly should not be condemned. I agree with him entirely, but the members of his Party and the members of the Liberal Party are expected to have studied this at length. Therefore, they have no excuse for totally misrepresenting a number of the things that are contained in the document.

When my own constituents ask me about free trade, I tell them that the trade proposal does not guarantee a job, it does not deliver a job and it does not promise a job. Therefore, the claims that jobs will be created or lost are just a lot of rhetoric. What the trade proposal does is to create an opportunity. It gives Canadians an opportunity to sell into a market.

If a producer does not produce any goods, quite clearly he will not make any sales. If he makes no attempt to go to the United States or to any other country in this world to market his goods, clearly he will not have any sales. Nothing is guaranteed in this life. If a person makes no effort, he will not get very far.

Our Government, any Government, has an obligation as a part of its job to create opportunities for the people, and that is precisely what this legislation offers. It offers an opportunity. Canadians who choose not to take advantage of the opportunity are quite entitled to make that choice. There are no guarantees in this world. Those who do not choose to take advantage of the market that is available to them will clearly not benefit as much as those who do.

I have listened very patiently to a lot of things said in this House which are complete nonsense. My colleagues might be interested to know, just as an aside, what was said by the person who has been nominated by the New Democratic Party to campaign against me in the next federal election. She will remain anonymous and she certainly deserves to remain anonymous. She stood up at a public meeting and said that free trade was a total, dreadful disaster, there were a thousand and one things wrong with it and, as an illustration of how awful this proposed free trade thing is, she said that the free trade agreement already in place is responsible for our testing the cruise missile. That is exactly what she said to an impressionable high school audience. Either she is the most misinformed person in this country or she is capable of telling a bald-faced lie without even having to blush.

Those are the sorts of things that are being said which do nothing to enhance the reputation of present or would-be Members of this House. Members of this House, in name if not in fact, are supposed to be honourable people. They are presumed to tell the truth when they have the opportunity to speak in public. Therefore, all of us have an obligation to look carefully at documents so that when we represent our Party's position or anyone else's position, we do so truthfully and factually.

Certainly there are many things that we can disagree about in this world. There are many pieces of legislation that are complex and there are different ways of arriving at solutions. Honest debate and honest disagreement is a natural state of affairs. It is healthy and indeed should occur in this place. That is why we are here. We are not here to rubber-stamp things but to look at them carefully, prudently and seriously and to arrive at the best answers we can. Therefore, I enjoin members of the Opposition, when they make speeches on this subject in this House or elsewhere, to use some care to attempt to be factual.

Indiscriminate access to Canada's energy is a phrase that has been used. That is just not true. The energy resources of this country have been and continue to belong to the individual

provinces. In 1974, we reached agreement internationally, and that was when the Liberal Government was in office, in time of crisis not to cut off a customer who has a valid contract. We did this voluntarily, not only with the United States but with a number of other countries. That is entirely reasonable, because it works both ways. It is conceivable that Canada can have an energy crisis of its own at some point in time as a result of international activity, and we would be the beneficiaries the same as anyone else in the sharing.

We have seen fit to propose in this trade package to add to oil, gas and hydro-electric power. We make major sales of that power to the United States. Interestingly enough, a suggestion was made by a member of the Liberal Party a few moments ago that we are the only country in history that would ever agree to do this kind of thing. I was under the impression that this trade proposal was a bilateral agreement, that what was sauce for the goose was sauce for the gander, that any advantage that might accrue to the United States as a result of an energy crisis would equally apply to us if the market was a problem for us.

Another matter that is raised fairly regularly is what was said in 1983. In 1983, there was a contest for the leadership of the Progressive Conservative Party. The candidates at that time were asked what they thought about free trade. The Prime Minister (Mr. Mulroney), who at that point was seeking the office of Leader of the Party, said that he was opposed to free trade. If he were asked today the same question, in the same context, he would also say that he was opposed to it. What we are proposing here is a form of managed trade. It is a long way from being free trade.

In the summer of 1985, I had the privilege of being a member of a special joint committee of Parliament comprised, as Hon. Members will be aware, of both MPs and Senators. We were asked to do two things that summer. We were asked to travel to all 10 provinces of this country and to hold public hearings into two issues. One was the invitation by the President of the United States to participate in SDI, and the other was to find out what Canadians thought about free trade.

It was very apparent to us, as we travelled across the country, that free trade, pure free trade, was a non-starter. We possess a great many things in this country which we prize and value which are different from the United States. We have no wish to put ourselves in the position of bargaining them away. They include our social programs, our culture, our sovereignty, and various particularly vulnerable parts of our industry.

• (1650)

It was our recommendation to the Government, as a result of our public hearings across the country, that we should indeed carry on with this initiative of trade with the United States. We recommended that we have conversations which should lead to negotiations which may or not arrive at full free trade depending on what was left on the table. If various things were taken off the table we would clearly not have a free trade agreement but a form of managed trade.

That is exactly what we have. Any attempt to represent it as any other thing is untrue. The Prime Minister said then, and would say now, that pure free trade is a non-starter for this country. I agree with that and that is not what we have.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I cannot believe what I have just heard from the Member for Esquimalt—Saanich (Mr. Crofton). Has he read the Bill? It says, "An Act to implement the Free Trade Agreement between Canada and the United States". It is a free trade agreement. If I heard the Hon. Member correctly, he said that the Prime Minister (Mr. Mulroney) is still against free trade. Frankly, I am baffled because this is a free trade agreement. The Government says it is a free trade agreement and the Prime Minister says it is a free trade agreement. It is most certainly not a managed trade agreement. It is a free trade agreement and it says so right in the Bill.

I can understand why the Member for Esquimalt—Saanich is trying to distance himself from his Government's free trade agreement by stating that he is against free trade, which is what he just said.

Mr. Crofton: Mr. Speaker, I rise on a point of order. I would appreciate if the Member who is speaking now would make some attempt to describe my constituency properly. She has mispronounced it a series of times.

Ms. Copps: I understood the Speaker introduced the Member as the Member for Esquimalt—Saanich. If he is not the Member for Esquimalt—Saanich I am sure the Speaker can change that nomenclature. I take the correction very seriously but I wish the Member would get back to the main point.

I have just heard a Conservative stand in the House and say that he is against free trade and his Prime Minister is against free trade.

Mr. Crofton: In its purest sense.

Ms. Copps: In its purest sense, yes, that is exactly what he said.

Mr. Crofton: Are you suggesting that this is?

Ms. Copps: This is a free trade agreement. On Bill C-130 it says, "An Act to implement the Free Trade Agreement between Canada and the United States". It is called a free trade agreement and it is a free trade agreement.

Mr. Turner (Ottawa—Carleton): Nothing is free.

Ms. Copps: I can understand why the Member for Esquimalt—Saanich and the Member for Ottawa—Carleton (Mr. Turner) have to distance themselves because this policy is devastating for their Government. I am also very pleased that a Conservative Government Member has finally admitted

what we have said all along, that this agreement will not create a single job. The Member for Esquimalt—Saanich said in his remarks that it would not create a single job. I agree with him totally, but I wonder how he squares that with the Finance Department's report, which was tabled by his own Government, which claimed that the free trade agreement was going to create 250,000 jobs. The Member has admitted here in the House that the free trade agreement will not create a single job. I could not agree with him more. In fact, it is going to cost us jobs.

I would like to spend some time zeroing in on an industry which has been victimized as a result of this deal. There has been much discussion today about the GATT panel. I understand why the Member for Niagara Falls (Mr. Nicholson) was practically apoplectic in his seat, because the whole of the Niagara Peninsula, which was painted Tory blue in the last election, is finished. There is not a single Tory on the Niagara Peninsula who will be re-elected, and that is directly a result of this trade deal.

Mr. Nicholson (Niagara Falls): We're going to get you, too, Sheila.

Ms. Copps: Oh, you're going to get me. Believe me, I am waiting. I want the Minister for International Trade (Mr. Crosbie) as my guest speaker because the minute he comes into my riding I will end up with 10,000 more votes.

Specifically with respect to the grape growers, the Member for Niagara Falls stood in his place and tried to blame the signing of the free trade deal on the Ontario Government, one of the few Governments which has consistently spoken out against the deal.

Mr. Nicholson (Niagara Falls): What about GATT, Sheila?

Ms. Copps: In fact, the decision of this Government to sacrifice the wine industry by implementing a 50 per cent reduction in Canadian content in the first calendar year of the agreement has already written off the grape industry. The grape farmers in the Niagara Peninsula are finished.

The Parliamentary Secretary can talk about going into different kinds of grapes, but the fact is that as a bare minimum in order to survive as an industry one half of the acreage on the Niagara Peninsula will have to be buried. You will probably see 60,000 tonnes of grapes rotting in the ground this year as a direct result of the fact that the wine companies know that they are no longer bound to buy Canadian grapes because of the changes which were wrought and brought upon us, not by the GATT panel, which talked about a 12-year phase-in period, but specifically as a result of the free trade agreement.

Farmers on the Niagara Peninsula have seen the value of their properties and their industry cut by literally, in some cases, hundreds of thousands of dollars. I think of Mr. Danyluk who was here in the House last week.

One thing I will say to the credit of Simon Reisman is that he at least admitted publicly that one of the victims of the trade deal was the grape and wine industry, unlike the Member for Niagara Falls who tries to hide behind the GATT panel which was precipitated by a European community that was afraid of the infiltration of California grapes into the Canadian market-place. At least Simon Reisman has said that the grape farmers will be sacrificed on the altar of free trade.

Two years ago I participated on a panel in Toronto. The American Vice Consul at the time, Mr. Blevins, stated quite categorically that one of the reasons the Americans wanted to sign the trade deal was that they wanted to be able to make inroads into the Canadian wine market. Indeed, inroads they will make. There has been a 50 per cent cut-back in the grape quota which was formerly accorded to the wineries; 25 per cent in January of 1989 and 25 per cent in January of 1990, for a total of a 50 per cent reduction in the first year of production. If anyone knows anything about the industry in the Niagara region they will know that the transfer of grapes—

Mr. Nicholson (Niagara Falls): Oh, you're an expert now, are you?

Ms. Copps: Mr. Danyluk was here in the gallery yesterday. He wants to transfer his production from grapes to raspberries. In order for him to make that transfer he must have some up-front capital and he needs time to make that change.

Mr. McDermid: He will.

Ms. Copps: The man is going bankrupt and the people on the government side of the House are blaming other governments. Before this free trade deal was introduced Mr. Danyluk had an operation which, including his capital and farm, was worth approximately $500,000. He usually needed an annual operating loan of between $90,000 and $95,000 in order to harvest the grapes and take them through full production or to sell them.

As soon as the free trade deal was announced—not the GATT panel or the European decision—his banker called him up and said that, although he may be sitting on property which was formerly worth $500,000 with a $160,000 mortgage, the bank would lend him as an operating loan this year, because of the free trade deal, $5,000. His operating loan was cut from $95,000 to $5,000.

The federal Minister of Agriculture (Mr. Wise) said, "I'll help out, I'll solve the problem". His office called the bank and was able to get the loan increased by a measly $5,000. Mr. Danyluk is operating his farm this year on a $10,000 operating loan. The only reason he can harvest the grapes is because people are harvesting them on the promise that they will be paid after the harvest.

These are the victims of the trade deal who should be paid by the Government. The Government must stop shirking its responsibility and start paying up to those people whose livelihoods it has destroyed as a result of the trade deal.

Mr. Deputy Speaker: It being 5 o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

• (1700)

PRIVATE MEMBERS' BUSINESS--MOTIONS

[*English*]

FINANCIAL INSTITUTIONS

ADVISABILITY OF INFORMING DEPOSITORS WHEN DEPOSITS ARE UNINSURED

The House resumed from Tuesday, July 5, consideration of the motion of Mr. Riis:

> That, in the opinion of this House, the Government should consider the advisability of co-operating with the provinces in establishing a system whereby those individuals who deposit money in financial institutions not covered by deposit insurance be required to sign a waiver form indicating that they are fully aware that their deposits are not insured in the event that the institution goes bankrupt.

Mr. Rob Nicholson (Niagara Falls): Mr. Speaker, I am pleased to enter this debate. I think this is a subject that is very important and one that in the past has caused considerable hardship. I think of my own riding of Niagara Falls a number of years ago and the provincially regulated company by the name of Astra Trust. I am sure there are Members in the House who will remember that incident.

The common complaint among a number of the individuals in that case was that they bought certificates, had invested money with the company and thought that they were covered by the Canada Deposit Insurance Corporation and the protection given under that particular Act. They assumed in dealing with this company that there were either federal or provincial regulations and laws in place that would protect their investment. They unfortunately found out that they in fact were not covered. The story did not have a completely unhappy ending since there was government assistance in that case, but it pointed out the need at both levels of government to act in a way that would help protect individuals from that circumstance.

I am pleased that this subject, as well as other issues within the financial sector, has been under review by the Government. I believe there has been substantial progress made in it.

The Government has already implemented a number of measures to enhance consumer protection. As part of the financial sector reform package contained in the December 1986 policy document, Bill C-42 and Bill C-56 received Royal Assent just over a year ago. I think they go a long way to addressing some of the concerns that many of us have in this particular area.

I suggest as well that the federal Government has addressed the problems not only with its jurisdiction, it has encouraged and participated in discussions with its provincial counterparts.

In the area of financial sector change, the Government has met the challenge. Bill C-42 is a good example. The House should reflect for a moment on what measures have been taken by the Government of Canada in this area. Bill C-42 has an extension of the ban on unauthorized presentations of the insurance status of member institutions or of deposits received by them to persons acting as agents of such institutions.

In addition, that Act includes the incorporation in the CDIC Act itself of an existing regulatory requirement that when institutions take deposits which are not insured they must indicate that fact in writing on the deposit in contract. That is a very substantial and important change so that people see on the face of the contract whether or not they are protected.

In addition, there is a new requirement that member institutions who solicit funds for investment on behalf of their investment company subsidiaries or any other non-member of the CDIC give notice to investors that such funds are not covered. These new measures are in addition to the existing prohibition against anyone, other than a member institution, from representing itself or other member institutions as being insured by the CDIC.

As Members are aware, the Government is currently in the process of implementing the remaining measures contained in the December 1986 policy document. Among other things, these measures will grant broader powers to federal financial institutions, enabling them to provide their clients with a much wider range of financial services. The Government views the formation of such groups as a healthy development for Canada's financial markets.

In addition to providing Canadians with more choice and convenience in obtaining financial services, the diversification of financial institutions into new lines of business should enhance their ability to meet the challenge of increasing international competition as well.

The Government is well aware of the potential problems that are entailed in trying to protect the consumer. Consequently, the need for additional measures to address potential problems has been recognized in the draft of the proposed new Trust and Loans Companies Act which was released on December 21, 1987. By expanding the powers of trust and loan companies to provide various sorts of financial services to their clients, the draft legislation would also enable the Governor in Council to make regulations imposing terms and conditions with respect to those activities.

It is important to remember that these measures of consumer protection belong in the context of a major overhaul of the potential Prudential safeguards of our financial system. Bill C-42 has created the office of Superintendent of Financial Institutions, and Bill C-56 gave that office stronger powers than its predecessor organization.

I believe it is fair to say that the CDIC is hard at work at improving public awareness about what it insures. Readable and detailed information brochures are being produced and the

corporation is looking into a number of techniques for strenghthening public knowledge of its activities.

The Government is committed to developing legislation that protects the Canadian consumer. I support the Government's efforts in that regard. I suggest as well that as much as the Government of Canada agrees that there must be as much protection as possible, I do not agree with what I think may be implied in this resolution, that somehow we will take over the area and we ourselves will insure provincial lending institutions. That is wrong and would go too far.

I suggest it is typical of the NDP that on every occasion they want to extend the reach of the federal Government to make us responsible for everything. There is a responsibility for us to take leadership in what is in the federal jurisdiction, to protect consumers. We can and should discuss these matters with the provinces, and the provinces themselves should take steps to ensure that those individuals who lend money and deposit money with provincial institutions are protected. But I will not go that one step further and say that we should somehow get into the business ourselves and that we ourselves should become liable for mistakes made within the provincial lending jurisdiction. That is wrong. That is an unwarranted extension of the federal jurisdiction. I would reject that and would hope the Government itself would reject it.

Again, this is an important area of consumer protection, one that I am very pleased to have been able to comment upon.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to the Secretary of State and Minister Responsible for Multiculturalism): Mr. Speaker, I also want to take this opportunity to respond to the remarks of my colleague from Kamloops—Shuswap (Mr. Riis). I join my colleagues on both sides of the House in welcoming the opportunity to express the concerns that many of us have on an important consumer protection issue.

The key issue which this motion addressed is, of course: How do we go about ensuring that consumers get the information which they need to make sound saving and investment decisions? This question has been in people's minds a great deal since the failure of the Principal Group in Alberta.

As Members of this House all know, the Principal Group affair falls entirely under provincial juridiction, given that none of the 127 companies that constituted the Principal Group was federally chartered or regulated. In fact, only one of the Principal Group compagnies—Principal Saving and Trust—was even a member institution of the Canada Deposit Insurance Corporation, or CDIC.

Nevertheless, I agree with the mover of this motion that the federal Government has a constructive role to play in preventinig the types of misunderstanding that occurred all too frequently among clients of the Principal Group.

I am pleased to note that the Government has already taken significant steps in the last few years with these issues in mind. Even prior to the Principal Group failure, the Government implemented a number of measures to ensure that clients of CDIC member institutions received better information.

Several of these were implemented through amendments to the CDIC act in July of last year which banned the agents of member institutions from making unauthorized statements regarding the insured status of the institutions or of any deposits received by them; introduced a requirement that when institutions take deposits which are not insured, they must indicate that fact in writing on the deposit contract; and required member institutions who solicit funds for investment on behalf of their investment company subsidiaries or any other non-member to give notice to investors that such funds are not insured.

These new measures are in addition to the existing prohibition against anyone other that a member institution from representing iteslf as being insured by the CDIC.

As Members of this House are aware, the Government is also committed to implementing addidional consumer protection measures as part of its proposed financial sector reforms.

Mr. Speaker, those measures are especially relevant given the growing trend towards the "networking" of financial services that is financial institutions marketing other institutions' products. I agree with the Minister of State for Finance (Mr. Hockin) when he says, on page 24 of his december 1986 policy paper, that additional measures are needed.

In particular, I agree that rules are needed to ensure that clients of financial institutions are always informed of which financial institution it is that they are actually dealing with and of the presence or absence of deposit insurance coverage on the investments they make.

In conclusion, the measure which the mover of this motion has proposed is one such rule. But it is only one of a number of possible mechanisms for accomplishing this objective. Moreover, it is far from a perfect solution to the problem at hand.

In fact, it could easily create as many new problems as it purports to solve. This is so because, as others have pointed out, it could mislead consumers into believing that there is only one kind of insurance coverage for deposits and deposit-like investments.

In spite of all this, I think that the mover of the motion has the right objective in mind. Therefore, while I cannot support the motion as it currently stands, I support his call for additional efforts on the part of both federal and provincial Governments to take co-ordinated action to prevent the re-emergence of problems similar to those which arose in the Principal Group affair.

Mr. Speaker, I can assure you that our Government is doing everything so that consumers be better protected than ever before. As a consumer advocate who volunteered to uphold

their cause in Quebec, I can assure you that given what has been happening in financial institutions as six of our Conservative colleagues . . . lower credit card interest and lower bank charges, I am more than pleased to see that at long last consumers are beginning to be treated with much more respect. I have always fought for that and I am very proud to be on this side of the House when I see that for once the consumer has been dealt a winning hand.

• (1710)

[*English*]

Mrs. Barbara Sparrow (Calgary South): Mr. Speaker, this motion presented by the Hon. Member for (Kamloops-Shuswap), (Mr. Riis) raises a concern which is felt by a good many Canadians. Indeed, I believe the record amply shows that it is a concern shared by the Government, one which it has already moved effectively to address.

There can be no question that Canadians expect and deserve the strongest possible reassurance concerning the security of their deposits in our financial institutions. As has been pointed out in this useful debate, not all our individual investment decisions can ever be fully guaranteed. Nevertheless, the Canada Deposit Insurance Corporation goes a long way in ensuring that our savings will not have disappeared when we go to collect them. It provides an essential level of consumer protection by insuring individual deposits up to $60,000 in our federally chartered banks and most trust and loan companies.

The CDIC certainly provides the cornerstone of our consumer protection system, but it is not the whole structure. The Quebec Insurance Board, for example, offers CDIC-like coverage in that province for deposits in loan and trust companies and caisses populaires under provincial jurisdiction. Other provinces have established a number of corporations offering investment and deposit insurance.

We are not just concerned with protecting what we think of as conventional savings deposits at the bank or trust company. There is the whole business, for instance, of annuities sold by the insurance industry. As we know, the Government is currently working with the industry to determine the most effective means of providing insurance for annuities similar to the coverage the CDIC provides for bank and trust deposits. We must also bear in mind that as a result of the Government's reform of financial institutions legislation, our financial sector can look forward to offering consumers the choice and convenience of a much broader range of products and services. These will be placed on the market through networking arrangements between financial institutions. They are likely to include, to give just one example, deposit-like instruments that are in fact insured, although not necessarily by the same agency that insures the institution that sells them.

In light of all this, I have no quarrel with the general principles underlying this motion. It seeks to improve consumer protection, and none of us are against that. However, the question to be asked is, would it effectively strengthen measures the Government already has in place and is in the process of implementing? Or does it, instead, try to do right things in a wrong way and thus unnecessarily creates new problems?

Other Members have already pointed out some of the motion's deficiencies in this respect and I will not dwell on them. Everyone agrees on the necessity for harmonization and co-operation between the federal Government and the provinces, but this is not likely to be achieved by asking federal regulators to set rules in areas of provincial jurisdiction. There are also technical problems raised by the motion including uncertainty of the precise meaning of the term "insured deposits", bearing in mind the variety of deposit insurance agencies and plans to which I have already referred.

This debate has nonetheless served the useful purpose of highlighting the range of measures the Government has undertaken to improve consumer protection even as financial sector reform allows growth of new and innovative customer services. The Government has strengthened the arm of the CDIC through the new provisions which clarify when deposits are and are not insured. It is now a statutory requirement that deposit contracts issued by CDIC-insured member institutions and their affiliates indicate in writing when deposits are not insured under the CDIC. Non-members of the CDIC and all persons acting as their agents are prohibited from representing themselves as being insured by the CDIC.

• (1720)

The Government's draft trust and loan companies legislation, as well as the new legislation covering banks and insurance companies, will empower the Government to impose strict regulations on the operations of these companies to safeguard consumers. What I believe all this adds up to is that Canadians have every reason for having confidence in the soundness of our financial institutions in the new era of reform, and in the Government's determination to give first priority to the protection of consumer interest.

As you well know, Mr. Speaker, I am from the Province of Alberta. Over the past few years we have had our problems. We have had problems with the failure of the Canadian Commercial Bank as well as the Northland Bank. After much discussion and a great many hearings the Government moved to assist the depositors. The opposition Member who is putting forward this motion, as well as members of the Official Opposition, ridiculed the Government. They opposed the Conservative Government when we moved to protect consumers in both these cases. How they have changed their minds. They have done a 180 degree turnaround. Now they are even talking about the federal Government moving on the disastrous Principal Group problem that we have in Edmonton, Alberta.

The Principal Group comes under provincial jurisdiction. It is certainly not under the federal Government's authority. I do not see any reason why the federal Government should step outside its bounds of authority.

Over the past couple of years the Government has taken initiatives through Bill C-42 and Bill C-56. Bill C-42 strengthens the federal supervision of financial institutions. New powers will improve the ability of the Canada Deposit Insurance Corporation to protect the interests of insured depositors and other creditors. Federal regulators will have a stronger and a clearer sense of powers to take control of financial institutions that are insolvent and that violate their regulatory requirements.

We have also passed Bill C-56, a Bill that strengthens legislation governing banks, federally regulated trust, insurance and loan companies. The Government is committed through this Bill to ensuring that federally regulated financial institutions remain sound and are competitive, both domestically and internationally. We have taken steps to support and improve consumers' deposits. We have addressed issues—not to say that there is not more to be done.

In speaking to this motion I am sorry that I cannot support it. I feel very strongly that the Government, through Bill C-42 and Bill C-56, has certainly moved into the area to assure consumers that they have absolutely more legislation governing banks and federally regulated institutions, and that the CDIC has certainly improved its mandate. There is now more supervision in terms of CDIC deposits.

I appreciate having the time to express my views. I am sorry for the problems that Alberta has faced over the past few years. Hopefully, the province can resolve the Principal Group situation. We look forward to consumers being assisted there.

[*Translation*]

Mrs, Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Mr. Speaker, I want to thank the Hon. Member for Kamloops-Shuswap (Mr. Riis) for bringing this motion before the House. As many of my colleagues have already indicated, the question of consumer protection in this period of financial institution reform is of obvious concern to many people, I am sure that all of us, as Members of Parliament, have heard from constituents who are worried about the stability and safety of Canada's financial institutions, particularly given the high profile failures of certain institutions over the past decade.

These failures have had a high profile, of course largely because the underlying stability and safety of our financial system made them unusual—the exceptions to the rule. While their effect on the system and the economy has been relatively small, they must not be considered unimportant. They are not unimportant to a small investor or depositor who loses money. He or she does not want the two levels of Government to point fingers and assign blame; they want something done about the situation.

These incidents have pointed to flaws in the existing system which must be addressed by both federal and provincial governments. I say federal and provincial governments, Mr. Speaker, because as you know, jurisdiction in this area is shared. As the motion before us indicates by calling for co-operation between levels of governments, neither the federal Government nor provincial governments alone can protect the entire financial system.

The Federal Government has given top priority to protecting the consumer. In fact, it has been one of the most important principles guiding the Government's reform of the financial sector ever since it first came out with its Green Paper in the spring of 1985. Indeed, on the very first page of that discussion document the Government committed itself to nine principles designed to better serve the public interest in the regulation of financial institutions in Canada.

The principles are as follows:

—to improve consumer protection;

—strict control of self-dealing;

—to guard against abuses of conflicts of interest;

—to promote competition, innovation and efficiency;

—to enhance the convenience and options available to consumers in the market place;

—to broaden the sources of credit available to individuals and business;

—to ensure the soundness of financial institutions and the stability of the financial system;

—to promote international competitiveness and domestic economic growth; and

—to promote the harmonization of federal and provincial regulatory policies.

The Government re-affirmed its commitment to these principles in its Blue Paper tabled in the House in December 1986. These principles have guided the Government's actions ever since and, as indicated by its position on the list, consumer protection has been given top priority.

Mr. Speaker, a number of my colleagues have already pointed out the many ways in which the Government has strengthened and improved consumer protection. They have set out very well the measures it plans to introduce to further improve protection in the future. I am not going to spend the valuable time of the House in yet another recitation of these measures.

Let me just say about this that I believe the Government has done a lot to protect consumers, and should be congratulated for its work rather than receiving concealed criticism for not going even further. That does not mean that we cannot do more. I know that I am always interested in hearing about new ways to help consumers, as I am sure are most of my colleagues. However, although I can agree with the principles behind the Hon. Member's motion, that reflect in certain ways the principles I outlined earlier, I believe there are a number of problems with the motion.

There would be a number of difficulties involved in drafting a waiver form to take into account all the different kinds of

situations facing consumers of financial products today. As the borders between financial institutions become increasingly blurred, the difficulties would worsen. Even now it is difficult for a financial institution to know when a person's deposits exceed $60,000; for example, the client may have many different accounts located in various branches of the same institution.

There is also the difficulty of defining accurately the term "insured deposit". After all, there are many different kinds of deposit-insurance agencies, including: the federally chartered Canada Deposit Insurance Corporation, which insures federally chartered banks and most trust and loan companies; the Quebec Insurance Board, which offers similar coverage in Quebec for deposits in loan and trust companies and Quebec-registered caisse populaires; the Corporation du fonds de sécurité de la confédération Desjardins; various provincial "equalization funds" and investment-insurance and deposit-insurance corporations; and, compensation plans for holders of annuities and life and general insurance policies that are presently under discussion.

The situation becomes increasingly complicated when you consider that, in the future, financial institutions will be able to provide their customers with a much broader range of financial products and services. These could include instruments that are insured, but not by the same organization that insures the institution doing the selling. The possible complications along this line are endless.

The points I have made are only a few of the problems I foresee in trying to implement the Hon. Member's motion. But, as I indicated earlier, the general principles behind the motion—strengthening consumer protection and encouraging federal-provincial co-operation—are shared by the Government.

As the NPD House Leader pointed out in his opening remarks in February, his initiative is only one way of dealing with the issue of increasing consumer protection. Indeed, he admitted, and I quote: "There may even be other better ways of dealing with it." I believe this debate has revealed that the government has found better ways of dealing with the problem and has either implemented them or is in the process of implementing them.

• (1730)

[*English*]

Mr. Patrick Crofton (Esquimalt—Saanich): Mr. Speaker, I wish to thank the House Leader of the New Democratic Party, whose motion we are debating this afternoon, for giving me the opportunity to speak on the important and timely issue of better protection for depositors and investors in Canada's financial institutions.

The motion states:

> That, in the opinion of this House, the Government should consider the advisability of co-operating with the provinces in establishing a system whereby those individuals who deposit money in financial institutions not covered by deposit insurance be required to sign a waiver form indicating that they are fully aware that their deposits are not insured in the event that the institution goes bankrupt.

In slightly less complicated terms the motion simply states that we improve our consumer protection and regulations, and that we co-operate and consult with the provinces in order to do so. This could be described as a motherhood issue. Everyone, particularly members of the Government, is in favour of ensuring that depositors and investors can continue to have a high degree of confidence in our financial institutions. We all want to know that our money is safe and that our banks and other deposit taking institutions will continue to be world class in both their levels of security and in their service to the public.

In these fast moving times, particularly in the financial sector, the issue is even higher in the minds of many. I can certainly understand the concerns of many Canadians when they read about the failure of some of our financial institutions.

Those of us who were elected for the first time in 1984 from the Province of British Columbia had barely been in office when we were approached by people who had invested their life savings in the B.C. Teachers' Investment and Housing Co-operative. It is a tragedy of tremendous dimension for people whose hard earned life savings are invested in any enterprise, whether it is a co-op, a business venture, or a bank. Many of these people were retired and their opportunity to earn was clearly diminished. They were dependent upon the investment that they had made and the deposits that they had in these institutions for their well-being. To lose them, by some freak combination of circumstances beyond their control, was a shattering blow to them. The hurt, harm, and in many cases the ill health that resulted from this failure, was of tragic dimension.

Consequently, federal and provincial Governments must do what is reasonably possible to assure Canadians that the financial sector, whether federal or provincial, is as strong and safe as it can be made.

However, ladies, gentlemen, and colleagues, there is no question that business ventures are exactly that; risks are taken, investments are made, and there is no guarantee in this world that all business investments will be successful. As parliamentarians we have to determine what is the proper role for us in trying to safeguard innocent Canadians without being so heavy-handed in a bureaucratic sense in attempting to indemnify for each and every possible risk that might come that indeed business is stifled itself. That is why debate such as this is important.

It is very clear that the present Government places a high priority on revamping our financial institutions to provide the safety measures that we all believe desirable. I personally feel much more assured by the measures the Government has taken over the past several years. I hope other Canadians will also feel that their money is safe and will continue to be safe in this period of financial sector reform.

No matter how hard we try, it is very difficult to legislate common sense. If an individual is determined to invest money, in the first instance that individual must assume some responsibility for checking out what it is that they are doing with that money. We can pass all the rules we like in Ottawa, but an investor who does not bother to read the big print, never mind the fine print, makes it very difficult for us as parliamentarians to save them harmless from all the things they might choose to do.

I am not going to repeat what a number of my colleagues have already said about the many ways in which the Government has and is strengthening and improving consumer protection. Nor will I reiterate the numerous problems and difficulties in implementing the Hon. Member's motion. Many of my colleagues have also pointed out that the Government has important and far-reaching plans for further improved protection, and they have adequately described those plans. I believe it would be a waste of your time, Mr. Speaker, and that of Members of the House to go over them one more time.

I would like to add my assurance that the Government has always, and will always, put the protection of Canadian consumers uppermost in its financial reform plans. We have also co-operated and consulted extensively with the provinces to better harmonize financial regulations across the country. This is consistent with what the Government has been saying about financial reforms since day one.

In the *Agenda for Economic Renewal* which was presented by the Minister of Finance (Mr. Wilson) shortly after we came to office, we discussed directions for change for the regulation of financial institutions. We stated: "The Government intends to respond by working with the provinces, the public and the financial community to ensure that legislation reflects the rapidly changing financial sector. Among the objectives must be the efficient delivery of financial services, while maintaining adequate protection for investors and savers, and intergovernmental harmonization of the regulatory framework".

• (1740)

If one reads the Government's original Green Paper on Financial Sector Reform, it is clear that protecting consumers has been a top priority for the Government. Indeed, on page 1 of that document the Government listed nine principles which would guide us in planning new directions for our financial sector. All nine principles were designed to ensure that the public would continue to have confidence in our financial sector while, at the same time, ensuring that the sector would remain strong and competitive internationally and could offer consumers more and better services.

Our number one principle was "To improve consumer protection"; as I said before, we have been consistent.

Our other eight principles were as follows: to strengthen the controls against self-dealing; to guard against abuses of conflict of interest; to design a financial sector policy that promotes competition in the sector, while enhancing innovation and improving efficiency; to ensure that customers in the market-place will be able to choose from a wider array of options and new services and that the trend toward more convenience for consumers would continue; to broaden the sources of credit available to individuals and to businesses; to ensure and enhance the soundness and stability of the financial system; to promote the international competitiveness of our institutions while ensuring that they can continue to aid domestic economic growth; and, finally, to promote the harmonization of federal and provincial regulatory policies.

We have reiterated these principles and reaffirmed our commitment to them in the Blue Paper that we tabled in the House of Commons in December, 1986. We have been guided by these principles since.

It is clear that what the Hon. Member wants to achieve with his motion—and it is a laudable motion, namely better consumer protection and federal-provincial co-operation—is exactly what the Government is already working to achieve. Indeed, when he introduced his motion last February, the Member for Kamloops—Shuswap (Mr. Riis) pointed out that there may be better ways of dealing with the issue.

That remains to be determined. The Government is working energetically to find those safeguards. I had the privilege very recently of hosting the Minister of State for Finance (Mr. Hockin) in my constituency of Esquimalt—Saanich. During his visit I arranged meetings for him with the banking community, members of the co-operative institutions and members of the trust companies to review the safeguards that we are discussing here today.

Part of the meeting was spent with my MLA in the Province of British Columbia, who also happens to be the Minister of Finance in the provincial Government. We discussed at some length the various kinds of institutions and the measures that this motion proposes.

I congratulate the Member for bringing forward this idea. It has to be very seriously considered, but as part of an over-all comprehensive review. It is one thing for us to pass rules here; it is another matter to legislate common sense. People have signed documents and have unhappily found, to their sorrow, that they really did not read what they had signed and did not know what they were signing, so it is difficult for us as legislators to indemnify citizens from many of their own actions when they choose to invest their money.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Mr. Speaker, it is a privilege for me to rise for a few minutes and speak on Motion No. 143 in the name of my friend and colleague from Kamloops—Shuswap. It points out again the importance of the Private Members' Hour. My friend opposite from Kamloops—Shuswap, I am sure, is setting a world record for the number of Bills that have been introduced to the Private Members' Hour. I know that that indicates his extreme personal interest in the Private Members' Hour because he certainly is setting an historic

record. I am sure that there will be other Members who might think that it has something to do with the strategy with respect to free trade, in delaying the House—

Some Hon. Members: No.

Some Hon. Members: Oh, oh!

Mr. Thacker: —that his interest only lies between 11 a.m. and 1 p.m. I know, from my long friendship with him, that it is of great interest, and I think that the House would be interested in some of the more interesting Bills that he has put. It shows the breadth of his interest in the affairs of this nation.

For example, on September 11, 1987, he put forward a Private Member's Motion, "that, in the opinion of this House, the Government should consider the advisability of working with the provinces to require houseboats and other large marine craft to be equipped with holding tanks with gray water. I had never heard the phrase "gray water" in my entire life. I look forward to the debate to find out just what that actually includes. But it shows that my friend opposite is interested in gray water.

On April 25 of this year he urged also that the House urge all Members of Parliament to fill out their own annual income tax returns so as to serve as a direct reminder of the increasing length and complexity of these forms. I was under the impression that he was opposed to corporal punishment. Surely, having to fill out our own form is practically a capital punishment, certainly a corporal punishment. I will be interested in following his comments in that debate. It would seem to be rather intrusive.

Here is another one. June 15 of this year, a Private Member's Bill, second reading and reference to a legislative committee of Bill C-296, an Act establishing a moratorium on the continuing development of nuclear power in Canada for the purposes of establishing a public inquiry. That takes courage, because the Province of Saskatchewan has enormous resources in uranium and very much wants to exploit it. He has Members from his own Party who may have a different view on it, in view of the fact that there are so many jobs in Saskatchewan.

There is also a cost, I suppose, of burning petroleum products or coal, in terms of the carbon dioxide. But it shows his breadth of interest, that he would ask this Parliament would debate that issue. He should be encouraged to carry on.

Here is another one. July 20, 1988, second reading and reference to a legislative committee of Bill C-310, an Act to amend the Criminal Code dealing with cattle rustling and range cattle. Presumably that is to put some degree of stability into the handling of rustlers. I know in my riding what they do with rustlers, and it has to do with tops of tin cans, and there are not very many repeaters when a cattle rustler is caught out on the range in my riding.

Here is another one. July 27. Let us just skip that one. I do want to address the Bill. Here is one on August 10, 1988, second reading and reference to a legislative committee of Bill C-313, an Act respecting senior citizens. On the face of it, that might be a licensing provision, a registration provision, it might be to grant them goods. I can hardly wait for it to be called so I can find out just what my friend opposite has in mind with respect to senior citizens. I hope it is not to abolish them or to do something like that. Here is the most interesting of all.

Mr. Deputy Speaker: It is very interesting, but I will please ask that the Hon. Member for Lethbridge—Foothills speak on the Private Member's Bill that the Member for Kamloops—Shuswap introduced today. I know that he introduces many, but we are supposed to speak about the one today.

Mr. Thacker: Thank you. I accept your admonition, Mr. Speaker. I will move straight away to Motion No. 143. I certainly share the concern of my friend opposite with respect to the issue of consumer protection in the financial sector. I would think that it is similar to the last motion that he put forth to the House on August 15; second reading and reference to a legislative committee of Bill C-315, an Act respecting Magna Carta Day. I thought that that was an interesting Bill because I know his Party as a whole is really opposed to the principle of the Magna Carta, which was the entrenchment of property rights.

Here we have the House Leader of the New Democratic Party having the courage—and it takes courage to stand against that Party, because it did not permit a free vote on capital punishment, that Canadians wanted—

An Hon. Member: Yes, it did. We voted as we wanted to. We voted free on that one.

An Hon. Member: Shame, shame!

Mr. Thacker: It did not permit a free vote on the abortion issue. It would not permit a free vote on the entrenchment of property rights. Here we have the House Leader with courage, standing up and standing against his Party—

An Hon. Member: He is in favour of property rights.

Mr. Deputy Speaker: The Hon. Member for Kamloops—Shuswap on a point of order.

• (1750)

Mr. Riis: Mr. Speaker, I always listen with interest to my hon. friend, but I thought I should say for the record that the points he makes about not having a free vote on capital punishment, property rights and abortion, is incorrect. They were all free votes. There was never any indication from the leader or the Party that members were required to vote in a certain way. I know it is surprising but we are a small caucus and it just so happens on certain issues there is a unanimity of feeling. What might have appeared to not have been a free vote was in fact a free vote and Members could dissent if they wished.

Mr. Heap: Mr. Speaker, there were in fact dissenters in our caucus who did not vote with the majority of the caucus on the abortion legislation. I wish the Hon. Member who is speaking now would speak to the truth and not misrepresent what has happened in this House.

Mr. Deputy Speaker: The Chair would certainly like to hear a debate about the motion.

Mr. Thacker: Mr. Speaker, I am glad to hear from the House Leader that there was a free vote for the Members who came. If you were not able to vote along with the rest, you stayed away, as the Hon. Member for Spadina (Mr. Heap) indicated. If you disagree in that Party, you stay away.

As I said earlier, I share the concern with respect to Motion 143 of the Hon. Member with respect to the issue of consumer protection in the financial sector. As he is well aware, however, the Government has given this issue a high priority as part of its financial reform package announced in December of 1986. For well over a year the Government has been dealing with this issue directly.

You will recall that last summer two separate pieces of legislation which strengthened consumer protection in the financial sector were passed and proclaimed. First, Bill C-42 made it a statutory requirement for CDIC insured institutions to indicate in writing on the deposit contract when they take uninsured deposits. That was a very good public policy and Parliament agreed with it.

The legislation cleared up the confusion surrounding the prohibition of non-members of the CDIC from representing themselves as being insured by the CDIC. That prohibition applies to institutions and all persons acting as their agents. The legislation goes further. CDIC insured institutions that solicit funds for investment on behalf of their investment company subsidiaries or non-members of the CDIC must give notice to investors that such companies are non-members and that such funds are not insured by the CDIC.

Second, another Bill, Bill C-56, introduced minimum capital requirements for life insurance companies. That will push the insurance industry to develop new forms of insurance to cover deposit-like instruments in the industry. The work is still in progress but it will result in coverage for insurance company annuities similar to the coverage for deposits provided by the CDIC. I am sure you would agree that the solution coming from the private industry where people work 24 hours a day would be much better than us as Members of Parliament trying to impose something from Ottawa. As we all know, we simply cannot cover that myriad of human relations and interactions that occur out there and it is much better if the protection comes from the field rather than from Ottawa.

I can assure the Hon. Member for Kamloops-Shuswap (Mr. Riis) that the Government is moving effectively to deal with potential consumer protection issues as they relate to the Government's remaining legislation on financial reform. That legislation will allow federal financial institutions to offer their clients a wider range of financial services. In particular, financial institutions will be able to enter into networking arrangements. This will help financial companies to remain competitive at home and abroad. It will improve services to Canadians.

However, these developments also raise concerns with respect to consumer protection since the companies involved in the networking arrangement may not all be members of the CDIC. In view of this fact, the trust and loan companies legislation that we have drafted will enable the Government to make regulations imposing terms and conditions on the networking activities undertaken by these companies. Similar provisions will apply in the new legislation for banks and insurance companies.

I could go on because I have notes covering it, but I know my time has expired and there is another Member who would like to speak on this important issue.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, there is another Member whose duty it is to speak on this issue.

The House of Commons works in wondrous ways. The idea presented to us this afternoon by the Hon. Member for Kamloops-Shuswap (Mr. Riis) is quite simple. Maybe you would not get that from listening to the debate that has now been going on for something like four and a half hours, I believe. The idea is really simple. Someone walks into a deposit-taking institution, a bank or trust company, and puts his hard cash down on the counter. There is a general assumption there that that money will be covered by CDIC or it will be insured. However, there are certain circumstances when it is not insured and what the Hon. Member wants to make sure of is that a person should be told whether or not that particular deposit is insured. In order for them to know he wants them to have to sign a little form, a little waiver or something like that.

It seems to me like a pretty simple idea and all the pros and cons of that could be debated maybe in half an hour at best and then maybe we could have a vote on it. That is not the way the House of Commons operates, unfortunately. It seems like we must have five hours debate on this. I am sure that certain people within the Department of Finance and the Ministry of State for Finance are rather hoping that this matter will die on the *Order Paper* and then our friend can resurrect it in the next Parliament in the unlikely event he is re-elected.

Eventually, I think the idea will come to fruition. Certainly a lot of thought has been given to the whole idea of deposit insurance and making sure that people know what they are getting themselves into when they put that money on the counter.

It is evident from things that have happened in the recent past, with the bankruptcy of trust companies—Principal Trust is a good case in point which has been brought to our attention several times already—where people who thought or had every reason to believe that their deposit was insured found out that it was not. The usual reason was because the deposit was for a

term of more than five years. Occasionally it might have been when the deposit was for an amount in excess of $60,000. We have been in debate in this House before as to whether or not it might be a good idea to up the $60,000 amount of $100,000, which I believe it is in the U.S. That is something that I personally would favour.

However, when someone walks into a deposit-taking institution, very often there is a big sign up there, or a little sign somewhere, that they can see which says this institution is a member of the Canada Deposit Corporation. It gives everyone the expectation that the deposit is insured. Sometimes I think these signs can be misleading, not deliberately so, but it might be a good idea if on that sign it would specify which deposits are insured and which deposits are not. It would have to be done in not too small a print but a fair size print on that sign so that people know.

It is also surprising the lack of knowledge on the part of many bank or trust employees. When you ask them whether a particular deposit is insured or not, they frequently do not know the details.

Anyway, I see that I have successfully concluded my mission. It is now six o'clock and I look forward to debating the issue again when it next arises.

Mr. Deputy Speaker: The time provided for consideration of Private Members' Business has now expired. Pursuant to Standing Order 36(2), the Order is dropped to the bottom of the list of the order of precedence on the *Order Paper*.

• (1800)

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee; and the amendments of Mr. Axworthy (p. 18476) and of Mr. Langdon (p. 18476).

Mr. Dan Heap (Spadina): Mr. Speaker, I am pleased to have an opportunity to speak on this group of motions. The purpose of these motions is to try to reduce some of the harmful effects that will arise from the free trade agreement and Bill C-130 if they become established.

These motions, of course, cannot stop the Bill or reduce it in any way, or they would not have been allowed on the Order Paper. The one I want to speak about particularly is Motion No. 22 which reads:

That Bill C-130 be amended in Clause 11 by adding immediately after line 35 at page 5 the following:—

It refers to the Government's power to establish a committee or committees and it proceeds to say:

> —One such committee that the Governor in Council may establish, under this section, shall monitor and review matters arising out of the Act or the Agreement, including
>
> (a) the adjustment impact on company workers and communities;
>
> (b) the activities, economic viability and ability to compete within a given sector of all companies doing business in Canada and the United States of America; and
>
> (c) agricultural pressures in Canada resulting from the agreement."

I want to speak most particularly about part (a), the adjustment impact on company workers and communities, and I will have a few words to say also about part (b), the economic viability and ability to compete.

On part (a), I am concerned with one of the major industries in Spadina and in other parts of Canada, the clothing, textile and footwear industries as a group. This is an industry which has been suffering in recent years from a defective policy of the present and previous Governments on international trade and some tens of thousands of jobs have been lost during the 1980s and are not being, for the most part, recovered.

One reason why this industry is threatened—and in fact, the Chairman of the SAGIT, Mr. Nygard, who took part in the negotiations, says that it is threatened and that it should be withdrawn from the agreement—is that the current tariff levels in these industries are well above the average level of Canadian duties and therefore there is a wide consensus that this industry will suffer severely by the trade deal.

In the clothing industry, there may be a few specialty firms that will do well, but in general, with a tariff of around 23 per cent, the trade deal cuts will have a serious impact, particularly on major employers who are producing standardized, high-volume clothing. Canadian plants working by licence from foreign-owned firms are expected to suffer seriously. In Ontario alone, it is estimated by the industry, by the labour movement and by the Government that there will be 20,000 jobs at serious risk. That is in the clothing industry.

In the textile industry, the tariff averages close to 17 per cent. When these tariffs come down, the industry will suffer serious loss, as it did when the Government removed the import restrictions on leather footwear. Industry estimates show that Canadian producers of man-made fibres and cotton, cotton/polyester yarns and fabrics will not be in a position to compete with American imports. In fact, imports accounted for about 32 per cent of the market in 1986, up from only 26 per cent four years before.

We had a trade deficit in this industry in 1986 of $635 million and it will get worse under the trade deal, especially for Ontario where close to 50 per cent of the firms are located. Many, many of the workers will be out of work.

Mr. McDermid: That isn't where the competition is coming from, it's coming from Third World countries.

Mr. Heap: Much of the competition is coming from Third World countries, but the cut-back produced by this trade deal and by its restriction on Canadian exports regarding the fabrics used will make a difficult situation far more difficult.

The tariff on the footwear products runs close to 21 per cent. This deal would bring the tariff down to zero by 1998. There will be tens of thousands of workers in these three industries displaced, and the majority of the workers in these industries are women.

Mr. McDermid: Do you like keeping women in those ghettos?

Mr. Heap: Of those women, the majority are immigrants, often with no more than grade school education.

Mr. McDermid: Low-paid ghetto. You like keeping people in those positions. You support that.

Mr. Heap: Those are the jobs these women have been able to get in our economy, and they will be forced out of those jobs by the reduction of the tariffs.

Mr. McDermid: And into better jobs, and they deserve better.

Mr. Heap: The Hon. Member says they deserve better jobs, and I agree with him, but the Hon. Member and his colleagues have done nothing to provide them with better jobs. Most of the new jobs created around Toronto and in central Ontario have been low-paid clerical and sales jobs, not better paid manufacturing jobs or professional jobs.

The Hon. Member who generally makes his interventions only when other people have their time to speak is not addressing the situation of these women whose education and language hold them back from these fancy jobs with fancy wages that the Hon. Member is dreaming about. The fact is, these women were brought here to be cheap labour, as the Chinese were brought a century ago by John A. Macdonald, only he was truthful enough to say that as soon as they had done their essential job of building the railway, he would make sure that they were got rid of. It didn't happen that way. Some of their grandchildren are still here with us, but this is the attitude that is being applied now to these women who work in the garment industry. Therefore, there should be a committee to monitor what is happening to the workers in the garment industry and its related industries so that if the Hon. Member survives the next election, he might become educated about the facts of life of people who do not work in the expensive industries in his riding. There are others in his riding that are not expensive, but he is probably not aware of them.

What I am asking for is simply a committee to monitor and follow the fate of what is happening to the people in the garment and textile and footwear industry and in other industries like the computer service industry in which the Chairman of the Canadian Independent Computer Service Association estimates that there are already over 200,000 jobs lost and that the loss could go 300,000 jobs higher than that.

It is worth keeping track of several hundred thousand jobs so that we know what we will have to do to find these better paid jobs for those people who the Hon. Parliamentary Secretary wants us to dream about.

Hon. Herb Gray (Windsor West): Mr. Speaker, I want to speak particularly to Motion No. 19. This motion would delete Clause 9 which would give the federal Government the authority it needs to impose the wine and spirits chapter of the agreement on the provinces. I and my Party believe that Clause 9 should be opposed, in fact that the whole agreement should be opposed, on the grounds that it allows the federal Government to enter unilaterally into provincial jurisdiction.

• (1810)

The Mulroney Government has boasted about how it has created a new era of federal-provincial co-operation and understanding. Yet, through this trade deal with the United States it turns around and unilaterally attempts to intrude in a way the provinces, especially the Province of Ontario, are not willing to accept in an essential area of provincial jurisdiction. This is a strange way to carry out, in a more meaningful and effective way, co-operation between federal and provincial governments. As is the case in so many matters, the Government has been saying one thing but doing another.

In short, Motion 19 not only allows the federal Government to intrude unilaterally into provincial jurisdiction but upsets, as a result, the federal-provincial balance and, above all, sacrifices the Canadian grape and wine industry. It is not only the farmers who grow the grapes who are sacrificed but the thousands of people who work with them during harvest and the thousands of people who manufacture the machinery and supplies they use and sell them to the grape growers of Ontario and British Columbia primarily.

If this deal goes ahead it will, as I have said, sacrifice the Canadian grape and wine industry. It has been estimated that some 20,000 direct and indirect jobs connected with the wine industry will be sacrificed in Ontario alone and thousands more will be sacrificed in British Columbia. That is another case of the Government saying one thing and doing another. The Government has boasted unduly about the jobs that have been created since it came into power. It has not made clear exactly what it has done to create those jobs and I do not think the creation of those jobs has very much to do with the policies of the Government. In fact, we see an example in this trade deal of how the policies of the Government are not creating jobs but destroying them, not by the hundreds but by the thousands.

A spokesperson for Bright's Wines of Canada best summarized the wine provisions of the agreement on the CBC television program *Venture* last August 15. He said that

basically the agreement will allow the United States wine industry to dominate the Canadian market and that once that American domination is established, it is unlikely that Canadian wine consumers will see significant price reductions as a consequence.

In fact, my recollection of that program is that the spokesperson for Bright's Wines said that the price of wines, both Canadian and American, would actually go up as a result of this agreement. That is again a case of the Government saying one thing while its actions bring about quite a different result.

The Government has been boasting that because of its trade agreement with the United States, consumers would be able to purchase cheaper products. With specific reference to the wine industry, the Government said consumers would be able to purchase cheaper wine, both Canadian wine and wine imported from the United States. Yet, one of the most knowledgeable persons in the Canadian wine industry, the head of Bright's Wines of Canada, has said that consumers will have a rude surprise if and when this trade agreement goes into effect because instead of cheaper wines, wines will be more expensive. That is another example of the Conservatives saying one thing and, through their policies, actually bringing about something quite different.

If this deal goes into effect and the tariffs and other provisions which support the Canadian wine industry are eliminated, not only will consumers, according to the President of Bright's Wines, have to pay more for their wine but in the interim Canadian vineyards will have been pulled out and our wine producers will have been lost.

We must recognize that there have been sound reasons for the policies we have to protect our Canadian wine industry. These reasons are not linked with narrow protectionism. Instead, they recognize the higher costs of production in Canada due to the shortness of our growing season and our over-all climatic conditions.

The Tories may say that it is just too bad, that if we do not have the right climatic conditions and the right growing season we should not have a wine industry. However, we have these climatic conditions not only for the wine industry but for our entire agricultural sector. If we apply the Tory reasoning to our agricultural sector right across the board, the Tories are saying goodbye to Canadian agriculture. As far as the Tories are concerned, Canadian agriculture can go down the tubes. As far as they are concerned, Canada can go down the tubes. They say "Goodbye Canada", because this whole country has to live with the shortness of our growing season and our over-all climatic conditions.

The Canadian wine industry is clearly one of the major losers through the Mulroney trade deal. Virtually all analyses made by industry spokesmen predict widespread job losses in Ontario and British Columbia. The trade deal talks about the tariffs being removed over 10 years. However, if I am not mistaken 50 percent of those tariffs are removed in the first two years.

Mr. McDermid: You are mistaken, it is the discriminatory pricing that is removed.

Mr. Gray (Windsor West)): I am sorry, I stand corrected, 50 per cent of the pricing provisions are removed in the first two years. That is still a very sharp blow to the Canadian wine industry. We are not talking here about a thoughtful, caring, compassionate program of adjustment for our grape growers and the thousands of people connected with the industry. Instead, the Conservative Government is ready to deliver a short, sharp blow to the industry irrespective of the effect on the thousands of people connected with it.

Mr. McDermid: What about your friends at GATT?

Mr. Gray (Windsor West)): The Parliamentary Secretary talks about GATT. If I am not mistaken there is not the same requirement in the GATT decision to bring about the changes in the same short, sharp period. This is something which the Tory Government wants to bring into effect and the Tory Government will have to live with the tragic results of its policy.

As the tariffs are removed and provincial pricing policies are phased out, Canadian wine producers and grape growers will find it increasingly difficult to compete. There is little doubt that thousands of jobs will be lost in the wine industry as Canadian producers lose the domestic market to American imports just to pay more for wine than we are paying already.

If so many jobs are going to be lost as a result of these Tory policies expressed in the trade agreement with the United States, does the Government have in effect a fair program of compensation and adjustment? We have asked the Government and it cannot answer as to what it is going to offer to the grape growers of Ontario. It has announced a program for British Columbia and the growers there say it is grossly inadequate.

It is grossly inadequate for one important reason in particular, among others, and that is because the Government cannot say whether the payments for the acreage that will be taken out of production will be taxable. If these payments are taxable their valve will be sharply reduced and will not have any relation to the value of the acreage in question.

Clause 19 is just another reason to oppose this deal here in the House of Commons. It is just another reason for Canadians to believe and agree that this trade deal is a thoroughly bad deal, not only for the wine industry but for the entire country. We must oppose this deal in this House and, as I have said before, through a general election to ensure that it never comes into effect.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, it is a privilege to have an opportunity to debate Motion Nos. 17,19, 21, 22, 23, and 25. I rise to address particularly Motion No. 22 which states in part:

> One such committee that the Governor in Council may establish, under this section, shall monitor and review matters arising out of the Act or the

agreement, including the adjustment impact on company workers and communities.

I am sure that the House is aware of the all-Party parliamentary committee report on human rights and aging in Canada. That report was adopted by the Human Rights Committee unanimously, without dissent, without quarrel and substantially without debate.

• (1820)

As I am sure you are aware, with the composition of committees in this Parliament, it was composed of a vast majority of Conservative Members of Parliament who must be congratulated for the objectivity, sincerity and concern with which they addressed the problems of the aged and elderly in this country.

They recognized that those who will be most affected in a number of industries that are the targets of closures and rationalization will be older workers who, because of their age, will have extreme difficulty in finding new jobs. The committee was concerned about that.

When one considers the substance of this motion, which is to establish a committee that would consider the adjustment impact on company workers, one is completely befuddled as to why the Government simply does not accept this amendment.

Mr. McDermid: It is totally unnecessary.

Mr. McCurdy: I must say I understand the difficulties attended on raising the question of whether those Members have read the recommendation of the committee. It is unlikely in light of the fact the Minister for International Trade (Mr. Crosbie) has not read the free trade agreement and presumably not the Act. I suppose it is too much to ask if they have read anything that impinges upon the agreement or the Act.

Nevertheless, it is important to note what the committee unanimously recommended, with its majority of Conservative Members, and with the full knowledge of the Mulroney-Reagan trade deal and its impact on older workers. It is a clear endorsement of the amendment that we are discussing before the House tonight. I will read the recommendation because I know Tories are not inclined to read anything. It states:

> We therefore recommend that the Government of Canada create an interdepartmental task force to explore the multiple impacts of corporate rationalization, plant closures and corporate takeovers on older workers, and seek the co-operation of provincial governments, as needed, in developing relevant measures including a comprehensive safety net including the protection of pensions, adequate notice and severance pay, and special retraining and job-search assistance.

Mr. Nicholson: Get to the point.

Mr. McCurdy: The point is obvious to everyone in the world except a Tory who can neither read the free trade agreement nor the recommendations of a committee with a majority of Tories. It says quite specifically that the amendment being discussed here, Motion No. 22, should be accepted.

If a committee of seven parliamentarians, five of whom are Conservatives, say that there should be a committee as suggested in this amendment, to look at the questions of the displacement and the adjustment impact on company workers, one would have thought that it would have been a rather easy thing for a majority on the Government side to accept that kind of amendment.

My colleague, the Member for Essex—Windsor (Mr. Langdon) agrees with me. He is a rational person. I am sure that my colleague, the Member for Spadina (Mr. Heap) agrees with me. He is a rational person. And five Members of the committee agree with me. They are all rational people. They are even more rational than that. I will read further from the report because it is an interesting indictment of some of the provisions of the free trade agreement as it will affect not only older workers but all workers and the interests of Canadians.

Mr. McDermid: You opposed the Auto Pact.

Mr. McCurdy: Let me read for the Hon. Parliamentary Secretary what his colleagues said in the committee-

Mr. McDermid: You opposed the Auto Pact.

Mr. McCurdy: It is amazing how we provoke them. We provoke them because they know they are wrong.

Mr. McDermid: Because you are not telling the truth.

Mr. McCurdy: They are provoked because we have spotted an inconsistency here. They are provoked because they know their colleagues support in principle this amendment, and have done so through a parliamentary committee report. That is why they are provoked. They will be provoked even more when they hear what it says further in the report:

> The use of Investment Canada in minimizing any adverse employment impacts of foreign takeovers, and the targeting of regional development spending to assist the growth of new businesses in areas hit by major closures, are possible approaches.

That precedes the recommendation consistent with Motion No. 22.

Mr. McDermid: There is nothing in the Free Trade Agreement which prevents that.

Mr. McCurdy: The Hon. Parliamentary Secretary, who continues to interrupt without substance or logic, seems to have missed the point. A majority of Members of a parliamentary committee, to wit the Conservatives, say that Investment Canada should have a significant role in protecting workers who may be displaced by plant closures and foreign takeovers. Yet he knows that Investment Canada has been emasculated in this free trade agreement and is emasculated by Bill C-130.

Mr. Witer: Mr. Speaker, I rise on a point of order. I have been listening very carefully to the remarks of the Hon. Member. I cannot help but come to the conclusion that the Member is misleading the House, perhaps not deliberately, but indeed misleading the House by making Members believe that

in fact there is any reference to free trade in the report to which he has just referred. There is no mention of free trade in that report whatsoever. The Member is cleverly trying to mislead the House that there is.

Mr. Deputy Speaker: That is not a point of order. That is a matter of debate. The Member for Windsor—Walkerville has the floor.

Mr. McCurdy: Mr. Speaker, let me thank my hon. colleague for having identified this Member as being clever. It must be by contrast to his colleagues.

However, I never suggested that the report even mentioned free trade. I did say, and I am glad the Hon. Member indicated this, that it mentions Investment Canada. It does prescribe a role for Investment Canada. As a Tory who, like the Minister of Trade, probably has not read anything, he may not know that Investment Canada for all intents and purposes will not exist as a result of this agreement.

Mr. McDermid: That is wrong.

Mr. McCurdy: Canadians ought to know this, Canadians will know this, and the Hon. Parliamentary Secretary knows it, even though he denies it. That is an indictment of his integrity. It is shameful that he should utter the falsehoods he does from across the way.

• (1830)

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am happy to have the opportunity to say a few words on this group of amendments in my usual calm reasoned way. I want to make Members opposite understand there is still a chance for them to vote down this agreement.

Mr. McDermid: Explain how we can do that.

Mr. Boudria: I will explain it slowly so the Conservatives will understand. Article 8 of the Bill says: "This agreement is hereby approved". One very clever amendment from my hon. colleague, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) would delete this clause from the Bill. That is one of the amendments we are now debating. There is still a chance. I say to these Tories who have got themselves into this mess that there is a way out.

Mr. Siddon: What mess?

Mr. Boudria: I say to the Hon. Member for Brampton—Georgetown (Mr. McDermid) that he should reconsider his decision. If there is a chance, Mr. Speaker, that you think my comments could be interpreted as partisan, which is probably the furthest thing from your mind, you will be happy to know that I an not the only one who disagrees with this trade deal. I am particularly concerned about the impact of this trade deal on the agricultural sector in my province and in my country as a whole.

Mr. McDermid: Ask your beef farmers. Ask your pork farmers. Ask all the farmers in your riding.

Mr. Boudria: The Hon. Member for Brampton—Georgetown asks a very good question. He tells me to ask my farmers.

Mr. Siddon: Haven't you asked them yet?

Mr. Boudria: I will ask the farmers of my riding. I will have the opportunity to do so in the next election campaign. I have not run a public opinion poll. I do not have to. I know they are all against it.

The Tory candidate will have some explaining to do to the dairy farmers of my constituency, not to mention the poultry and egg producers which will have 6.2 million kilograms of their production surrendered as part of this trade deal. To pretend that dairy farmers are in favour of this deal is just totally inaccurate. When the Hon. Member opposite pretends that dairy farmers are for this deal, I repeat to him what Winston Churchill said: "The opposite of the truth has never been stated with greater accuracy." I cannot put it any more plainly than that.

[*Translation*]

Mr. Speaker, I would like to talk about the grape and wine industry. This is one area of the agricultural industry in my province that has been harmed, I could even say will be wiped out, by the Prime Minister's trade agreement. In his trade agreement, the Prime Minister will abolish measures that have given us our own wine industry, despite a climate that is not very favourable as we well know.

The FTA abolishes customs duty on grapes and wine, and even worse, it will do away with the pricing policies of provincial liquor boards. For instance, in the Province of Ontario the LCBO makes it possible for Ontario producers to sell their wine within a price range that is lower than that for imported wines.

Mr. Speaker, a Conservative caucus seems to be unfolding across the way. I suppose they are trying to clean up the Bill. Maybe they were listening to my representations, and perhaps they intend to support my colleague's measure in order to get rid of the free trade bill. We can always hope, but we can't hope for much, because the odds are against the Conservative understanding what is at stake. In any case, Mr. Speaker, the Conservative Government, which will be defeated, not just across Canada but especially and rightly so in the Niagara Peninsula, seems to be out to destroy Ontario's wine industry.

First we had the Minister for International Trade claiming in the House that Ontario's wine industry could easily compete with California's, as if she didn't know better.

Subsequently, the Conservative Government changed its mind and, in the case of British Columbia, even offered a program to help grape growers get rid of their vines and switch to another line of work.

Mr. Speaker, if they were able to compete, why are they being offered a program to help them get out of this sector and do something else?

In any case, the Conservative Government now wants the Province of Ontario to do the same and participate in a program for helping people in the wine industry change jobs. As we know, the Province of Ontario has been somewhat reluctant to participate in the program because Ontario and the excellent Government we have here in Ontario want the Conservative Government to change its mind and drop the whole free trade program, which means we would keep our Ontario wine industry, protect the sovereignty of our country, the agri-food sector and the rest.

In any case, we still hope the Government will understand, although I'm not holding my breath—Tories are not always very swift.

[*English*]

I have here an assessment of the impact of the Canada-U.S. Free Trade Agreement on the Ontario agriculture and food sector. This document was prepared by the Ministry of Agriculture and Food of the Province of Ontario.

Mr. McDermid: Oh, yes.

Mr. Boudria: Somehow Tory Members opposite want to discredit the provincial Government which is trying to protect the citizens of its province. All the power to the Province of Ontario when it stands up to those Tories opposite.

Mr. McDermid: Have you read that report, the whole thing?

Mr. Boudria: Of course I have read the report. What kind of nonsense is that?

Mr. McDermid: When was it produced?

Mr. Boudria: I can give the date the report was produced if the Hon. Member is interested. It was produced in January of 1988. It is known as the assessment of the impacts of the Canada-U.S. Free Trade Deal, produced by the Ontario Ministry of Agriculture, and it was sent to me by the Minister himself. The Minister of Agriculture and food, through this report, in summary tells us, and I will read selectively from the summary—

Mr. McDermid: Very selectively.

Mr. Boudria: I can read the whole thing if the Hon. Member will give unanimous consent.

> The provisions of the agreement that will have the most impact on Ontario's agriculture and food sector are: tariff elimination; changing liquor board practices on wine; obtaining an exemption from the U.S. Meat Import Act; the expansion of global import quotas for poultry and eggs; and minimizing the trade distortions caused by technical regulations.

Those are the specific areas, just in summary, which have been identified. I say to Hon. Members opposite that if they will join me and my distinguished and honourable colleague, the Hon. Member for Winnipeg—Fort Garry, in defeating Article 8 of Bill C-130, there is still a chance. Let us vote against the clause that says this agreement is hereby approved. We can then all go out and celebrate. We will have saved Canada.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question

Mr. Deputy Speaker: The question is on Motions Nos. 17, 19, 21, 22, 23 and 25. These motions will be voted on separately.

The first question is on Motion No. 17 standing in the name of the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

• (1840)

The next question is on Motion No. 19 standing in the name of the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next question is on Motion No. 21 standing in the name of the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next question is on Motion No. 22 standing in the name of the Hon. Member for Essex—Windsor (Mr. Langdon). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next question is on Motion No. 23 standing in the name of the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say nay.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next question is on Motion No. 25 standing in the name of the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next set of motions is Motion Nos. 24, 33, 42 and 82 which will be grouped for debate. A vote on Motion No. 24 will apply to Motion Nos. 33, 42 and 82.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 24

That Bill C-130 be amended in Clause 12

(a) by striking out line 36 at page 5 and substituting the following therefor:

"12.(1) The Governor in Council may, by order,"

(b) by adding immediately after line 43 at page 5 the following:

"(2) An order made under subsection (1) shall be laid before each House of Parliament not later than the fifth sitting day of Parliament after it is made and it shall be referred to a committee of the House of Commons as may be designated or established by the House for that purpose.

(3) A committee referred to in subsection (2) shall make its report to the House of Commons or the Senate, as the case may be, not later than the thirtieth sitting day of Parliament following the day the order is referred to the committee.

(4) Where a committee does not make its report to Parliament within the period specified by subsection (3), the order is deemed to be approved by the committee.

(5) An order referred to in subsection (1) shall come into force on the day provided in the order or, if no such day is provided in the order, on the thirtieth sitting day of Parliament following the day that the report is laid before the House of Commons or the Senate, as the case may be, or at the expiry of the period required for the submission of the report when no report is laid before the House of Commons or the Senate, as the case may be,

unless a notice of motion to the effect that the order be revoked, signed by not less than twenty-five members of the House of Commons in the case of a motion for the consideration of that House or by not less than fifteen members of the Senate in the case of the motion for the consideration of the Senate, is filed with the Speaker of the appropriate House.

(6) Where a notice of motion for the consideration of the House of Commons or Senate is filed as provided in subsection (5) with respect to a particular order referred to in subsection (2), that House shall, not later than five sitting days of that House following the filing of the notice of motion, take up and consider the motion, unless a motion to the like effect has earlier been considered in the other House.

(7) A motion taken up and considered in accordance with subsection (6) shall be debated in priority to all government orders for not more than five hours and on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(8) Where such a motion is adopted with or without amendment, a message shall be sent from the House adopting the motion informing the other House that the motion has been so adopted and requesting that the motion be concurred in by that other House.

(9) Within the first five days next after receipt by it of a request pursuant to subsection (8) that House receiving the request is sitting, that House shall take up and consider the motion that is the subject of the request, and all questions in connection therewith shall be debated in priority to all government orders for not more than five hours and, on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(10) Where a motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in the other House, the particular order to which the motion relates shall stand revoked.

(11) Where a motion is not adopted by the House in which it was introduced or is adopted, with or without amendments, by that House but is not concurred in by the other House, the particular order to which the motion relates comes into force five days after the failure to adopt the motion or concur therein, as the case may be, if no day is provided in the order or on the day provided in the order.

(12) For the purposes of this Act, a "sitting day of Parliament" means a day on which either House of Parliament sits."

Motion No. 33

That Bill C-130 be amended in Clause 21 by adding immediately after line 8 at page 10 the following:

"(2) A regulation made under subsection (1) shall be laid before each House of Parliament not later than the fifth sitting day of Parliament after it is made and it shall be referred to a committee of the House of Commons as may be designated or established by the House for that purpose.

(3) A committee referred to in subsection (2) shall make its report to the House of Commons or the Senate, as the case may be, not later than the thirtieth sitting day of Parliament following the day the order is referred to the committee.

(4) Where a committee does not make its report to Parliament within the period specified by subsection (3), the order is deemed to be approved by the committee.

(5) A regulation referred to in subsection (1) shall come into force on the day provided in the regulation or, if no such day is provided in the regulation, on the thirtieth sitting day of Parliament following the day that the report is laid before the House of Commons or the Senate, as the case may be, or at the expiry of the period required for the submission of the report when no report is laid before the House of Commons or the Senate, as the case may be, unless a notice of motion to the effect that the order be revoked, signed by not less than twenty-five members of the House of Commons in the case of a motion for the consideration of that House or by not less than fifteen members of the Senate in the case of the motion for the consideration of the Senate, is filed with the Speaker of the appropriate House.

(6) Where a notice of motion for the consideration of the House of Commons or Senate is filed as provided in subsection (5) with respect to a particular order referred to in subsection (2), that House shall, not later than five sitting days of that House following the filing of the notice of motion, take up and consider the motion, unless a motion to the like effect has earlier been considered in the other House.

(7) A motion taken up and considered in accordance with subsection (6) shall be debated in priority to all government orders for not more than five hours and on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(8) Where such a motion is adopted with or without amendment, a message shall be sent from the House adopting the motion informing the other House that the motion has been so adopted and requesting that the motion be concurred in by that other House.

(9) Within the first five days next after receipt by it of a request pursuant to subsection (8) that House receiving the request is sitting, that House shall take up and consider the motion that is the subject of the request, and all questions in connection therewith shall be debated in priority to all government orders for not more than five hours and, on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(10) Where a motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in by the other House, the particular regulation to which the motion relates shall stand revoked.

(11) Where a motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in by the other House, the particular regulation to which the motion relates comes into force five days after the failure to adopt the motion or concur therein, as the case may be, if no day is provided in the regulation or on the day provided in the regulation.

(12) For the purposes of this Act, a "sitting day of Parliament" means a day on which either House of Parliament sits."

Motion No. 42

That Bill C-130 be amended in Clause 44 by

(a) striking out line 13 at page 35 and substituting the following therefor:

"the Secretariat to be appointed by an order of the"

(b) by adding immediately after line 15 at page 35 the following:

"(2) An order made under subsection (1) shall be laid before each House of Parliament not later than the fifth sitting day of Parliament after it is made and it shall be referred to a committee of the House of Commons as may be designated or established by the House for that purpose.

(3) A committee referred to in subsection (2) shall make its report to the House of Commons or the Senate, as the case may be, not later than the thirtieth sitting day of Parliament following the day the order is referred to the committee.

(4) Where a committee does not make its report to Parliament within the period specified by subsection (3), the order is deemed to be approved by the committee.

(5) An order referred to in subsection (1) shall come into force on the day provided in the order or, if no such day is provided in the order, on the thirtieth sitting day of Parliament following the day that the report is laid before the House of Commons or the Senate, as the case may be, or at the expiry of the period required for the submission of the report when no report is laid before the House of Commons or the Senate, as the case may be, unless a notice of motion to the effect that the order be revoked, signed by not less than twenty-five members of the House of Commons in the case of a motion for the consideration of that House or by not less than fifteen members of the Senate in the case of the motion for the consideration of the Senate, is filed with the Speaker of the appropriate House.

(6) Where a notice of motion for the consideration of the House of Commons or Senate is filed as provided in subsection (5) with respect to a

particular order referred to in subsection (2), that House shall, not later than five sitting days of that House following the filing of the notice of motion, take up and consider the motion, unless a motion to the like effect has earlier been considered in the other House.

(7) A motion taken up and considered in accordance with subsection (6) shall be debated in priority to all government orders for not more than five hours and on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(8) Where such a motion is adopted with or without amendment, a message shall be sent from the House adopting the motion informing the other House that the motion has been so adopted and requesting that the motion be concurred in by that other House.

(9) Within the first five days next after receipt by it of a request pursuant to subsection (8) that the House receiving the request is sitting, that House shall take up and consider the motion that is the subject of the request, and all questions in connection therewith shall be debated in priority to all government orders for not more than five hours and, on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(10) Where a motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in the other House, the particular order to which the motion relates shall stand revoked.

(11) Where a motion is not adopted by the House in which it was introduced or is adopted, with or without amendments, by that House but is not concurred in by the other House, the particular order to which the motion relates comes into force five days after the failure to adopt the motion or concur therein, as the case may be, if no day is provided in the order or on the day provided in the order.

(12) For the purposes of this Act, a "sitting day of Parliament" means a day on which either House of Parliament sits."

Motion No. 82

That Bill C-130 be amended in Clause 136, by adding immediately after line 32 at page 104 the following:

"(3) An order made under subsection (2) shall be laid before each House of Parliament not later than the fifth sitting day of Parliament after it is made and it shall be referred to a committee of the House of Commons as may be designated or established by the House.

(4) A committee referred to in subsection (3) shall make its report to the House of Commons or the Senate, as the case may be, not later than the thirtieth sitting day of Parliament following the day the order is referred to the committee.

(5) Where a committee does not make its report to Parliament within the period specified by the subsection (4), the order is deemed to be approved by the committee.

(6) An order referred to in subsection (2) shall come into force on the day provided in the order or, if no such day is provided in the order, on the thirtieth sitting day of Parliament following the day that the report is laid before the House of Commons or the Senate, as the case may be, or at the expiry of the period required for the submission of the report when no report is laid before the House of Commons or the Senate, as the case may be, unless a notice of motion to the effect that the order be revoked, signed by not less than twenty-five members of the House of Commons in the case of a motion for the consideration of that House or by not less than fifteen members of the Senate in the case of a motion for the consideration of the Senate, is filed with the Speaker of the appropriate House.

(7) Where a notice of motion for the consideration of the House of Commons or Senate is filed as provided in subsection (6) with respect to a particular order referred to in subsection (3), that House shall, not later than five sitting days of that House following the filing of the notice of motion, take up and consider the motion, unless a motion to the like effect has earlier been considered in the other House.

(8) A motion taken up and considered in accordance with subsection (7) shall be debated in priority to all government orders for not more than five hours and on the conclusion of such debate, the Speaker of the House of Commons shall forthwith put every question necessary to dispose of the motion.

(9) Where such a motion is adopted with or without amendment, a message shall be sent from the House adopting the motion informing the other House and requesting that the motion be concurred in by that other House.

(10) Within the first five days next after receipt by it of a request pursuant to subsection (9) that the House receiving the request is sitting, that House shall take up and consider the motion that is the subject of the request, and all questions in connection therewith shall be debated in priority to all government orders for not more than five hours and, on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(11) Where the motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in by the other House, the particular order to which the motion relates shall stand revoked.

(12) Where a motion is not adopted by the House in which it was introduced or is adopted, with or without amendments, by that House but is not concurred in by the other House, the particular order to which the motion relates comes into force five days after the failure to adopt the motion or concur therein, as the case may be, if no day is provided in the order.

(13) For the purpose of this Act, a "sitting day of Parliament" means a day on which either House of Parliament sits.

He said: Mr. Speaker, I must agree with the Parliamentary Secretary for a change. This has been a long, long debate. It is a debate which started, as the Hon. Member for Esquimalt—Saanich (Mr. Crofton) noted, in 1985. It is a debate which has continued with different permutations, different combinations, right up to the present. At each stage it has been a debate which has been characterized by the overbearing arrogance of the executive powers of this Government.

It was clear right from the start that this Government did not wish to debate this issue. It did not wish to develop a consensus in the country on something as crucial as this matter. Instead, it wished to direct its own path and to ram through its own policies. We can trace through the different steps by which this was done.

We can take, for instance, the committee, which the Hon. Member for Esquimalt—Saanich referred to earlier this afternoon, the committee which met in 1985, crossed the country and talked to far, far more people than any committee has yet had a chance to talk to. It found tremendous divisions on the issues of the trade deal. It also found some remarkably strong suggestions which were put to us by farmers, by people in the auto sector, by people who had concerns about the cultural sector, a vast range of people. Every single one of those recommendations was ignored. The committee said that the Auto Pact should be exempt entirely from negotiations. That suggestion was ignored. It was suggested that agriculture be left entirely out of the negotiations. That, too, was ignored. It was suggested that cultural industries be completely exempt. That, as well, was ignored.

Despite the fact that the committee said that this is the direction in which to go, that was ignored. It also said: "Don't jump right into a comprehensive trade discussion. Instead, talk about the present disputes which face us. See if we can work some of those out. We can talk, too, about the possibility of a comprehensive trade deal". We opposed that. The Liberals supported it. Nevertheless the point was that the approach was to be a step by step approach. That was rejected by the Government.

That was step number one, the first time in which the Cabinet said: "No, we will do it our way. We will decide. We will not follow what a parliamentary committee has suggested".

Then, we went to a second round of detailed considerations in the Standing Committee on External Affairs and International Trade. It made some very striking commitments. It said, among other things: "We agree, all of us—New Democrats, Liberals, Conservatives—that if the United States puts through its omnibus trade Bill without exempting Canada, then we should not take part in this trade deal with the United States". It was an absolutely clear-cut, straightforward conclusion.

What happened? The United States this summer passed the omnibus trade Bill, did not exempt Canada and the Cabinet nevertheless said: "Well, so what? A parliamentary committee has said the opposite but despite that we will take the direction that we want to take". The same thing has been true at each stage of debate with respect to this issue.

• (1850)

At each stage of debate, rather than allowing Members of Parliament to debate this issue fully and completely because it is so important to Canadians in every region and occupation, closure has been applied. It was applied at second reading. At the legislative committee stage there was a deadline put on the committee itself and its capacity to work. There was also a motion passed preventing that committee travelling across the country to hear people.

When we returned to the House of Commons for report stage and third reading, once more the Cabinet moved and stated that it would not permit Parliament to debate this fully. Instead it applied time allocation, cut the debate off, stopped the opposition members from making the very valid effective criticisms that they had been making, and forced this Bill through as fast as possible.

What is striking is that when one actually looks at the Bill, there is the same philosophy of the Cabinet knows best, and the Cabinet unilaterally will decide and direct what is best. Despite parliamentary reform, despite new approaches to our role as legislators, throughout this Bill in section after section it is the Governor in Council, i.e. the Cabinet, that will make recommendations, appointments, establish conditions, and that will set up committees. As a consequence, what we have is the worst possible insult to the Parliament of Canada that could possibly be conceived of in a single Bill. There are dozens of places in this Bill in which the Cabinet unilaterally, without Members of Parliament having any say in the matter, will make decisions which will shape what happens to this country in the future. We who represent the people in their millions throughout the country will not have a voice even in the House of Commons to deal with these various decisions which the Cabinet can make unilaterally.

It seems to me that that is simply unacceptable in an age of parliamentary reform, it is unacceptable from any democratic perspective, and it is unacceptable in terms of permitting the participation of people to be fully and completely there in this whole set of crucial areas that the Bill deals with. That is why we have moved this set of motions which attempts to do two things. The first is to see to it that the Governor in Council, i.e. the Cabinet, has to report to and have its regulations, appointments, or establishment of committees approved by a committee of the House of Commons. If it is not approved by a committee of the House of Commons, then it has to come to the full House of Commons and there it has to be debated and approved by all Members of Parliament.

What we are talking about here is something which has become foreign to the Conservative Party ever since it took power, and something which becomes more foreign the longer it is in power. We are talking about the re-establishment of parliamentary democracy in this system. That is what these motions are about. I hope everybody in the House of Commons, with the possible exception of the Cabinet, will see the necessity of voting in favour of amendments that put constraints on the Cabinet's role to unilaterally and undemocratically shape the future of the country.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I want to say at the outset that our Party will support these motions to amend the trade Bill because they are targeted at a very important and serious trend that has emerged over the years and which the whole trade deal simply exaggerates and emphasizes. Political scientists in this country have called it "executive federalism". It is increasing power that has been taken over by Members who hold executive office, escaping the responsibility to be accountable to Parliament, escaping public exposure and examination of their actions, making decisions behind closed doors, making decisions that do not have to be explained to anybody, and making decisions based on their own arbitrary discretion.

In part that is a natural consequence of a modern government. There is so much going on in so many places, obviously not all things can be examined in the House in a microscopic manner. However, that trend has not been a slow evolution as it was over the years, but it has become a galloping acceleration under the present Government.

The most egregious example is the Meech Lake Accord where executives of the 10 provincial governments and the federal Government met behind closed doors and changed the

Constitution without referring it back to the elected representatives of the people. They simply decided that this was good. No one can necessarily argue with that type of decision, but what many people reacted to was not the decision itself, but how it was made. It was the fact that people could assume unto themselves that type of almost unchallengable power to make these decisions.

When one looks at the legislation, the trade agreement substantially expands in all kinds of ways the executive power of the Government to make decisions which affect virtually all aspects of Canadian life, and they do not have to answer to anybody. They can sit inside the cabinet room, pass an Order in Council, get it gazetted about a month later in a whole pile where people have a hard time looking for it. One morning one wakes up and says: "My life has just been changed by the Cabinet and the trade agreement and I did not know anything about it".

Mr. Siddon: That's how you guys made law all the time. That's how you ran the country. That's how the Liberals have always run the country.

Mr. Axworthy: The Minister of Fisheries and Oceans (Mr. Siddon) is part of that large group of illiterates in the Cabinet who have neither read the agreement nor the legislation. I suppose after they are defeated in the next election they can all go back and take a remedial reading course, which I would strongly suggest they do. They might find out what they have been doing over the past four years if they actually read what laws they have brought into place. I know it would come as a shock to the Hon. Minister because I know that he does not run his own Department. He should be more concerned about what he is doing. If he had less interest in exercising his lungs and more interest in exercising his intellect, we might be a lot further ahead in this country.

These amendments direct themselves to the issue of parliamentary accountability. I would ask Members opposite, what is wrong with that? If they are going to make a serious judgment as to how this trade agreement should or should not work, surely they have nothing against Parliament at least examining the surrender that is taking place. At least we will know exactly how many times we have given in, in what places, and how many times. Surely it is a legitimate exercise that if one is going to be asked to surrender his or her sovereignty and independence, at least one should know about it and how it has happened. At least the obituaries can be written when required.

As part of the whole procedure from day one of this negotiation when the famous cabinet document was written, and "Don't tell the people what was going on, sell the program", was passed in the Cabinet that has been the whole trend and direction, and now it carries through to the Bill itself.

• (1900)

It is bad enough that they have kept Canadians in the dark for two and a half years, that they have not told people what is really in the Bill, what is in the agreement, how it is going to affect them. They have a lot of nerve. They are going to continue that after they get it through and they are really going to pile it on.

This is the mushroom theory of Government gone crazy. They will grow mushrooms, throw manure on it, and say, "That is the way that we make things grow". That has become the new theory of Government under this regime. They no longer have any respect for this institution. By that kind of disdain and contempt for this institution, they are showing disdain and contempt for the Canadian people. They are showing that kind of repugnance. They should at least be prepared to subject themselves to some kind of honourable accounting from time to time.

An Hon. Member: That is what we are doing right here and now.

Mr. Axworthy: By giving Cabinet through this Bill the power to make appointments, to make decisions on energy, on culture, on investment, behind the closed door, without any kind of recourse, to make all kinds of appointments to commissions and boards—I suppose that is the way that they do things in the corporate boardrooms—

An Hon. Member: That is the way Trudeau ran this country for years.

Mr. Axworthy: The friends that they all associate with, the guys that get together at the Friday night receptions, when they hob-nob and do their fund raisings and talk to their corporate boardroom friends they say: "That is how you do it. Get behind the closed doors. Don't tell anybody".

This is not a corporation; it is the Government of Canada. It is a democratic system. At least I thought it was until these characters came into power.

Have they turned it around? You only have to go through this Bill, all 300 pages of it, to see time after time "Oh, here is a little line, 'Cabinet shall decide'. Here is another line here, 'Cabinet shall appoint'". You look to see the light of day on these important issues. Well, you do not. It is simply not there.

I endorse and support the principle that we should be at least achieving, or trying to achieve, some degree of parliamentary responsibility and accountability, as I said in my speech yesterday when we were trying to argue against closure for the hundredth time in the last couple of months. I think closure has become a way of life here. I think the Deputy Government House Leader (Mr. Lewis) walks around with closure motions in his vest pocket. He spills them out like cards in a deck.

I said that the greatest casualty, perhaps the greatest surrender of independence, is in the damage that is being done to this institution, Parliament. It is a real victim of obsessive

and uncontrollable lust to get this legislation through at all costs, without any sense of participation or responsibility. If they had any decency, any respect for this institution, we would not have a debate of two days on third reading. It is two and a half days on report stage. We spent 58 hours on report stage for the Bill dealing with western grain transportation. That is about three times the amount that we will be spending on this Bill, talking about legislation that covers a much wider range than that. We spent over 60 hours on things on third reading. but this is being limited to two days. I suppose we should be grateful for that. I suppose the Government would say: "Well, you should be thankful that we even gave you the opportunity to get to your feet".

Once you become this kind of Juggernaut and once you get used to abusing power and the idea that the majority decides in all cases, and that minority rights, whatever their voices, can be swept aside, well of course it knows no restraints, no limitations.

All we can do in speaking to these amendments is hope that there are some people out there who, when and if and how they get the chance to decide, will remember that this institution that we speak in today, for which people have fought for generations, is being perverted, distorted and destroyed by this Government, by this trade agreement.

Mrs. Barbara Sparrow (Calgary South): Mr. Speaker, I am very pleased to speak in the House tonight with regard to these amendments that have been grouped dealing with the free trade agreement, Bill C-130. In the free trade agreement, this Bill is exactly what Canada needs. We are a trading nation. Three million jobs depend upon it. Thirty per cent of our revenues come from trade. We have to trade to exist. We have to trade to support our programs. With our programs, be they cultural, be they social programs, be they programs to assist in our agricultural areas, we have to trade. Over the past almost four years this Government has created 1.3 million jobs. We have increased productivity and we have increased efficiency.

Mr. Axworthy: That is the private sector.

Mrs. Sparrow: You bet, the private sector. You need to have a climate that allows the private sector to operate.

An Hon. Member: It did not happen under the Liberals.

Mrs. Sparrow: You must have a fiscal regime that they know and understand, not one that brought in an energy program unilaterally from Ottawa that destroyed western Canada, as you so well did.

Mr. Axworthy: It seems your Premier signed it.

Mrs. Sparrow: You destroyed us. We are going to get free trade. Free trade is not only good for all of Canada, but Alberta in particular.

Canada must have a secure market. Over the past 15 or 16 years, we have lost almost the total market to western Europe. When the EEC was formed, it became stronger and stronger, it became self-sufficient, and indeed, it entered into markets that Canada had. Yes, we have moved out to the Pacific Rim. We certainly have markets there. But our strongest trading partner is obviously the U.S.

Our country is huge geographically. It is also very different, geographically and climate wise. But we only have a population of 25.5 million people. We do not need a domestic market that will support this country. We have to have a tariff-free border with our neighbours south of the 49th, a tariff-free border with our best partners, and a place where 75 to 78 per cent of our exports go today.

This free trade agreement in no way curtails Canada's right to set its own energy policy.

Mr. Langdon: That is not true.

Mrs. Sparrow: It does not. The provinces have the right to control the exploration, the development, the production and the sale of their natural resources.

Mr. Langdon: Read the Act. Read the Bill.

Mrs. Sparrow: The federal Government has the right to set the Canadian energy policy. It has the right to control the resource space as well as the right to control the transportation of energy and the domestic use of energy.

This country has the geological potential of taking conventional oil—that is light and medium crude, proven and unproven—the synthetic crude, which is the heavy oil plus the tar sands and the frontier with a potential of 371 billion barrels, which represents 680 years of oil at 1987's domestic consumption rate.

On the natural gas side, this country has the potential of 167 years supply. The reason that natural gas is not any higher is that over the past eight, ten or twelve years the exploration companies were not looking for natural gas because there was very little market.

We are net exporters of both oil and gas. About 25 per cent of what we produce in oil we export, and about 35 per cent of our natural gas that we produce we export south of the border. Most of this goes tariff-free today, and we want to maintain that. It is extremely important. Energy is the third largest export commodity of this country.

• (1910)

In order for Canada to have security of supply, we have to replace the production. It costs money to replace the production. In order to get the money, we need to have contracts. As I said, we are net exporters. Therefore we must have more secure, long-term contracts. We can get these and sign them with the United States. We shall be reliable producers and suppliers if they will be reliable contract signers, and of course they will.

Through these long-term contracts, a great deal of capital shall be raised, increasing cash flows to the various petroleum companies. This will allow us to develop the heavy oil and the bitumen, the tar sands. The development of these two sectors is extremely expensive. Conventional oil is relatively cheap. It costs $7 to $10 Canadian per barrel in finding and development costs. However, heavy oil and bitumen is extremely expensive in its development, production and upgrading. It almost costs between $20 and $22 U.S. per barrel, depending where it is.

As well, bringing on the frontier in the Beaufort would require a pipeline, be it down the Mackenzie Valley or another route. Building this pipeline represents billions of dollars, and we will not build these pipelines unless we have secure contracts to buy our oil and gas.

Let us go to petrochemicals—

Mr. Allmand: Mr. Speaker, I rise on a point of order. I thought we were debating Motion Nos. 24, 33, 42 and 82 in a group. For the last seven minutes, I have been listening to the Hon. Member and she has not been debating those motions at all. She has been discussing the relationship between the agreement and the energy industry which is not relevant at all to the motions under consideration. Those motions have to do with the accountability of the Cabinet to Parliament through the passage of Orders in Council and regulations and the committees to supervise the agreement. I would ask you, Mr. Speaker, to ask her to be relevant to the motions under consideration.

Mr. McDermid: Mr. Speaker, I rise on the same point of order. I think this points out very vividly how the Liberal Party really does not pay attention to what is going on in this debate. One of the motions we are debating is Motion No. 82 which deals with the National Energy Board.

We sat here and listened to the critic of the Liberal Party on trade talk about energy. My colleague, the Chairman of the Standing Committee on Energy, Mines and Resources in this Parliament is speaking to those particular amendments dealing with the National Energy Board. I think it would do the Hon. Member well to sit back, relax and get a darn good education from her. She knows more about the energy industry than the Hon. Member will learn in a lifetime.

Mr. Deputy Speaker: The Hon. Member for Calgary South has one minute left.

Mrs. Sparrow: Thank you very much, Mr. Speaker. I certainly appreciate—

Mr. Deputy Speaker: I am sorry, I have another point of order.

Mr. Langdon: Mr. Speaker, my apologies to the Hon. Member, but I think it is important to note for the Parliamentary Secretary that there are specific amendments which deal with energy policy later in the amendments we are looking at. This particular group deals with the process of appointments and the process of regulations being set, and I would hope that the Hon. Member would come around at some stage—

Mrs. Sparrow: Why don't you wait and listen?

Mr. Langdon: I have been waiting and waiting.

Mrs. Sparrow: Wait a bit longer.

Mr. Langdon: I was hoping she would give us a sense of where precisely she stands with respect to cabinet autocracy versus parliamentary democracy.

Mr. Deputy Speaker: The Hon. Member for Calgary South still has one minute left.

Mrs. Sparrow: Mr. Speaker, the National Energy Board does have the right to review and constantly keep in mind the amount of reserves with regard to oil and gas, and it deals with electricity as well. I can assure Hon. Members that any long-term contracts that are signed will have to be reviewed by the National Energy Board.

I would like to say just a few words with regard to the petrochemical business. When we upgrade or do further processing, we get a tariff of between 9 per cent and 18 per cent. This really does curtail that industry. Alberta has a tremendous petrochemical industry, and when the free trade agreement is in place and the tariffs are removed over five years, you just wait. I want Hon. Members to know that nowhere is energy curtailed in this agreement.

Mr. Langdon: Mr. Speaker, I rise on a point of order. I waited until the end of the speech in this case, and I think—

Mrs. Sparrow: I did, I told you all about the National Energy Board. It has to review contracts.

Mr. Langdon: If the Hon. Member would listen for just a moment, I think the fact that the Hon. Member is the—

Mr. Mantha: That's not a point of order.

Mr. Langdon: Perhaps that Hon. Member could listen as well. The point of order is that this is a set of motions about process, and the key points made within it have to do with seeing to it that, for instance, the energy committee has the right—

Mr. McDermid: That's not a point of order. He has already said his piece.

Mr. Deputy Speaker: Resuming debate with the Hon. Member for Broadview—Greenwood.

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, I am rising to take part in the debate on some amendments that have been put forward by my hon. colleague, the trade critic for the New Democratic Party caucus, the Hon. Member for Essex—Windsor (Mr. Langdon). These

amendments attempt to reduce the damage of the trade agreement.

Certainly we are very opposed to the very principle of the sell-out of our autonomy and the loss of the political power that is the constant theme throughout the trade agreement, Bill C-130. These amendments attempt to bring back a bit of a political review to give the House of Commons and parliamentary committees a chance to look at some of the rules and appointments that will very much affect how different bodies which deal with the free trade deal, should it go through, will operate.

The deal is all about getting rid of political power, getting rid of the power of a community to elect representatives to make decisions on its behalf and to see them implemented. The trade deal binds future Governments, cuts away from the scope of political decision-making and says that it will be determined by market forces, by a dispute-settlement panel and by the United States-Canada trade commission. These bodies of experts or these very diffuse forces will make the decisions that were previously made by Members of Parliament who were responsible to the people, Members who can themselves be thrown out of office by their electors at the next election. This is an opportunity to bring back a bit of political review at least.

• (1920)

Let us look at Motion No. 24 which seeks to limit the vast power of Cabinet to make appointments without any kind of review. Motion No. 24 would make appointments to the Canadian contingent of the Canada-United States Trade Commission reviewable by a parliamentary committee.

This is very important because the United States Trade Commission makes all kinds of extremely important decisions. Its members are, in effect, the trade ministers and other appointees. They decide on things like monopolies. There is a section in the Bill, put there with scarcely any discussion across the country, which uses American terminology such as "monopolies". We do not call them monopolies, we call them social services.

This relates to things like medicare, and whether we are going to have a national child care system. Suppose we want to extend medicare to include denticare or pharmacare. Suppose we want to do some other things as a community. If a company in the United States which is making money in health insurance does not want us to have medicare or does not want it to be extended in some way complains, the matter will go to a dispute settlement panel. The dispute settlement panel has a process to go through and its report goes to the commission, which accepts it or rejects it.

Who is on that commission and who is on those dispute settlement panels? Those are very important questions. Those are the kinds of bodies which will decide whether or not we can have medicare or whether we will be forced to pay compensation in order to have it, which would make it prohibitively expensive.

These are the bodies that will make the crucial decisions which heretofore were made in Parliament or the provincial legislatures. There is terrific interference with the rules of provincial legislatures in the social sector and regional development in their own provinces. Municipalities which want to create jobs or start new social services could also be dealt with as infringing upon the future profitability of American corporations and could be subject to a challenge in the monopoly section.

If we ever have Indian self-government in this country, which I sincerely hope we will, the Indian bands will lose their power under the trade agreement to make all kinds of decisions on job creation, promotion of tourism, and starting their own social services. In effect, it is one of these bodies which we are reviewing in these motions that will decide whether or not they can do that. It is, therefore, very important who will be on these bodies.

In the case of the dispute settlement panel there will be five people; two Americans, two Canadians, and one to be appointed by those four people. Crucial decisions affecting our welfare system and regional development system will be made by supposed technical experts in trade matters. The majority will probably not be Canadians. If the four people have trouble selecting the fifth, that person will be selected by lot from a list. We could have three Americans and two Canadians deciding upon an absolutely crucial principle of Canada's social welfare system. This is an appalling abrogation of responsibility which will bind future governments.

If the present Government does not want to start a national child care scheme or to improve medicare, it is entitled to make those decisions. It was duly elected and for five years we suffer the consequences, then the voters have the chance to throw the rascals out. That's politics, that's parliament. With this agreement it is not enough just to throw the rascals out because the decision-making power has been taken out of parliament and cannot be reinstituted.

In the case of this Government we have the example of foreign investment review. The Government has substantially diminished foreign investment review, and the free trade agreement will diminish it further. Only the very largest corporate takeovers would be subject to investment review under this trade agreement.

If we elect another government on the platform of bringing back foreign investment review as part of the way in which to stimulate job creation in Canada, because of this free trade agreement it would not be able to do that. That political power will be lost and future governments will be bound by this trade agreement.

That is why it is so patently unfair for it to be rushed through against the will of provinces which disagree and with

no mandate from the people. This is so flagrantly immoral that I am surprised that the Government has the nerve to proceed. It does not have the nerve to take it to the public in an election.

The provisions in these motions do not make it impossible to have Conservative patronage in these appointments. We know that review by parliamentary committees does not stop Conservative patronage appointments. I have sat on committees. They are dominated by Conservatives who bring in their hack friends. The hack friends are asked token questions by the Conservative members and at the end of the discussion decisions are made by a majority. With government Members making up that majority, the appointment will go through. There is, therefore, nothing in here that will guarantee an end to patronage appointments. It is only when the public throws this Government out of office that we will have an end to that. I hope we will see that very soon.

However, these motions do not guarantee what we would like to have guaranteed. They do not undo the damage of the trade deal, but they do give Parliament a little bit more scrutiny. They do give the elected Members of Parliament, the people who are responsible to the public and could be thrown out at the next election, a bit more of a chance to do their job. The trade experts on the dispute settlement panel cannot be thrown out at the next election. They are appointed experts and are not responsible people. That is a violation of our parliamentary principles. I support these amendments because they at least provide for a bit of review of this corrupting practice although the far more desirable thing would be to get rid of the trade deal entirely.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the remarks of the Hon. Member for Broadview—Greenwood (Ms. McDonald) could probably be labelled "Alice in Wonderland" or "Lynn in Wonderland". She may have great expertise in getting a Private Member's Bill through the House in order to stop smoking in public places, but she certainly does not understand the free trade agreement signed between Canada and the United States.

She talked about binding municipal and provincial governments and about social programs, all of which are outside of the agreement. The provincial governments can discriminate on health care. The provincial governments can make up the rules on how their hospitals and senior citizens' homes are going to be run. They can insist that they are run only by Canadians and they will not be in violation of the free trade agreement.

The Hon. Member told so many myths in the last 10 minutes that it is very difficult to respond to them all. I am sorry that she was not in the House when I explained that provincial government procurement is totally outside the agreement. It has nothing to do with it. It pertains to health care, education, and so on and so forth. The free trade agreement says that if a province decides to allow American firms into the health care field as consultants, then they have to be treated fairly. That is all it says. They do not have to let them in and opposition Members know that. They are absolutely and totally wrong. Provincial government procurement is totally outside this agreement. Let us get that straight.

Mr. Langdon: Health care is not.

Mr. McDermid: Entirely outside the agreement.

Ms. Copps: Health care is not.

Mr. McDermid: All the free trade agreement says is that if a province decides to allow them to come in they must be treated fairly, but they do not have to allow them in.

Mr. Langdon: They do.

Mr. McDermid: They don't.

Mr. Langdon: I can quote you this section.

Mr. McDermid: They don't have to allow them in.

Then I listened to the Hon. Member who said that we are binding future governments. She knows full well that one Parliament cannot bind another. She knows that full well. She should know it.

• (1930)

Ms. McDonald: It is in the agreement.

Mr. McDermid: I will read her something else in the agreement that she might be very interested in. She probably has not got this far in the agreement because it is the last article.

Ms. McDonald: Mr. Speaker, I rise on a point of order. I would like it to be very well understood that I, unlike the Hon. Minister for International Trade (Mr. Crosbie), have read every page, paragraph and word of this agreement, and I disagree with it all.

Mr. McDermid: The Hon. Member says that she disagrees with the entire agreement, yet the policy of the NDP is to remove tariffs. Obviously she now disagrees with the section in here that removes tariffs.

She just said she disagrees with everything in here. Does she disagree with Article 2106 which states that "This agreement shall remain in force unless terminated by either Party upon six months' notice". Some bind.

We are discussing amendments which say that Parliament will decide on all these commissions. It will take votes on all these appointments to these various commissions, including the Minister for International Trade (Mr. Crosbie) who will head the commission. The Minister will be the Canadian representative of the Canada-U.S. Trade Commission. The Opposition wants Parliament to decide whether the Minister for International Trade should be head of the commission. That is what Motion No. 24 states. That is absolutely ridiculous.

The other appointments are order in council appointments which can all be reviewed by the standing committees. They can bring these people before the committee any time to question them and put them under the gun to see if they qualify to serve on these commissions. That is provided for by the new parliamentary rules brought in by the Prime Minister (Mr. Mulroney).

There have been examples of people coming before the committee who did not have the credentials and therefore did not carry on with their appointments. There are other examples of people who have come before the committee and, regardless of their political stripe, the committee unanimously decided that the person was highly qualified for the appointment.

A former NDP colleague of the House, Ian Deans, was appointed. Does the Member for Broadview—Greenwood think that his appointment should end automatically the day the Government goes to the polls? Is she saying that the appointment of our former colleague from Prince Edward Island to the Pension Review Board, which is a very good appointment, should stop the day the election is called? Should all the boards and commissions and all the work of Government stop automatically? Is that what they are saying with these amendments? That is nonsense and the Hon. Members know it. These are some of the frivolous amendments they are introducing to the House. These are negative resolution procedures.

These amendments would allow the Senate, those unelected people in the other place, to decide who will be on these boards and commissions. The Senate has caused this country enough trouble. We do not want the Senate deciding who will be on boards and commissions. However, that is what these amendments provide.

I can understand the Liberals supporting these amendments, but it is the New Democratic Party which brought them in. The NDP, whose policy it is to abolish the Senate, introduced amendments that would allow the Senate to decide who is on the boards and commissions. They are saying in these amendments that if appointments are created by Governor in Council they have to come before the House, which will then have to go up to the Senate for a decision on whether it is right or wrong. I cannot believe the New Democrats did that.

Mr. Langdon: That is the system we have.

Mr. McDermid: The NDP brought in amendments that would allow the Senate to decide who goes on boards and commissions. What is this world coming to?

When the Hon. Leader of the New Democratic Party learns of this, I am sure he will do back-flips. I am afraid the Hon. Member may even be removed as critic for international trade. I would hate to see that after having spent so much time with him.

Mr. Langdon: Mr. Speaker, I rise on a point of order. There has been a complete misrepresentation. If you look at Section 2 in each of these motions, it indicates that it is a committee of the House of Commons which has to approve these.

Mr. Deputy Speaker: The Hon. Member for Brampton—Georgetown has one minute to complete his speech.

Mr. McDermid: Mr. Speaker, I will just make a final comment on Motion No. 25 which seeks to delete Clause 12.

Ms. Copps: You are in the wrong group.

Mr. McDermid: This would prevent Canada—

Ms. Copps: You are in the wrong group of amendments.

Mr. McDermid: We already defeated that one. I have more paper here than—

Ms. Copps: Brains.

Mr. McDermid: Another great speech by the Hon. Member from the seat of her pants. The Hon. Member for "right on" is speaking to the House in her usual eloquent style.

These amendments which have been brought forward by the New Democratic Party are totally unacceptable. They are negative resolution procedures and we cannot accept them.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I just heard 10 minutes of absolute non-defence of a Government method for order in council appointments. I know that it is difficult to defend the indefensible, but I think the Member for Brampton—Georgetown (Mr. McDermid) has a particular knack for trivializing some of the important objections to his Government's trade legislation.

I want to support the amendment by the Hon. Member for Essex—Windsor (Mr. Langdon) which attempts to put some sanity into the Government appointment process and these organizations that will be reviewing this trade legislation.

In order to examine the situation, I think the public should be aware of how the original teams that came up with this trade deal were established. They were the so-called SAGITs. Those organizations were called together supposedly to represent the people of Canada in the negotiating process. Many people may recognize that the agricultural community has really had the proverbial boots put to it by this agreement. Is it any wonder, when one considers the formation of the groups that were appointed to consult with the Government on this issue.

We had a SAGIT in which the head of the Canadian SAGIT dealing with questions relating to agriculture happened to be the president of a Canadian subsidiary of an American company whose president just happened to be sitting on the American side of the negotiating table. When the two equal partners came together to discuss and consult on issues of mutual trade agreement, we actually saw the president of an

American company supposedly negotiating with his employee, the president of the Canadian subsidiary.

• (1940)

The Government asks us to trust it and the people it is going to appoint to sit down and negotiate away the very social fabric of this country. Trust us. That is what the Government said about senior citizens' pensions. Yet if you look at the composition of the individuals who were named by the Government to negotiate this absolute sell-out to the U.S., it does not represent the broad spectrum of the Canadian public. Where were the women on these SAGITs?

Mr. McDermid: There are lots of women on the SAGITs.

Ms. Copps: The trade agreement is going to negatively impact on women more than any other group. More women will lose their jobs as a result of this agreement. Where were they in strong numbers on the SAGITs?

Mr. McDermid: They were there.

Ms. Copps: They were not there. Where were the unions? Where were the members of organized labour sitting at the table with the Americans on the SAGITs?

Mr. McDermid: The Canadian Federation of Labour, the CLC?

Ms. Copps: The Canadian Federation of Labour and the CLC were where on SAGITs?

Mr. McDermid: They were invited but turned it down.

Ms. Copps: They were not there. Where were the steelworkers? Where were the church groups? Where were the people in this country who have a social conscience about our future direction? They were not there because the Government and the Minister are interested only in one point of view, the big business point of view.

If you go into my riding and talk to the President of Proctor and Gamble, he is of course going to say "Great. Free trade is going to be fantastic". He is the plant manager of a 100 per cent American-owned company that would like nothing better than to pull up stakes and move its whole operation south of the border.

Mr. McDermid: Ask Stelco and Dofasco what they think.

Ms. Copps: Heinz Canada, a food production company, 100 per cent American-owned, have already chosen a site for a plant south of the border.

Mr. McDermid: Nonsense.

Ms. Copps: They are planning to move if and when this deal sees the light of day. McCain's Food Company, the largest Canadian-owned company in this country—

Mr. McDermid: Who were invited to appear and turned it down.

Ms. Copps: —are against this deal. They said quite specifically that it will destroy the food processing industry in Canada.

Mr. McDermid: No, they did not.

Ms. Copps: Most food processors do not care because of the 25 or 26 major Canadian food processors, 23 are American-owned. You have only two or three Canadian-owned operations. Of course, the 100 per cent American-owned companies do not mind.

Camco, an appliance manufacturer in Hamilton, is scared silly that if and when this deal goes through the appliance industry in this country and in my city will be dead. Talk to the appliance manufacturers.

The wine industry. Gallo Wines in California spills more wine than is produced in the whole of Canada.

Mr. McDermid: So?

Ms. Copps: I am sure you do not care if the Canadian industry is wiped out, which is what will happen as a result of this deal.

Mr. McDermid: We can compete. You are afraid to compete.

Ms. Copps: All this amendment calls for is an opportunity for Parliament to review the appointments of people who sit on these committees that are going to determine what—

Mr. McDermid: You see what they have now.

Ms. Copps: Yes, I saw what they came up with. They came up with a deal for big business which does not respond to the needs and aspirations of ordinary people. The Hon. Member talks about the health care system. I wish he would stop spreading the same kind of fallacy that his Prime Minister (Mr. Mulroney) spread when he said he was not going to touch senior citizens pensions. He says health care is not included. The management of health care systems is included right in the annex and commercial blood banks are part of the trade deal. His colleague, the Minister of National Health and Welfare (Mr. Epp), publicly stated that the trade deal includes commercial blood banks.

Mr. McDermid: If the provinces allow them.

Ms. Copps: The Hon. Member may laugh but he does not know the composition of the national blood committee. It brings together people from every province. As a matter of fact, it is under the auspices of the Minister of National Health and Welfare.

Mr. McDermid: Is the committee appointed by the House?

Ms. Copps: The committee regulates the distribution of blood across Canada. I am sorry the Hon. Member does not understand the distribution of blood in this country, but it is done by that committee under the auspices of the federal Minister. It is the Tory Party that will do anything for a buck that for the first time in the history of this country has permitted the opening of a clinic in Montreal where you can buy and sell blood for profit. He laughs, but why is it in the agreement?

Why do you expect us to trust you to appoint competent people representative of the Canadian public to the subsidy groups which will be reviewing this agreement when history shows that the Conservative Party represents big business? That Party has done nothing to secure the needs and aspirations of ordinary Canadian men and women. The only people they truly consulted in this deal were the presidents and chief executive officers of major multinational corporations who do not care where the money goes. Capital knows no national boundaries. They will move to the States.

Do you know what my own community got from the American bosses of Firestone in Akron, Ohio? A three paragraph Telex. After I believe 143 years of continuous operation in that city they got a three paragraph Telex which said "we are closing down". All this amendment calls for, and I think it is quite reasonable, is an opportunity for Parliament, not the privileged, prurient Tory Party which has been involved—I cannot even begin to make the kinds of allegations that were made today by a former cabinet Minister of the Tory Party. However, let us face it, are we going to trust the Tory Party and Government to appoint people who will represent the views of Canadians when it comes to negotiations on things like what constitutes an unfair subsidy? Do you think the Minister for International Trade (Mr. Crosbie), who does not care about the sale of blood, is going to protect our health care system? Do you think the Parliamentary Secretary to the Minister, who has obviously demonstrated over and over again that he does not even understand the blood distribution system in this country, will represent and defend the interests of ordinary Canadians?

Mr. McDermid: You bet.

Ms. Copps: It is clear that we need protection from the Government and a Conservative Party that would consult only the elite, only the moneyed, only the people who really have no vested interest in building the kind of national identity that we have struggled for as Canadians. In fact, the protection brought in with this amendment is the kind we need to make sure that at the very least with this extremely negative deal for Canada, when we go to the negotiating table we will not see pregnancy leave rights or minority rights eroded. I can imagine that if the Member were sitting over there making all these appointments it would look like a who's who of the Fraser Institute. That organization is against the minimum wage. We know it does not believe in affirmative action. We know it does not believe in any kind of support programs for women and minorities. Those are the people we do not want on these committees and that is why we in Parliament need the power of review.

Mr. Felix Holtmann (Selkirk—Interlake): Mr. Speaker, it is a pleasure for me to address a few words regarding these four NDP amendments. I noticed with interest that the Hon. Member for Hamilton East (Ms. Copps) supported them wholeheartedly.

I would like to make a few comments on what the Hon. Member for Broadview—Greenwood (Ms. McDonald) said earlier about patronage. She indicates one of her amendments addresses that very subject. She said the Conservative Party would just use this device to put in its friends and neighbours and those who support this Party. I would like to remind the Hon. Member that the individual I defeated in 1984 was a member of the NDP and Howard Pawley gave him a $50,000 do-nothing job. If that is not patronage by the NDP I would like to know what the dickens it is. They are very capable of patronage and don't think otherwise. It is this Conservative Party which has appointed New Democrats and Liberals and other people who have no political background at all to do the right kind of job. I would ask her to bite her tongue a little bit when she comes up with statements like that.

• (1950)

Let's get on with these amendments. I also noticed with interest that the Hon. Member for Hamilton East referred to the people who would benefit as the great corporate leaders and presidents. She said they were the only people with whom we consulted. Well, let us look at the facts. The Hon. Member may find this very interesting. How about what D. R. Eastcott of the Canadian Organization of Small Business says. That is not a big corporate giant.

> Small businesses provide the majority of Canada's new jobs, new wealth and new business. Free trade will enhance the potential for growth—competition on even terms, free from tariffs, unfair subsidies and limited markets. It will open up what is already the largest trading partnership in the world.
>
> Small business will gain a larger, fairer share of the market-place, not only in the U.S. but within Canada as well. Free trade is our future for success.

That is a representation of small business and small businesses create the majority of jobs. This association is steadfastly behind this agreement. That is something the Hon. Member should have taken into consideration.

Let me go back to the Hon. Member for Broadview—Greenwood who stood in her place and reflected that everything in this book, that is the free trade document, is what that Party is totally against. She said there was nothing in here that she could support. Yet what did the New Democratic Party do? It could have just taken one clause in the free trade agreement, and I believe it is Article 7, and added only one amendment. Article 7 says: "The agreement is hereby approved". The Opposition could have amended it by stating: "We disapprove of this and, therefore, this agreement should be unapproved". That is all they had to say. They did not have to add all these other amendments to try to improve the free

trade agreement because they do not agree with it at all. What nonsense. I suggest that even if these amendments for some silly reason could be passed in this House, those Parties would still defeat the free trade agreement.

Ms. McDonald: Mr. Speaker, I rise on a point of order. The proposal of the Hon. Member would have been ruled out of order because it was contrary to the intent of the Bill.

Mr. Holtmann: That is a very strange point of order. Let me get back to the Hon. Member for Broadview—Greenwood. Her Party has a resolution which has not changed, going back to 1961, which the NDP still confirms is its policy on trade. Let me indicate to this House and to the people of Canada what the policy is of the New Democratic Party in terms of trade. It is very clearly spelled out and it is exactly what has happened in this agreement. Let us remind Canadians of this. It states:

> Expansion of our trade with any and all countries willing to trade on a fair and equitable basis will benefit both ourselves and them. Careful planning is needed to adjust our production to the trade requirements of a fully employed economy. Tariffs are outmoded patchwork attempts to protect domestic industry;

That is what this agreement does. It reduces tariffs.

Ms. McDonald: I rise on a point of order, Mr. Speaker. The Hon. Member is referring to multilateral trade and this agreement is about trade with one country only, bilateral, and it sells out the country and loses our political autonomy at the same time. That is why we are against it.

Mr. Holtmann: Mr. Speaker, I am so happy she pointed that out to me because this statement goes on to say: Any direction this country can make to a trade agreement to reduce tariffs with any country, any given country, is what the policy of the New Democratic Party is. Here it is in written colour.

Ms. McDonald: No sell-outs.

Mr. Holtmann: So she ought to be very careful about what she calls a sell-out in her statements in the House with respect to those amendments and how they affect this free trade agreement.

Mr. Langdon: Mr. Speaker, I rise on a point of order. I would suggest that if the Member wishes to correctly put forward New Democratic Party policy, he read the policy passed at this year's convention in Montreal, not something which is 27 years old.

Mr. Belsher: When did you last rescind it?

Mr. Holtmann: Mr. Speaker, I think all Canadians would like to know in a very open way what the policy of the New Democratic Party is with respect to free trade. Certainly, we have not heard anything but criticism of this Government in its effort to reduce tariffs. It is nothing more than that.

Mr. Langdon: Mr. Speaker, this very Member in fact stood up one day and tore up the 62 page booklet which dealt with our alternatives to the free trade deal.

Mr. Deputy Speaker: He should not have done that. The Hon. Member for Selkirk—Interlake.

Mr. Holtmann: Mr. Speaker, I know not what he is referring to, but it was probably some nonsense printed in his office and sent to me. I would like to get back to these amendments. How about the president of Dofasco.

Mr. Langdon: That is a good ordinary Canadian.

Mr. Holtmann: I suppose anyone, in the mind of the Member opposite, who becomes a president of a good company which does a great job for Canada is not ordinary anymore, but he has to have some brains and I suspect he is doing a great job. What did he have to say with respect to this free trade agreement?

> We believe the free trade agreement provides a special opportunity for Canadian manufacturers to develop their businesses to fit a more open global trading system during the next decade and into the next century. Our focus at Dofasco now and for the future is to produce top quality steels so as to provide the best materials available to our customers. A commitment toward innovation, modernization and value-added products is essential to thrive.

That is a Canadian talking about value added because of this trade deal. I think that is an essential key element in what he says.

> Better and more assured access to the U.S.A. will provide our customers an excellent opportunity as a first and more familiar step toward world-wide competitiveness.

Sure it is a big company, but we have small businesses which want this agreement to go ahead. We have big business. That is a Canadian business, by the way, which employs people who, perhaps, are represented by Members of this Parliament. Of course, these companies speak for increased economic development as a result of this free trade agreement.

Adding these amendments which have nothing to do with the reduction of tariffs is nothing but a ploy to confuse the public of Canada that because some of these particular irritants to someone is not in there, all havoc will take place. The whole exercise is to reduce the tariffs of trade between Canada and the United States. But what do those Parties do? They suggest it is just a ploy to create more patronage for the Conservative Party. That is what those Members suggest. They suggest that because of this free trade agreement, our sovereignty has gone, it is history.

One has to look at what was said in an article in the *Winnipeg Free Press*. I see the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) is here. He must have read this recently with some awe. It was an editorial on August 9. The headline in the *Winnipeg Free Press* with respect to this free trade agreement reads: "Tell the people the truth". It refers to the Leader of the Liberal Party. The article is so well written that I am sorry Canadians watching tonight cannot get a copy

of this editorial. It has been taken up recently in every other paper, even the *Ottawa Citizen*, which I do not believe has written too many great stories about the Tory Party. On August 18, the *Ottawa Citizen* put out a pretty dandy little editorial. The headline reads: "Turner trade pitch simply isn't buyable". That is a pretty direct statement.

• (2000)

I would like to refer to the last paragraph of the editorial, although I am sure I do not have time to read it all. It is important for the Hon. Member opposite to listen to this. It states that these proposals for international change are long-term goals beyond the control of any single nation. It goes on to state that the Liberals are intellectually and politically bankrupt, and on free trade, as on many other issues, they offer Canadians no viable option. I think that is pretty significant coming from that paper in the many, many years that it has been pushing the Liberal side of things.

I would like to return to the *Winnipeg Free Press* article. The Hon. Member for Winnipeg—Fort Garry must have had a hair or two turn grey when he read the bottom paragraph.

Mr. Axworthy: I don't have any grey hairs, Felix.

Mr. Holtmann: I am getting a little grey. It states:

> John Turner these days has a liking for slogans. Let the people decide is his latest". Before the people do decide he might direct another slogan to himself: "Tell the people the truth."

Do not try to redirect what the Government has tried to do other than to reduce trade barriers to enhance our ability to enter that market which certainly has to be the objective of all Canadians, taking into consideration that it is not a super perfect document.

Mr. Langdon: You recognize that. You told the truth.

Mr. Holtmann: We said that right from the beginning. From time to time it might need some adjustment; and from time to time it allows that adjustment to take place.

Mr. Langdon: Tell us its problems.

Mr. Holtmann: By introducing the type of amendments that do not relate at all to this matter, or to throw in a scare tactic that the Conservatives are using it for patronage, or that we are going to lose our culture just does not fly. I am just as Canadian as anyone else in this room. I do not intend on losing the culture of Canada. That is not going to happen. I think Canadians are starting to understand that it is not going to happen. We cannot expect every Canadian to read this document from one end to the other.

Mr. Langdon: Especially the Minister.

Mr. Holtmann: There is lots more to it. I can only refer to the many other possibilities by which Canadians can get the information on free trade. For instance, they can write, as the advertisements tell us to do. I am certain that a better understanding all around of how good this trade agreement is will happen.

Mr. Dan Heap (Spadina): Mr. Speaker, we have listened to the Hon. Member for Selkirk—Interlake (Mr. Holtmann) telling us that the trade deal deals with nothing at all except tariffs. That of course is baloney of the sort for which he is well known. It deals with all kinds of things, including the takeover of Canadian investment businesses and Canadian services such as management health services and so on. Nothing at all of those things relate to tariffs. In fact, for most people who work in the service industry—two-thirds of Canadians—tariffs are of secondary importance. So 80 per cent of trade is without tariffs. We will do away with the other 20 per cent. That will affect some of the manufacturing people. But the takeover of Canadian services will affect far more Canadians than the destruction of our manufacturing industry.

However, as could be expected, what the Hon. Member for Selkirk—Interlake was saying had nothing to do with the subject being debated at this time, namely, certain amendments that have been proposed by our Party. These amendments, roughly speaking, propose to introduce a measure of democracy into the operation of this new law in order to make up for some destruction of democracy.

Motion No. 24 proposes that appointments to the Canadian contingent of the Canada-U.S. Trade Commission should be reviewed by a committee of Parliament. Motion No. 33 proposes regulations regarding the operation of the procurement review board, the board that will decide whether the Government's policy of procuring goods is fair or unfair to the United States and that the implementation of the procurement chapter should be reviewed by a committee of Parliament.

The appointment of the Secretary to the Canadian Secretariat that will administer the dispute settlement panels and committees should be reviewed by a committee of Parliament. Orders and directives to the National Energy Board should also be reviewed by a committee of Parliament.

It seems by the excitement and anger of the Hon. member for Selkirk—Interlake and the Parliamentary Secretary that this proposal for democracy so frightens them that they had to talk about everything and anything else except the motions that are before the House at this time.

The Parliamentary Secretary taunts us not with debating. In fact, he does not debate. He just shouts, generalizes and tries to bulldoze. The point we are making is that government appointees who carry a huge responsibility for the conduct of the political economy of Canada and its relationship with the United States ought to have the approval, the scrutiny and the obligation to report to the elected representatives of the country—Members of Parliament.

Judging by their response to this proposal Members opposite think that this is some crazy, radical proposition; or they think it is something that could only be put forward by people who

have no interest in or knowledge of business. I point out to them that what we are proposing is no less than what is done by Constitution in the United States of America.

In the United States of America when the President appoints senior officials in various lines, his appointment must be validated, must be subject to the approval of Congress and Senate. There are a variety of regulations but that is the general principle. There are some times when his appointee is turned down, because the committee of Congress or Senate examine him and find him or her unsatisfactory, and the President must appoint somebody else. He has the power to name but not the power to put the person finally into office. We are suggesting that that development of democracy in the United States is something from which Canadians could learn, particularly if in this trade Bill we are going to have to do business with the United States. If they are good enough to do business with, if they are good enough for the Prime Minister (Mr. Mulroney) to sing *When Irish Eyes are Smiling* with the President of the United States, then I think we could at least look at their structure for holding senior powerful officials to account before the elected representatives of the people.

That is what these amendments before us propose. They are absolutely essential if we are not going to lose a great deal of the more informal kind of democracy that we have now. The informal democracy that we have now meant that the executive of the Government, the Prime Minister and those he chooses to have in his Cabinet, ought to lay things before Parliament before final important decisions are made.

One example of that occurred about 30 years ago when the Government of the day under Mr. Diefenbaker negotiated the NORAD Treaty. The Leader of the Opposition, Mr. Pearson, said as a matter of Constitution it ought to be brought before Parliament. Mr. Diefenbaker agreed. It was brought before Parliament and voted upon. Unfortunately, Mr. Pearson and his successor in Liberal office forgot the rule that Mr. Pearson had put forward and this rule of course has been totally forgotten as well by the present Government. In fact, Mr. Pearson was right in 1958, and so was Mr. Diefenbaker, in putting that treaty to a vote of Parliament. There is no written law that says they must, but it was an essential obligation of democracy.

• (2010)

We are asking for essentially the same principle here. As I say we are following a very useful model in the United States of America that, when these officials are appointed, they should first be subject to an examination, a questioning by a committee of Parliament. If the committee does not approve their appointment, then it has to come to the full Parliament. If the Parliament does not approve their appointment, then the Prime Minister has to find somebody else who would be more acceptable.

Mr. Belsher: Is that the way you would run it?

Mr. Heap: That is the way it is being run in the United States which is the country that is so admired and followed by our Prime Minister. We are asking that he be consistent.

We do need to restore to Parliament some of the democracy that was taken away in the past two years. As my colleague from Essex—Windsor (Mr. Langdon) has said, not only in the 1985 hearings which were a sham—not a sham carried out by the Members—but in that the Government showed that it had no interest in paying any attention to what hundreds of Canadians said at those hearings.

Also during two years of negotiations when the Prime Minister was asked whether the auto industry was on the table he jeered at the questioners. He made fun of the question, denied it was on, and it has turned out that his denial was totally false because it was on the table through the removal of the tariffs which are the only lever which makes the Auto Pact possible.

Last fall there was the publication of what was called the essence of the agreement. Then a committee was struck in order to cross the county to hold hearings. Any time a person criticized or objected to something in the essence he was jeered by government Members who said: "Wait for the final details". In other words, the hearings were created as a farce. The final details were published in December after the hearings were finished. Since then the Government has refused to allow any hearings across Canada on this subject.

Now we have Bill C-130 which amends 27 Acts including agriculture, banking, income tax, radio broadcasting, and so on. According to the Government it was to be treated as one Bill, not as amendments to 27 major and important Bills. What we have here is the deliberate destruction of the ability of elected representatives to do what the people expect us to do, which is to come to Parliament and vote on matters of importance. They are asking that Parliament should renounce and sign away our responsibility as Members of Parliament to the people who elected us. What I am saying is that the principle of democracy demands that the Government now give consideration to these amendments and that they be adopted.

Mr. Rob Nicholson (Niagara Falls): Mr. Speaker, I am pleased to make a few comments with respect to Motion Nos. 24, 33, 42, and 82 which were grouped for debate. As I read through them I had mixed feelings. I join with the Member for Brampton—Georgetown (Mr. McDermid) in finding that it is somewhat amusing to be seeing more responsibility given to the Senate. Coming as these motions do from a member of the New Democratic Party, I am sure there are many dedicated socialists who are turning in their graves tonight at the thought of the NDP proposing even more powers to the Senate. I consider that nothing more than amusing.

I am somewhat heartened when I see amendments brought forward such as the motions we are discussing tonight, because I know that this attempt to gut the Bill by motions such as

this, and kill the free trade legislation, does a lot of good for the Progressive Conservative Party, and certainly I am pleased for that. The House will know that the trade agreement is supported in the regions of this country. As a result, I feel good about the fact that every time a member of the NDP rises and attempts to bury this Bill, makes amendments to gut the legislation, and opposes the free trade agreement, I know it will help some people whom I have known and admired these last three years.

I see my colleague, the Hon. Member for Surrey—White Rock—North Delta (Mr. Friesen), and the Hon. Member for Fraser Valley East (Mr. Belsher). I am happy for those Members. I know the NDP is helping those Members return to the 34th Parliament to work on family values and some of the things that are important to so many Canadians. I see the Minister of State for the Wheat Board (Mr. Mayer) is present. I am pleased for him and other Members when I see members of the New Democratic Party digging their own graves here in the House of Commons and ensuring that that they will not return to the 34th Parliament.

I stated that I had mixed feelings, and I guess that stems from the fact that when I read through each of these motions for this section of the debate, I noticed they were presented by the Hon. Member for Essex—Windsor (Mr. Langdon). I am very proud to say that a few years ago I was a student at the University of Windsor. Like most students who go away to school, I developed a certain affection for the city in which I resided for that part of my life.

It saddens me to see the Hon. Member for Essex—Windsor, joined by other NDP and Liberal colleagues from that area, doing something that I know is diametrically opposed to the best interests of the city of Windsor. I think that all of them would agree, if they were completely honest, that the city of Windsor is very dependent upon trade with the United States. That trade does not hurt the city of Windsor, rather it helps the city of Windsor. In the same manner, my own area of Niagara Falls is very dependent upon trade. If Members were honest, they would know that in the past few years there has been pressure brought to bear within the United States from different elements that would like to tear up the Auto Pact. I believe that the Auto Pact is important to the best interests of Windsor, the Niagara area, the area of Oshawa, and several other parts of the country.

Now we have an agreement which we are discussing this evening, and motions that have been put forward to try and hurt that agreement that enshrine the essential elements of the Auto Pact which is so good for the city of Windsor. It is an agreement that also protects the auto parts industry. The NDP will say that that is not true, that it has nothing to do with that industry, that it hurts it all. The evidence that always does them in is the fact that the auto industry and the auto parts industry support the agreement.

I will use an example in my own area. Many of these companies are also represented in the Windsor area. I know of no auto parts company in the Niagara Peninsula, and I know of no automobile manufacturer in the Niagara Peninsula that opposes the free trade agreement because they know that it is good. They know that the elements of the Auto Pact are enshrined in the free trade agreement. They know it gives protection for auto parts, and that is why they all support it.

I have before me a number of quotes in the notes that I made before I rose, and different comments made by different people from the auto industry. The general manager of General Motors has stated: "The Canada-U.S. free trade agreement signals a major breakthrough in the trading relations between our two great countries. It also sends an important signal to our other trading partners around the world that protectionism is not the way to long-term success. From our perspective this agreement will contribute significantly to making the trade and investment climate in North America more rational, predictable, and fair". Who benefits the most, Mr. Speaker, when trade is rational, predictable, and fair? It is the city of Windsor.

Mr. Deputy Speaker: The Hon. Member for Essex—Windsor on a point of order.

Mr. Langdon: I appreciate the concern of the Hon. Member for the city of Windsor. It would seem to me that what he has spoken about so far has absolutely no relevance to the subject matter of the amendments which are before us which attempt to establish parliamentary democracy in the face of cabinet dominance as established by this Bill. Perhaps on a point of order he should speak to that issue. As a back-bencher he may prefer the Cabinet to decide everything, but I doubt it.

• (2020)

Mr. Nicholson (Niagara Falls): Mr. Speaker, my comments are as a direct result of reading the motions put forward by the Member for Essex—Windsor. I do not think that there is anybody in this House who would disagree with me that the intent of these and other amendments are to gut this Bill, to hurt this Bill, and ultimately to destroy it. I think that my comments are properly in order. I can appreciate that the Member is sensitive.

Mr. Langdon: A point of order, Mr. Speaker.

Mr. Deputy Speaker: On a point of order, the Hon. Member for Essex—Windsor.

Mr. Langdon: I think, if I have read the rules of the House properly, it is not proper to attribute motives, as the Member is doing with respect to my moving of these motions. I certainly moved them with the intention of improving a situation which I saw as most unfortunate in the Bill.

An Hon. Member: Even though misguided?

Mr. Nicholson (Niagara Falls): I started my comments by saying that I was delighted to see anything good come from the City of Windsor, and to the extent that the Member may

be shifting his position toward coming into agreement with the free trade agreement. That is good, in the over-all context. It is for the well-being of that community and certainly—

An Hon. Member: It is not a point of order, it is debate. He is debating.

Mr. Deputy Speaker: The Hon. Member for Essex—Windsor on a point of order.

Mr. Langdon: It is important for the Member to recognize that second reading is the debate in which we approve or disapprove of the question of principle. As the Member should know, I voted against this Bill on principle. That does not mean that at report stage one is not permitted by the rules of the House to move motions that are consistent with the intentions of the Bill to try to improve it. That does not mean that one approves of the Bill or of the agreement.

Some Hon. Members: Hear, hear!

An Hon. Member: Please get back to the motion.

Mr. Deputy Speaker: The Hon. Member for Niagara Falls.

Mr. Nicholson (Niagara Falls): Thank you, Mr. Speaker. I have always said that half a loaf is better than none at all. If the Member now is trying to attempt to improve the situation, improve the free trade Bill, I am certainly pleased about that, and I would be delighted if now, or perhaps later on in debate or maybe in future intervention, he may come all the way over and support this legislation which is so clearly in the best interests of his area, the Province of Ontario and the whole Dominion of Canada.

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, we are presently debating four motions to amend the free trade Bill, C-130. The purpose of these amendments is to put some democracy back in the process and to put some democracy back in the administration with respect to the free trade agreement.

The four amendments require that several of the appointments to the boards and commissions that will administer the free trade agreement come before the House of Commons so that the House of Commons can consider them by 25 Members forcing a debate and perhaps reject them in certain cases. It also requires in some cases that the regulations and Orders in Council passed by the Government and the regulatory bodies be sent to the House of Commons so that it can consider them and have them debated and voted on in certain situations.

The purpose of these amendments is to put some democracy back into an agreement, into a Bill, into a process, which has been very weak on democracy. As a matter of fact, this whole process has been filled with undemocratic instances. We can review them one by one. For example, there has been closure at every stage in this debate. At second reading there was closure after only one day, and second reading debate was limited to five days.

At report stage, after one and a half days of debate, the Government moved closure on the report stage and limited it to four days. It has limited third reading to two days. The entire debate in this House—second reading, report stage and third reading—is limited to 11 days on a Bill that the Government suggests is one of the most important pieces of legislation to come before this Parliament since the Second World War. We on this side agree that it is one of the most devastating pieces of legislation to come before Parliament since the Second World War. Yet, the Government has imposed closure at every stage of the proceedings.

With respect to the legislative committee, as soon as they met, before they could determine how many groups and citizens wanted to appear before the committee to give their views, before that even happened, the Government set a date to close off the committee. It decided that the committee would only hold hearings in Ottawa and would not travel throughout the country, as many other committees have done in the history of this Parliament, to hear the views of Canadians. It has been undemocratic in that part of the process. It has also been undemocratic at every other stage of the procedure.

We all know that the negotiations with respect to this free trade agreement started in 1986, after an election in 1984 at which time there was no mention at all of a possible free trade agreement with the United States. Not only was there no mention at all in the 1984 election campaign, but the only statements on record from leading members of the Government are that they were opposed to a free trade agreement with the United States.

I put these quotes on the record before, but I think that we have to repeat them because Canadians must know what was said by the leading members of the Government, by various cabinet Ministers.

The Secretary of State for External Affairs (Mr. Clark) said in 1983: "Unrestrained free trade with the United States raises the possibility that thousands of jobs could be lost in such critical industries as textiles, furniture and footwear".

An Hon. Member: What was the first word?

Mr. Allmand: "Unrestrained free trade with the United States".

An Hon. Member: Ah.

Mr. Allmand: Yes, ah. That is pretty much what is proposed in this agreement. The Canadian public will judge that.

The Minister of Finance (Mr. Wilson) said in 1983, and I quote: "Bilateral free trade with the United States is simplistic and naive. It would only serve to diminish our ability to compete internationally". The Prime Minister (Mr. Mulroney) said in 1983: "Canadians rejected free trade with the United States in 1911. They would do so again in 1983. Canada must

increase its share of total world trade, which has dropped by 33 per cent in the past two decades".

These are the sorts of things that the Prime Minister and his leading Ministers said in 1983. They entered the election campaign of 1984 and they did not suggest in any way at all that there would be a bilateral comprehensive free trade agreement with the United States. Two years later, after the Prime Minister met with President Reagan at the Shamrock Summit, all of a sudden these negotiations are under way. That was undemocratic.

• (2030)

Then we have the process by which the Government consulted with Canadians, the so-called SAGIT process. There were groups on agriculture, textiles and clothing, and various other sectors of industry. However, the Government picked the people to serve on the SAGITs. It swore them to secrecy so they could not tell the public or the media what was going on in these discussions. Here we had for the most part individuals who were friendly to the process in the first place picked by the Government in a phoney process to consult with Canadians.

After one and a half years the elements of an agreement were concluded on October 5, 1987. A 35-page booklet with a lot of principles in it were printed. Some of it was bad enough and a lot of things were not in it. We were told that you cannot judge the whole agreement by this short document. Wait until we get the full agreement.

We got the full agreement on December 11, 1987. It was 1400 pages, including the two annexes, of very complex, technical material. After tabling it in the House, the Prime Minister announced that he was going to sign that agreement with the President of the United States on January 2, 1988, less than a month later. He was giving Canadian labour, consumers, businessmen and Members of Parliament less than a month to examine the details of this very complex 1,400 page agreement. We were allowed three days' debate in this House in the middle of December before the recess for Christmas. That is another example of the undemocratic approach of the Conservative Government—three days on a 1,400-page agreement which took nearly two years to negotiate. "Take your Christmas vacation, we are going to sign it on January 2."

It then took the Government from January until May 24 of this year to put a Bill before the House. Then, as I say, we are given five days on second reading, four days on report stage, and two days on third reading. Compare that with many other Bills which have gone through this House, and which are much less important than this, which will not have a long-range impact on Canada and change it so dramatically; their time has been much longer. I can remember Bills on the Western Grain Transportation Act and other such measures which took an entire year to debate. There were committee hearings in all parts of the country. Yet, for this particular Bill, the Government wants to rush because it does not want Canadians to know what is in it. It has been timed so we would have to debate it in the middle of summer when most people are on vacation.

The whole process has been undemocratic and the purpose of these four amendments is to restore a bit of democracy to the process. The amendments ask that certain appointments to the commissions which will administer the agreement will have to come before Parliament so Parliament can review them and possibly force a vote and debate on them. Why can the Government not accept that? I guess it is because it is either afraid to open up the process to public scrutiny or it just feels it is not good enough to be supported in a long democratic examination.

From time to time in this debate the Parliamentary Secretary to the Minister responsible has risen and participated. His theme, every time we disagree with what is in the Bill, when we put forward amendments to change it, is that we do not understand the Bill. In other words, only the Parliamentary Secretary, the Minister and government Members understand it. None of us understand it and therefore we should not attempt to change it. Our motions to amend are based on a total misunderstanding. I guess we are all stupid. We cannot read. Therefore we should totally accept whatever the Government tells us in this $6 million worth of publicity it is putting in the newspapers and television and radio. We should just believe everything the Government says and not question it for a moment. The Canadian people will decide who understands and who does not understand this agreement in an election, and that is the way it should be done. Let us hope it is done soon.

How many minutes do I have left, Mr. Speaker? My time is finished? I will return to the debate later and cover some other points.

Mr. Alan Redway (York East): Mr. Speaker, I have read these four amendments with great interest and, I must say, with enormous disappointment. As I read these amendments and listened to the speeches by NDP Members who put them forward and were supporting them, and I listened to speeches from Liberal Members who were supporting them, I was really disappointed. I could not really believe my ears.

The essence of these amendments is to create more democracy, we are told. They will democracize the Bill and democracize the process. Yet the process which the amendments will apparently make more democratic really repeats an Order in Council appointment review already set out in the Standing Orders of the House. Specifically, it is set out in Standing Order 103 and Standing Order 104 of this House.

As you know, those Standing Orders were changed in the course of this Parliament at the initiative of the Prime Minister (Mr. Mulroney) who suggested provisions allowing parliamentary committees to review the appointments made by Order in Council. The provisions of those two Standing Orders are in essence the same sort of provisions as those which have

been put forward in these amendments by the NDP, with one slight exception. That slight exception is the fact that there would be a power in Parliament to reject the appointment.

Mr. Langdon: A major change.

Mr. Redway: Under their suggestion, Parliament would not just review it or comment on it, but would actually perhaps say no, you cannot make that appointment.

Mr. Langdon: A major change.

Mr. Redway: If the Hon. Member will just calm down for a minute and let me continue my remarks—

Mr. Langdon: Tell them the truth.

Mr. Redway: Exactly. I believe that he and I should be telling the Canadian people the truth and that is what I am doing. As I pointed out, the essence of these amendments is exactly the same as the Standing Orders with that one small exception.

However, Mr. Speaker, as you are well aware, the criticism which the Opposition makes of the provisions for review in the Standing Orders is based on the fact that they say the Government of the day has the majority on those committees. It can control the whole situation and do what it wants anyway and so the rule virtually does not matter. We know that in essence the rule really works, but the Opposition criticizes it and says it does not matter because there is such a thing as Party discipline, a parliamentary majority, and for that reason the whole process as set out in the Standing Orders, they claim, does not work.

Now, with this small change—

Mr. Langdon: Major change.

Mr. Redway: —whereby Parliament has to approve or disapprove the appointment itself, what changes are there as far as parliamentary discipline is concerned? What changes are there as far as the majority in Parliament is concerned? I am sure if this were passed, if it were implemented and put in the legislation, we would find the same members of the Opposition standing up and criticizing the process. There is such a thing as a majority Government. Therefore, this process would rubber stamp the appointments just the same as the Standing Orders now rubber stamp them, in their words, even though you and I know that this review process as set out in the Standing Orders, as developed and put forward by the Prime Minister, has proved to be very effective as far as reviewing these appointments is concerned, appointments which some refer to as patronage appointments.

• (2040)

All of that is very disappointing to me. I am disappointed for another reason, and that is that at least one of the NDP Members has suggested that the reason this is such a great improvement is that it is an American method. The American congressional system actually has some right to approve or disapprove certain appointments made by the President of the United States.

Every day, opposition Members tell us that they do not like the American system, that they do not like the way the Americans operate their Government or their country, they do not want to Americanize culture, they do not want American social policy and they do not want anything that is American here. Here they are putting forward an amendment which they are telling us will Americanize our system. It seems to be very strange to me and it is very, very disappointing to me that that is the sort of amendment they would put forward.

If opposition Members truly believed in democracy, if they truly wanted to put forward something that went to the essence of democratizing the process, they would have looked at Private Members' Motions and seen a motion standing under my name, Motion No. 93, which I put forward on January 18, 1987. That motion reads as follows:

> That, in the opinion of this House, the government should consider the advisability of establishing a new appointments process such that an Appointments Office be established which would, following the first of each year, publish in all Canadian daily newspapers a list of coming vacancies on the various boards and agencies, indicating that those who wish to be considered for such an appointment should contact that office to obtain the information specific to the desired appointment, and such that each application will then be reviewed, short-listed and investigated further, and a final selection made subject to a review by the appropriate House of Commons committee.

If the opposition Members had seriously wanted to create a democratic process, and if they had not simply wanted to delay this Bill by putting up some amendments to cause further debate, they would have incorporated the process I have put forward in Motion No. 93. I would like to take a moment or two to talk about that because that is true democracy and that is the sort of thing that should have been put forward here.

The first step, of course, would be to create an appointments office so that this Order in Council appointment process would be taken out of the political atmosphere altogether and institutionalized. We would then advertise and make sure that all Canadians had an opportunity to apply if they thought they were qualified for this appointment. No one would be shut out of the process. They would all have the opportunity to apply and put their names forward. Their credentials would be examined very carefully. A short list would be made and a certain number of people would be interviewed. Then a selection would be made, and that could then be reviewed by a committee. That would truly make the process democratic, unlike the farce that has been proposed by the NDP.

In fact, members of the NDP are trying to enshrine in legislation something that is in the Standing Orders. They are trying to enshrine in legislation the status quo. That is why it is no wonder that for many people, the initials NDP no longer stand for the New Democratic Party but rather for the New Dinosaur Party.

Because this motion has been supported by the Liberals, papers like *The Ottawa Citizen*, speaking about the Liberals, are saying that the Liberals are intellectually and politically bankrupt and that on free trade as on many other issues, they offer Canadians no viable option. With amendments like this, it is no wonder that people feel that way about the NDP and the Liberals.

Mr. Langdon: Mr. Speaker, I rise on a point of order. I am trying very hard to keep each of these legitimate points of order.

Any Member of Parliament had the right to put forward amendments to this Bill, and I am frankly surprised, after hearing that speech, that the Hon. Member did not in fact put forward amendments as he could have which would have reflected exactly what he was saying.

Mr. Redway: Mr. Speaker, I rise on the same point of order.

Mr. Deputy Speaker: On the same point of order, which is not a point of order.

Mr. Redway: Mr. Speaker, as the Hon. Member should be aware, the process that has been the subject of the amendment of this Bill is a very narrow point dealing with a few modest Order in Council appointments. What we need is a general principle applying to all Order in Council appointments, and that in fact is what I put forward in Motion No. 93.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: A vote on Motion No. 24 will apply as well to Motions Nos. 33, 42 and 82. Therefore, we will vote on Motion No. 24 standing in the name of the Hon. Member for Essex—Windsor (Mr. Langdon).

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), a recorded division on the proposed motion stands deferred.

Motion No. 31 will be debated and voted on separately.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 31.

That Bill C-130 be amended in Clause 14 by adding immediately after line 40 at page 6 the following:

"(3) This section shall not come into force until equivalent and effective bid challenge procedures are available to Canadians in the United States."

He said: Mr. Speaker, in presenting this amendment, I would like to spend a moment, before I get to the substance of the issue, commenting on the debating style of my colleagues in the Conservative caucus. Talking about bankruptcy, I suppose it is interesting that rather than presenting their own case, they seem to be relying upon the editorials of one or two newspapers. Rather than organizing their own thoughts or presenting any kind of analysis based upon their own judgment, they simply use quotes from various newspapers.

• (2050)

One good turn deserves another and I thought I would quote some other newspapers just to show them how silly it is. In order that the Member for Selkirk—Interlake (Mr. Holtmann) and the Member from Toronto do not think that they are the true repositories of opinion, I will first refer to the distinguished newspaper, the Montreal *Gazette*, which said:

John Turner took the bravest step of his political life yesterday when he asked the Liberal-dominated Senate to block the free trade deal until the people of Canada have a chance to vote on it.

But what Mr. Turner is doing is utterly democratic. He is saying that Parliament—both houses of it—should submit itself to the will of the Canadian people.

The paper with the largest circulation in Canada, *The Toronto Star*, said:

In his bid to force Prime Minister Brian Mulroney—

Mr. McDermid: That rag.

Mr. Axworthy: The *Winnipeg Free Press* is not a rag because it happens to agree with the Government, but *The Toronto Star* is a rag. Is that not an interesting judgment by the Parliamentary Secretary? The article goes on to say:

—Liberal leader John Turner has offered Canadians a fair and democratic deal.

The most interesting article is from the *Edmonton Journal*, the paper with the widest circulation in the Province of Alberta, the so-called great pro free trade province. It says:

John Turner's extraordinary political gamble dispels any lingering doubt about his ability to lead the Liberal party.

No other leader of his generation has chosen to risk his entire political career on one issue, with a singular act that breaks radically with Canadian parliamentary tradition.

Such political courage is rare.

I notice that that has not been said about the present Prime Minister. It seems that every time the *Winnipeg Free Press* writes an editorial our popularity goes up and that of the Tory Party goes down. According to the polls they printed last weekend we were at 45 per cent and the Tories were at 29. I am prepared to trade the editorials of the *Winnipeg Free Press* for the opinion of the people of the Province of Manitoba who

obviously support the Liberal Party in far greater numbers than they support our colleagues in the Conservative Party. I hope the *Winnipeg Free Press* will keep writing those editorials, because every time they write our vote goes up.

I will give the Member for Selkirk—Interlake one small piece of advice. He should stop reading the editorials in the *Winnipeg Free Press* and start talking to the people in his constituency because they are the ones who will decide, not the editorial writers, and they will decide that he will not be at the next Christmas party.

I thought I would provide the Conservatives with that small interlude of their own kind of medicine, which they obviously do not like. Isn't it interesting that they do not like their own kind of medicine very much? The characteristic of the bully is that he likes to insult other people, but when he gets a little bit in return he backs off. Of course, they take their cue from the Minister who simply can't take the heat. We have noticed that he has not taken much heat in the House during report stage. In fact, he has not been here at all.

I want to raise the question of procurement.

Mr. McDermid: Mr. Speaker, I rise on a point of order. The hon. international trade critic of the Liberal Party knows that we do not talk about attendance in the House. As well, I remember that when he was Minister he did not show up in the House either when some of his Bills went through. His Parliamentary Secretary was there. That is part of the responsibility of the Parliamentary Secretary. Quit misleading the people. The Minister attended committee twice. He gave a lot of time to the committee on this issue. Please, do not mislead the House like that.

Mr. Axworthy: Mr. Speaker, when we brought in the Western Grain Transportation Act I was in this House every single night at second reading and report stages. I defy the Member to check the record on that. I wanted to know what was happening to my legislation. His Minister not only did not read the agreement, he has not even bothered to read the legislation or the debate at report stage. God forbid that he should try to understand the Bill. Why would we expect any Minister who is so derelict as not to read the agreement to read the legislation? However, I would expect him to be here in order to know what the amendments are.

We know where the Minister stands from his own admission. He did not think it was too important. He says that he listens to his bureaucrats. He gets all his information from his bureaucrats. There is the judgment of a real Minister, someone who cannot rely upon his own wit or intelligence but has to borrow it from other people.

When the Prime Minister (Mr. Mulroney) introduced the trade agreement he promised Canadians a bonanza on national television. He said that we would get access to the great cornucopia of $400 billion or $500 billion of U.S. procurement. That was his promise. Well, we know what the Prime Minister's promises are like. They evaporate in the wind the moment they are spoken. They disappear into the vapours as soon as they appear. They are part of the great ozone layer that we are all destroying. They simply no longer exist.

One of the primary reasons the Government gave for starting the negotiations was access to that procurement. Of course they did not get that, they did not get anything they wanted. They were not even able to get the security of access they talked about.

When you look at the legislation it is interesting to note not only what they did not get but what they gave up. We once again have a clear example of an imbalance between what the Americans are writing into their legislation and what we have in ours. We have an elaborate section setting up a procurement review board to make sure that all the challenges to procurement that American firms can make on Canadian government contracts will be properly administered. In fact, we are prepared to administer huge fines if they do not do it. We provide for all kinds of penalties if they do not do it.

Do you find similar initiatives in the U.S. legislation, Mr. Speaker? Of course not. The Americans say that they do not need it, that they do not have to provide us with a review board.

Mr. McDermid: It is already set up.

Mr. Axworthy: The Parliamentary Secretary, the great fount of wisdom, says it is already set up, except it does not work. Even the Canadian Federation of Independent Business, the friends of the Member for Selkirk—Interlake, have said a number of times that because of the way in which the American law works they get around those requirements.

I bring to your attention the fact that in 1959 we signed the Defence Production Sharing Agreement which was supposed to provide free trade in defence production between the two countries, yet we get access to less than 30 per cent of it because over the years 11 different Congressional Acts have created set-asides for American business. Every time they bring in a defence appropriation Bill they write in another little exemption for someone getting a piece of the action, and no one has ever been able to challenge that.

We have a system under which we will provide open, unfettered access to procurement but the Americans say that they already have a system in place and do not have to do what we are going to do. It is a system which has clearly operated with an unmistakable bias. They have set-asides based upon security, set-asides based upon small business, set-asides based upon minority rights, and set-asides based upon whether or not you are in an urban area. There are more exemptions than there are rules.

Yet, our negotiator and the invisible Minister did not have the wit to insist that our requirements in the Bill for a procurement review board would only come into effect when the Americans did the same. Once again, as we did with softwood lumber, prescription drugs, and all the other sell-outs, we are

going to impose penalties upon Canadians and put more restrictions and restraints upon ourselves, with no similar obligations or requirements on the part of the United States under this agreement.

Does that make sense, Mr. Speaker? It is symptomatic of the whole agreement. This obsessive ambition to get any kind of deal at any price means that the Government is prepared to sacrifice once again the protection of Canadian interests. It is prepared to respond to American demands that we live up to the terms of the agreement. However, when it comes to insisting upon equal obligations on the part of the United States Government we do not say a word, we just clam up. The Minister goes into a fetal crouch, the position in which he is most comfortable. He gets his intellectual stimulus when he is in a fetal crouch.

We have moved this amendment to demonstrate once again that the Government is a failure when it comes to standing up and protecting Canadian interests in this agreement. It is up to the Opposition to point out the problems, present the amendments, and see whether someone in this House is prepared to defend Canadians for a change.

• (2100)

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, Motion No. 31 that we are debating states that:

> This section shall not come into force until equivalent and effective bid challenge procedures are available to Canadians in the United States,

It is a situation in which the Conservative Government and its weakling negotiators gave away an advantage to American corporations in Canada without getting an equivalent procedure for Canadians in the United States. One of the basic ideas behind a trade agreement is that we would have access. The reason the Conservative Government gave for pursuing this bilateral trade agreement with the Americans was new business opportunities for Canadian corporations in the United States. It was for access to markets, the reduction of tariffs, the elimination of retaliation through tariffs, quotas, countervail measures, as well as a dispute settlement mechanism. All of these were supposed to give advantages to Canadians that we did not heretofore have.

When we read the fine print we find out that there is no equivalency. Americans get advantages in Canada for which there is nothing remotely comparable, even on paper to what was given away.

In other clauses of the Bill, as in other parts of the agreement, there is all kinds of equivalency on paper. There is the level playing field on which the Americans have the same access to our energy resources as we will have to their energy resources. We will be able to get water from Arizona on the same basis as Americans will be able to get water from us. There is this theoretical, very abstract equivalence in many respects in the trade agreement. Yet it is not at all an equivalence in reality. This deal is entirely skewed to the United States. The Americans had their list of objectives with which they did very well. The Conservative Government got precious little on its modest list of objectives. It did not even get some of the most important items on its very reduced list.

There is phoney equality on questions of energy security and things like culture. Either party can retaliate if the other party wants to use certain measures to promote culture for that party.

The United States does not need any particular measures to promote and protect its culture. It has vast markets which spill over into Canada. There are these so-called equivalent measures by which either party can do what it wants to protect its own culture, and the other party can retaliate. If Canada takes any steps forward to promote independent Canadian culture, the United States will retaliate. It will not work any other way.

The American Government does not need a CBC, a Canada Council or a National Film Board. It has a private sector in such vast markets that it does not need state institutions to do those things. We do not have any choice in Canada. If we are going to develop our Canadian culture we need to develop our own institutions. Our population is not large enough. We have two major language groups and a population that is spread across the country, with a greater cost of communication. We could not have done it any other way.

Therefore, there is this phoney equivalence in the area of culture and energy, so that the United States can protect its culture and Canada can retaliate, and Canada can protect its culture and the United States can retaliate. But we know how it will operate.

The Government does not care because it is so keen to link up with the neo-Conservative trends in the United States and to take advantage of them for its own gains in Canada that it is prepared to sell out. Where equivalency is provided, it is a phoney equivalency. The clause that is the subject of the motion before us does not even provide phoney equivalency as we have in culture, energy, or even monopolies where Canadian corporations dominating the health care system in the United States may threaten retaliation if the Americans brought in a medicare scheme. It is not very likely that the U.S. will bring in medicare. Canadian corporations do not dominate health insurance. That type of occurrence would not take place.

Where there is equivalency on paper, it is phoney. In this area, the Conservative Government did not even get paper equivalency. That is how callow it is at defending Canadian interests. It did not even get the same advantages for Canadians as the American negotiators obtained for Americans and their corporations.

This is a timid Government that wanted this agreement for the crassest of reasons. The Government was oriented to the sell-out. The Americans had tough negotiators with a very strong list. They sought and achieved what they had on their list.

They also managed to protect the areas that they wanted to keep to themselves. They did not want Canadians to get into American shipping, so shipping was wiped out.

The Americans use the arms industry as a major means of regional development. They have a very large military industry and arms production industry in the United States. It is a major way of producing jobs in particular disadvantaged areas. Such an area is provided with a new arms plant, which produces jobs and spin-off effects in that community. Arms plants are entirely excluded from the agreement.

While I am not arguing that they should be in the agreement, or that we want to be in that business, it is an example of the American way of promoting regional development which has been protected. Yet the Canadian way of promoting regional development has not been protected. We do not promote regional development by establishing arms plants in certain areas. We do it with regional development plans, which are in trouble. They are unfair subsidies and may be thrown out of the window now or in the first five to seven years of negotiations about what constitutes subsidies.

A local government or provincial government that wanted to create jobs in a way that would fall under a monopoly category would be in trouble. The Canadian way of doing things has not been protected, yet the American way has been protected. There is no equivalency.

Mrs. Browes: Nonsense!

Ms. McDonald: The Hon. Member says it is nonsense. It is reality. The American way of job creation is well known.

Mr. Redway: Mr. Speaker, I rise on a point of order. I understood that we are currently debating Motion No. 31 which reads:

> That Bill C-130 be amended in Clause 14 by adding immediately after line 40 at page 6 the following:
>
> "(3) This section shall not come into force until equivalent and effective bid challenge procedures are available to Canadians in the United States".

I have not been able to grasp the relevancy of the remarks of the Hon. Member to that particular amendment. Perhaps you could draw that to her attention.

Mr. Deputy Speaker: The Hon. Member for Broadview—Greenwood has approximately 30 seconds in which to complete her speech.

Ms. McDonald: Mr. Speaker, I have said it once and I will say it again. In some areas there has been a phoney equivalency. It will not work in practice. The Americans manage to get what they want.

In the area with which we are concerned here, there is not even a paper equivalency. There is no semblance of Canadians having the same advantage in the United States as American corporations will have in Canada. There are two situations and we are disadvantaged in both. This is the more flagrant of that kind of giveaway and bad negotiation.

• (2110)

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, we are just discussing one amendment, Motion No. 31, with respect to procurement review. I just want to cover a couple of points my colleague, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy), talked about. He talked about the small business set-aside in the United States and that there is nothing equivalent to that in Canada. The $3 billion to $4 billion for procurement that will be available for Canadian entrepreneurs to bid on, is not a guarantee they will receive $3 billion or $4 billion worth of work, but it opens up $3 billion or $4 billion to bid on. That figure was reached after the small business set aside in the United States was factored in. That is the first point I want to make.

The second point I want to make is that we have the equivalent in the agreement for Canada. That is one of the things not mentioned by any of the opposition Parties tonight. Under Annex 1304.3, Entities Covered, the very last part found at the bottom of page 187, it says: "Notwithstanding the above, this agreement does not apply to contracts set aside for small businesses". That is purely Canadian. That permits us to set up a small business contract set-aside program, or whatever program we wish to set up.

Mrs. Finestone: You don't have it.

Mr. McDermid: No, we do not have it, but this allows us to set those types of programs up. What we do have is a Western Diversification Fund which helps small businesses. What we have are regional purchasing plans set up by the Department of Supply and Services about which the Minister talked so eloquently in the House today. He talked about how successful those plans are becoming. I could go on and on. However, suffice it to say that we are covered on that end of things which were raised by my colleague, the Hon. Member for Winnipeg—Fort Garry, and touched upon by the Hon. Member for Broadview—Greenwood (Ms. McDonald).

There is a *quid pro quo* here. We have looked after the small businesses, and the procurement that has opened up for the United States entrepreneurs to bid for Canadian contracts comes to a total of about $600 million. In the United States, for Canadian entrepreneurs, there is about $3 billion or $4 billion. So we negotiated, I think, a very good deal when it came to procurement.

Let me read this amendment to Clause 14 into the record. Motion No. 31 states:

> That Bill C-130 be amended in Clause 14 by adding immediately after line 40 at page 6 the following:
>
> "(3) this section shall not come into force until equivalent and effective bid challenge procedures are available to Canadians in the United States."

There is already in the United States an equally effective bid challenge procedure. It is in place now. It is there. It is open to Canadian firms and entrepreneurs. They have equal access to it, as do American entrepreneurs. It is already in place in the United States. It is something new for us. The procurement provision of the section about which we are talking will not come into force until the Governor in Council is satisfied that the United States has taken satisfactory steps to implement the free trade agreement, including Chapter 13, which is the procurement section. If Members want to refer to Section 153(2) of Bill C-130, they will find that the approval procedure is already there.

Furthermore, if for some reason the Americans deny benefits to Canadian entrepreneurs under this agreement, we would have every right to take it to the bi-national dispute settlement mechanism, and in fact, take actions which would come out of those hearings that are open to Canadian entrepreneurs and to the Canadian Government. Therefore, this amendment is totally irrelevant. It is not required because it is fully covered in the free trade agreement. Therefore, I am recommending to my colleagues that they defeat this amendment.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, I am anxious to speak in this debate because motion no. 31, to amend Clause 14, touches on the crux of the debate which is: "Access to the U.S. market." Since the beginning of this debate, the Prime Minister (Mr. Mulroney) and all those who support the Canada-U.S. Free Trade Agreement, claimed that even if we lost our political and cultural sovereignty, even with all the inherent risks for Canada, the fact that we would have access to the U.S. market was worth it.

And now, Mr. Speaker, we have just . . . my colleague just gave a demonstration and despite what the Parliamentary Secretary to the Minister for International Trade (Mr. McDermid) just quoted, he forgot that the Canadian Federation of Independent Businesses said the exact opposite of what he said a few moments ago in the House.

Of course the Americans are protecting all their industries! For instance, the garment industry will not be able to sell, to export to the United States under free trade, as the agreement claims. Manufactured goods must have a certain material content and a certain percentage, so that not all Canadian garment manufacturers will qualify to enter the United States. So in fact, we are restricting access.

Mr. Speaker, the big surprise came after analysing the Bill and the entire document. Hardly a month ago, everyone thought small business was well protected and that a free trade agreement between Canada and the United States was a good thing to have. Now the Canadian Federation, which was actually advocating this agreement, has just said, and I will give you the direct quote later on Mr. Speaker, that there was no provision for allowing Canadian small business to bid on U.S. contracts. A thorough analysis of both the Canadian Government's policy, announced wiht great fanfare not long ago, and the U.S. policy shows that we lose on both fronts.

[*English*]

A lot of people were surprised to hear criticism from the Canadian Federation of Small Business in *The Financial Post* of July 5, 1988, and I quote:

> Canadian small businesses are unlikely to benefit from the $4 billion in U.S. Government spending available to Canadian enterprises under the free trade pact, the Canadian Federation of Independent Business says.

That is exactly opposite to what the Parliamentary Secretary to the Minister for International Trade (Mr. McDermid) said a few moments ago. The article continues:

> American small businesses will receive preferred status over their Canadian counterparts when Washington allocates the portion of U.S. spending set aside for this category of business, CFIB Research Director Catherine Swift said in an interview.
>
> Meanwhile, American small businesses can bid up to $400 million in annual Canadian Government spending provided for in the agreement without any Canadian preference as to nationality or size of enterprise.

We do not have any of these things to protect Canadian small businesses. Why do Americans protect their small businesses? If it is free trade, then why are we not treated equally? Why is there this difference? In the same article it is stated:

> "We're not delighted with the government procurement provisions in the agreement," Swift said. "There's no advantage to small firms. It's likely to benefit large companies."
>
> Swift's remarks came in the wake of news conferences yesterday in Toronto by Supply and Services Minister Otto Jelinek and Montreal by Bernard Valcourt, Minister of State for Small Business & Tourism.
>
> They were trumpeting changes in federal procurement policies aimed at increasing the share of federal spending awarded to small business.
>
> Jelinek pointed out that the free trade agreement allows up to $4 billion of U.S. government spending to be awarded to Canadian enterprises. That compares with a total of $8.7 billion allocated by Ottawa in contracts to all firms last year.
>
> But Swift noted that U.S. law requires a certain portion of U.S. federal contracts must be set aside for American small businesses, leaving little—if any—for their Canadian counterparts.

It is very clear that what the Parliamentary Secretary told us a few minutes ago really does not make sense. Since July 5 the Canadian Federation of Independent Business has defended the free trade accord as a bonanza for small business. This article is clear. It says that the procurement policy of the Canadian Government and the American Government in the free trade accord does not protect Canadian small business. It does not give anything to help that sector of our economy.

• (2120)

Last Tuesday the Minister of State for Small Business and Tourism (Mr. Valcourt) announced in a press conference, along with the Minister of Finance (Mr. Wilson) and the Minister of Regional Industrial Expansion (Mr. de Cotret), that they were creating an institute of entrepreneurship. They have sold the shop in terms of defence of small business. That

is what happened to small business. The institute of entrepreneurship has nothing. It has no budget and no mandate. That is how the Government is telling people that it will do something. when we look at the facts and read the fine print we see that there is nothing for small business.

[*Translation*]

Mr. Speaker, this is unfortunate, because we are talking about a sector that creates most of the jobs in this country. Ninety-two per cent of Canadian businesses are small businesses. When an agreement of this magnitude penalizes this sector, that is something we cannot accept. This sector, even during the recession, created more jobs than any other sector. How will the Government be able to protect small businesses in its negotiations with the Unites States? The Americans have protected their small business sector, but we did not protect ours, and that is unacceptable.

I strongly support the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) who proposed this amendment which is aimed at protecting small business, and I urge all Members of this House to support the amendment as well because it is so important. If we can't protect small business now . . . How can the Canadian Government go off on a tour, which is what the Minister of State (Small Businesses and Tourism) (Mr. Valcourt) is doing, and tell people triumphantly that it is going to announce programs without budgets or funding or a mandate, when at the same time, in a free trade agreement of this kind, they completely overlooked small businesses in the section on government contracts and services, and many more sectors like the garment industry which, in fact, affects a large segment of small business?

I think it is clear, Mr. Speaker, that we must reject this agreement and support the amendment proposed by the Hon. Member for Winnipeg—Fort Garry.

[*English*]

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, it has been, I suspect, for some of the people who are watching this debate a difficult one to follow because there have been charges, countercharges and insults and counter-insults. It is important in the context of this particular amendment to start with the point which the Parliamentary Secretary made to all of us in the Chamber earlier with respect to this particular amendment which looks at systems being set up to establish effective fairness for foreign firms bidding for contracts under these new procurement areas which are open to each country.

It is crucial in this debate that we set out precisely what we see in the agreement, what therefore to us appears to be true and what therefore is something that the people of Canada should be concerned about as they consider the questions that are going to be discussed and debated in the election which is coming up and, of course, in the evaluation of this debate itself. The Parliamentary Secretary said that we do not have to worry about the United States because it already has effective bid challenge systems for procurement purposes which are in place.

I put the question to people who are watching this debate: If that is the case, if that is the reality, then why it is that Article 1305.3 states:

> Each Party shall introduce and maintain, in accordance with the principles contained in Annex 1305.3, equitable, timely, transparent and effective bid challenge procedures for potential suppliers of eligible goods.

Why would it be necessary to have a commitment from the United States that it will introduce such an equitable, timely, transparent and effective system if in fact it already has such a system? Clearly, the people watching are going to realize that in this, as in other areas, the Government is trying to paint a picture which is not a true picture of reality, but a picture which in its implications for Canadians does not convey what is accurate.

For instance, if we look at a number of other points with respect to this whole exercise besides the procurement area, the Government said it would seek this trade deal in order to get an exemption from countervail. It said that specifically. The Prime Minister (Mr. Mulroney) in New York said specifically: "We want an exemption from countervail". It was also stated that we had to have a subsidy code on which we agreed as a key objective of the trade negotiation. Neither of those crucial and absolutely fundamental goals that the Government stated it wanted was achieved. That is one reason we are so dead set against the deal.

• (2130)

The other reason is that when one looks at the immense losses that this country gave up in the trade deal one realizes that we gave up the power to review takeovers of virtually any Canadian firm by American companies. It is now possible for an American company to take over a Canadian firm, shut it down, lose those jobs, and as a country we can do nothing about it. That is one loss.

A second loss is that it is no longer possible for us, when we have a shortage in energy in the future in natural gas, or electricity to redirect exports which we were sending to the United States. We can cut back, but we can only do so to the degree that we let the Americans have access to the same proportion of energy as they had previously. That is the second loss.

The third loss is in cultural policy. We have given in print to the Americans something that they never have had before, the right to retaliate against us if we take action to protect our culture. Never in the past has a Canadian Government given that right in writing to the United States, yet this Government has done it.

Fourth, we have given up major concessions in health care. Under the agreement we have reached with the United States it is now possible for an American company to establish a hospital for profit in this country, and we cannot stop them. It is also possible for the United States to operate that hospital because it is a covered service. Therefore, it becomes possible for our health care system to be taken in a for-profit direction.

Chapters 16 and 14 of the agreement establish those conditions. Those are facts, those are realities, and they are a fourth area which we have lost.

We have lost major concessions with respect to the Auto Pact. It used to be protected by tariffs which would have to be paid.

Mr. Redway: I am striving to understand how this is relevant to effective bid challenge procedures, Mr. Speaker. Perhaps you can help me, Sir.

Mr. Deputy Speaker: The Hon. Member for Essex—Windsor has the floor.

Mr. Langdon: I am sure my hon. friend will remember that I started my speech by talking about that as one area in which we had lost already. As I say, another area is the Auto Pact. We have given up the right to protect Canadian jobs with tariffs in the future. That is the fifth loss.

A sixth loss is with respect to monopolies. As a country, in the future we will be stopped from establishing, for instance, dental care, pharmaceutical care, or auto insurance programs in Ontario, because it will require a certain cost to American companies that already provide such insurance services. We will have to pay compensation to those companies for that service.

Therefore, we have a totally unbalanced deal, which is why we reject it. That is the truth, and that is what the Government is not telling people. At least in one small area this amendment establishes, as a condition for bid challenge procedures on our side with a procurement board, that the United States demonstrate clearly that it has established precisely the same thing for the new procurement areas to which we will have access. That will not give us a completely fair balance by any means, but it is at least one small correction.

Mr. Patrick Boyer (Etobicoke—Lakeshore): Mr. Speaker, one of the joys of being here on an August evening is listening to speakers such as the Hon. Member for Essex—Windsor (Mr. Langdon). In his normal fashion of addressing the Chamber he has featured a very reasonable analysis in tempered tones and clear logic. It is the type of speech when one hears it, if one accepts the step taken by the following step and the successive step, in which one can feel that there is a logic unfolding, the analysis is pristine and it is taking one to a new height of understanding, a new level of insight as to what is before us.

The true and profound pity is that this logic and fine thinking is misdirected because it begins with a false premise. It is like the rocket ship that is aimed for the moon. It may just be the slightest bit off as it leaves, but, by the time it gets there, it misses its target entirely. That is what I fear I have to report to my colleague, the Hon. Member for Essex—Windsor. Although it is a true joy to listen to him, by the time he reaches his conclusion one realizes that he has gone far astray. He ended off by saying that what we have in the free trade agreement negotiated between Canada and the United States is "a totally unbalanced deal".

In the context of the amendment that we are debating here dealing with procurement review, there is a small example of the general thesis of how the New Democratic Party, of which the Hon. Member for Essex—Windsor is a spokesman, through its efforts to continually misinterpret so many of the facts that relate to this treaty between our two countries, has rendered such a gross distortion that members of the New Democratic Party may even have persuaded themselves that it is a totally unbalanced deal, but here is the fact and let us bring it into sharp focus on the amendment before us.

The purpose of the proposed amendment is to impose a condition on the implementation of the procurement review board. Motion No. 31 specifically states:

> "(3) This section shall not come into force until equivalent and effective bid challenge procedures are available to Canadians in the United States."

In spite of what the Member has said on this issue a few moments go, as I say, step by step in his logical unfolding of the issue, he has overlooked the fundamental starting point, that there is already an equally effective bid challenge procedure in place in the United States to which Canadian firms and entrepreneurs have equal access. However, that is not all. There are sufficient safeguards in place in Bill C-130, and in the free trade agreement itself, to ensure that the United States will live up to its obligations under the procurement chapter. Specifically, the procurement provisions will not come into force until the Governor in Council—that is the Canadian Government, our Cabinet—is satisfied that the United States has taken satisfactory steps to implement the free trade agreement, including Chapter 13. Those are the Canadians who have the final say on this; the Government and the Cabinet of Canada.

• (2140)

For the Member to say that this is a totally unbalanced deal is to fly in the very face of the fact that the decision to be taken on this is the decision of the Canadian Government.

Mr. Langdon: The Conservative Government.

Mr. Boyer: He adds the Conservative Government. Well, I do not have to defend to the Member for Essex—Windsor a Party with the record of our Party, standing for the national interest in this country. The Conservative Party in this country—although he tries to cast aspersions on our history—from the time of Borden, in establishing an independent role for this country in foreign policy right down to the present day, has never stood second to anyone in terms of defining and defending the Canadian national interest.

An Hon. Member: Hear, hear!

Mr. Boyer: I would say that there are still many examples today in this Parliament of a Government that is now leading the country to a new plateau of Canadian nationalism and a

strong position, recognizing that this country has come to maturity.

The Hon. Member, speaking from the lofty heights where he sits, one row even more removed from the back than that which I currently occupy, says, "What about selling off Air Canada?" He gives a few other examples of some changes in national policy. Well, when you are talking, as he does, about the Conservative Party in our history, it was Sir John A. Macdonald who proposed a series of customs duties to establish those protective barriers behind which Canadian industries could grow and expand and come to prosperity.

Are we to deny the meaning of our own Canadian history and the intrinsic unworking of those policies, to say that as a century has gone by and Canada has grown to maturity, our industries have become strong, we are an exporting nation and we have seen the wealth that has been generated as a result of those prosperities, we are today not to proceed to the ultimate fulfilment of Sir John A. Macdonald's national policy, and say, yes, those tariffs were there for a temporary period to see the building in this country of a strong economy in this country? That is now happening. The time has come to move to the next stage.

How much longer will those people, such as this Member from Montreal and that Member from Windsor representing as they do industrial areas, who still find something wrong with what we are doing, deny to western Canada and to the hinterlands of this country, the resource-based areas and other parts of this country, that put up for decades with those high tariffs in order to foster the development of a strong industrial sector in this country? It is high time that we got on to some fair play for all of Canada and saw the full unfolding of the natural logic of Sir John A. Macdonald's vision for this country, realized in our present times right here under the leadership of the Prime Minister (Mr. Mulroney), in this thirty-third Parliament. That is the logic, not the kind of logic that led the Member for Essex-Windsor to say that this is a totally unbalanced deal. Totally unbalanced! Get out the dictionary, examine the meaning of those words. You would find that to have a totally unbalanced deal it would have been necessary to have people who had no sense of this country, no knowledge of what we are doing, and that is simply not the case.

I have read statements by the Member and I must say that I agree with the analysis of Mr. Douglas Fisher, who once sat in this Chamber as a member of the New Democratic Party and who has analysed a lot of the positions taken by that Party, under its current leadership, in relation to the free trade agreement, and he finds, running throughout, a strong anti-American streak that goes beyond the basis of rational analysis. It becomes almost a knee-jerk reaction. That is where the flaw begins in the otherwise excellent thinking and the logic that that Member brings. It is fine, except that it begins from a flawed premise.

Anyone with a serious intent and with a straight face who can stand in the House of Commons and describe the free trade treaty negotiated between the sovereign country of Canada and the United States as a totally unbalanced deal, is engaging in unreasonable hyperbole.

Some Hon. Members: Hear, hear!

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, we are presently debating an amendment to Bill C-130, the Canada-U.S. trade legislation, an amendment which deals with government procurement. If we look at the Canada-U.S. Free Trade Agreement, in Chapter 13, which is the chapter that deals with government procurement, we will see that it provides that Canadian businesses will have access in bidding to certain types of government contract in the United States, and that American businesses will have the right to bid on certain types of government contracts in Canada. The provisions of Chapter 13 provide for a slight improvement with respect to access in bidding on government contracts than has existed up until now. I say a slight improvement. This chapter provides for this access to bid on these government contracts in both countries.

As you read through the chapter it states that each party, meaning Canada and the United States, shall introduce and maintain, in accordance with the principles contained in Annex 1305.3, equitable, timely, transparent and effective bid challenge procedures for potential suppliers of eligible goods. So it is saying in that article that both Canada and the United States should introduce and maintain bid challenge procedures for suppliers, that is, businesses which have complaints against the system of either country, complaints that they are not being treated fairly in accordance with the agreement.

What has happened as a result of that provision in the Canada-U.S. Free Trade Agreement? As a result, Canada, in drafting its legislation, provided a Part II, entitled "Procurement Review Board", and they did just what was required in Article 1305.3 of the agreement. They did set up bid challenge procedures in accordance with that article. They set up a board to deal with the complaints of businesses, American businesses, which feel that they are not being fairly treated in accordance with the agreement in Canada.

Here is the Canadian Bill. It has Part II, dealing with this matter. Here is the American Bill, and if you look through it, there is no such provision. The Parliamentary Secretary and other government Members have said that there is no need for the Americans to provide a similar procedure in the United States because they already have similar procedures which existed long before this Canada-U.S. trade agreement was negotiated and agreed upon. That is what the Conservative Minister and the Conservative Members said.

When Canadian businesses look at this, they do not agree. This is not Liberals or Conservatives who do not agree with the Government on this; this is Catherine Swift, the Research Director of the Canadian Federation of Independent Business.

Catherine Swift disputes whether the provisions on government procurement will benefit Canadian small business. She has grave doubts whether the long-standing procedures in the U.S. really satisfy the requirements of the agreement as set out in Article 1305.3. This is reported in an article in the *Financial Post* of July 5, 1988, only a month or so ago. The article reports that Canadian small businesses are unlikely to benefit from the $4 billion in U.S. government spending available to Canadian enterprises under the free trade pact. American small businesses will receive preferred status over their Canadian counterparts when Washington allocates the portion of U.S. spending set aside for this category of business.

• (2150)

It goes on to deal with these particular matters and refers to the inadequacy of the American system to meet the needs of Canadian small businesses as opposed to the rights of American businesses when they are in Canada. As I say, that is because if you look at the American legislation it does not have the same provisions as the Canadian legislation. What they had in the past is open to doubt, not just by the Liberals and NDP but by the Canadian Federation of Independent Business.

In responding to us, the Parliamentary Secretary says we Liberals and New Democrats do not understand. We are not very smart. I guess he has to direct that allegation at the Research Director of the Canadian Federation of Independent Business as well. I think Canadians want to judge for themselves.

This is another example of the inconsistency or imbalance between the Canadian legislation and the American legislation. There are other things in the Canadian legislation to benefit Americans doing business in Canada which are not in the American legislation to benefit Canadian businesses in the U.S. If we in the Opposition had not campaigned for weeks and weeks against the former Article 8 which said that everything in this Bill and the free trade agreement would prevail over every other piece of legislation in Canada, we would have had a second Constitution. The American legislation had exactly the opposite. For months and months we tried to convince the Government that this was a very imbalanced approach. It was wrong. The Minister said week after week, no, it was not, and he would not do anything about it. Finally, I guess, he came to his senses and withdrew that article.

Of course, he took the same approach on water. He resisted and resisted, said it did not mean anything, and finally he put an amendment in the Bill to deal with export of water to the U.S.

One of the things that concerns Canadians is that when you put the American Bill and the Canadian Bill together, you do not find exactly the same provisions. Canadians are right in saying that if this is an agreement, surely the laws in both countries should be the same and have the same provisions.

Before I sit down I want to deal with a point raised in the debate by government Members. They said that if we oppose this agreement in principle, and if we oppose it in its entirety, why are we making amendments to different sections? They are accusing us of simple obstruction in doing that and of wasting time. The reason we are making amendments to many clauses of the Bill is to show how inadequate, how faulty, how completely wanting this piece of legislation and this agreement is. The only way we can do it is to go through it part by part, section by section, chapter by chapter, moving amendments, debating them, and thereby informing the Canadian public just how bad this free trade agreement is and why it should be rejected in its entirety.

Hon. Herb Gray (Windsor West): Mr. Speaker, I want to speak on Motion No. 31 in group six. I think we should be disappointed, and Canadians should be disappointed, that there have not been representatives of the Government getting up to reply. The Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) has expressed some very important and trenchant concerns. The points he made cry out for an answer.

Mr. McDermid: Read my speech. I answered everything he said.

Mr. Gray (Windsor West): How did you answer everything he said? Are you a mind reader? You spoke an hour and a half before he got to his feet.

Mr. McDermid: Because he did not say anything new, Herb.

Mr. Mayer: Because the Parliamentary Secretary is very astute.

Mr. Gray (Windsor West): Very astute? I can think of some other adjective, but I am not sure it would be parliamentary. I heard the Parliamentary Secretary's speech but unless the Hon. Member for Notre-Dame-de-Grâce—Lachine East sent him a copy of his notes about an hour and a half ago, I do not see how the Parliamentary Secretary's speech could be taken to be answering in any way the remarks of the Hon. Member.

The Parliamentary Secretary attempted to answer the concerns we expressed that because of the various set-asides built into American legislation there were not in fact $4 billion in potential procurement benefits for Canadian small business as a result of the Government's trade deal. It is interesting that an organization which is supposed to support the Government's trade deal, the Canadian Federation of Independent Business, does not agree at all with the explanation given by the Parliamentary Secretary with respect to the degree of access that Canadians will have to American government procurement in light of the American set-aside programs.

Mr. McDermid: That is factored out, and they did not know that.

Mr. Gray (Windsor West): There are many set-asides, not only the small business set-asides. There are also minority set-asides. It is not enough for the Parliamentary Secretary to say the Canadian Federation of Independent Business did not know all these things. One has to assume that an organization, whether or not we always agree with it, which is one of the principal spokesmen for Canadian small business, has a research staff capable of coming up with some sound analysis of government programs and how equivalent programs work in the U.S.

We cannot overlook the fact that the Director of Research, Catherine Swift of the Canadian Federation of Independent Business, told *The Financial Post* that they were not delighted with the government procurement provisions in the agreement. She is speaking of the trade deal. She says there is no advantage to small firms. It is likely to benefit large companies. That was in *The Financial Post* of July 5, 1988. If the Government had not choked off committee hearings on the trade deal as quickly as it did, we might be able to call Miss Swift before the committee and deal with this contradiction between the Government and the Canadian Federation of Independent Business.

It looks as thought it is almost ten o'clock and I think we ought to call for the vote. However, whichever way the vote may turn out on this particular amendment, I am sure that when the real vote comes, the general election, it will go against this agreement and it will go against the Government.

Mr. Deputy Speaker: Is the House ready for the question on this motion?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is on Motion No. 31 standing in the name of the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy).

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114, the recorded division on the proposed motion stands deferred.

It being ten o'clock, this House stands adjourned until ten o'clock tomorrow morning.

The House adjourned at 10 p.m.

HOUSE OF COMMONS

Friday, August 19, 1988

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

INDIAN ACT

MEASURE TO AMEND

Mr. Speaker: Mr. Valcourt, for Mr. McKnight, seconded by Mr. Jelinek, moves that Bill C-150, an Act to amend the Indian Act (death rules), be read the second time and referred to a legislative committee.

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

Some Hon. Members: Agreed.

An Hon. Member: No.

Mr. Speaker: From a procedural point of view, I do not want to anticipate what Hon. Members may want to do,

• (1010)

Neither do I want to plunge ahead of the wishes of some Members. Is the Hon. Parliamentary Secretary seeking the floor?

Mr. Hawkes: Mr. Speaker, I think you would find unanimous consent in the House to move from second reading to Committee of the Whole and perhaps complete this Bill in all stages relatively quickly.

Mr. Penner: Mr. Speaker, I am not not aware of any such discussions that have gone on leading to that kind of agreement. It is customary, Sir, to have the Government explain why it is bringing in such a Bill, and it is usual for the Opposition Parties to take the opportunity to make a few comments. That is the normal practice.

It is true that we want this Bill to pass quickly. It is an important piece of legislation which corrects a mistake we made. However, we do want a few minutes of House time to deal with it.

Mr. Fulton: Mr. Speaker, it is certainly my understanding that we are going to go through all stages of Bill C-150, the death rule, but there is one amendment in relation to the Bill which I believe will have all-Party support in a moment. Perhaps we could make our remarks at third reading.

Mr. Hawkes: It seems to me, Mr. Speaker, that there are two suggestions. Remarks at third reading comes from one Party. I think, if I can translate what came from the Official Opposition, he would like some explanation of the Bill at the second reading level or at the beginning of Committee of the Whole stage. The Government is very flexible on this. If Members would like the Minister to introduce the Bill and make a few remarks with respect to it, I am sure there will be no problem.

Mr. Penner: Mr. Speaker, I want to make it clear to my colleagues in the House that we want to facilitate the passage of this Bill. The only point I was making on behalf of the Official Opposition was that there were some points my Party, the Liberal Party, want to put on the record with respect to Bill C-150. That can be done at the second reading stage or it can be done at the third reading stage, as suggested by the Hon. Member for Skeena (Mr. Fulton). The only point I make is that we want some remarks on the record.

Mr. Hawkes: I think there is a consensus in the House, Mr. Speaker, to move through second reading, Committee of the Whole, and the three Parties would make appropriate remarks at the third reading stage.

Some Hon. Members: Agreed.

Mr. Speaker: Hon. Members will know that while I am often called upon to read minds here, it is not always easy.

Hon. Bernard Valcourt (for the Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification) moved that Bill C-150, an Act to amend the Indian Act (death rules), be read the second time and, by unanimous consent, referred to Committee of the Whole.

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

Some Hon. Members: Agreed.

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

The Acting Chairman (Mr. Redway): Order. House in Committee of the Whole on Bill C-150, an Act to amend the Indian Act (death rules).

Shall Clause 1 carry?

On Clause 1—

Mr. Penner: Mr. Chairman, we think we can move through this stage quite quickly. The Opposition has one main concern with respect to Bill C-150, and that is simply: Do we have it right this time? The Assembly of First Nations has looked at it and my office has looked at it and we think we do. However, we were fooled before. Therefore, we are seeking your guidance, Mr. Chairman. My hon. friend and colleague from the New Democratic Party has consulted with the Law and Government Division in the Research Branch of the Library of Parliament and we think that if there were a small improvement made to the accompanying note, we might both then be satisfied.

I will not try to intrude on his territory in this respect because he has done the background work, but I would like your advice, Mr. Chairman. Can we now, under Clause 1, make a modest clarifying amendment to the accompanying note. If so, I will yield to my hon. friend to make the appropriate motion.

The Acting Chairman (Mr. Redway): Subject to whether or not the motion is in order, most certainly the Member can proceed to introduce that amendment at the present time.

Mr. Fulton: The difficulty there has been is well known across the country. The Bill, as it was originally drafted, under Clauses 6 and 11, inhibited certain people whose parents died prior to April 17, 1985, and another case is in relation to entitlement from 1987. The intention of the amendment which has been drafted by a legal counsel to our committee, Bruce Carson, has been shown to the Minister and to my hon. friend from Cochrane—Superior. I believe it is in order and acceptable to the Government and to the two opposition Parties.

Page 1a of the Bill under "Explanatory Notes" states:

> This amendment, which adds the underlined words, would modify the rules respecting entitlement of persons to registration so that the date of death of a parent or other ancestor would not be a factor in determining such entitlement.

To ensure that we do not run into the problem with justice or departmental interpretation, as we have found over the past more than a year, which affected many women and their children, we would add these words following the word "entitlement":

> —as it is not the purpose of this Act to erect barriers to entitlement to registration.

That simply adds clarification in terms of departmental officials and others interpreting what our intentions are in adding the words "(f) or subsection (2)" and "provision". It will make it abundantly clear, for interpretation, that it was not the intention of Parliament previously to bring in a death rule and that it is certainly not the intention of Parliament now, nor of any of the Parties in this House, to prolong or carry on with the death rule. Therefore, I would so move, and I believe my friend from Cochrane—Superior would second this amendment. The Minister has a copy, as does my friend.

The Acting Chairman (Mr. Redway): As I understand it, the Table Officers will be checking the amendment to see that it is in order. However, they do advise me that if this is an amendment to the explanatory notes as opposed to the Bill, it will create some problems.

• (1020)

Mr. Penner: Mr. Chairman, I understand the approach. There is always some problem. There is always something in the way, some reason that one cannot do something. We get so weary of living with that.

However, there is a way in Parliament in which we can get around that. That is simply if you, Mr. Chairman, will seek unanimous consent to proceed to modify the explanatory note as suggested by my hon. friend, we could then proceed with dispatch. We do not need to search, then, through Beauchesne's and all manner of precedents. I think that we can do this, provided that the Government is willing and there is no Member of Parliament who objects. I think in this way we can proceed expeditiously.

The Acting Chairman (Mr. Redway): I do want to hear from the Minister. Perhaps, just before he comments, I can say that my advice is that what we are doing and what Parliament always does is adopt the various clauses of the Bill and adopt the Bill itself but not adopt the explanatory notes. Therefore perhaps counsel can make some modifications in them, but this House does not adopt the explanatory notes themselves. With that, perhaps the Minister has some comment.

Mr. Valcourt: Mr. Chairman, I am no expert on procedure. I do know one thing. When the courts have to interpret the statute they do not look at explanatory notes. However, I understand the position of both my colleagues. We have no objection to giving unanimous consent to agree with this amendment to the explanatory notes, because what it purports to do is exactly what this Bill attempts to do. We have no objection. If in order to avoid the problems of the Table we have to give unanimous consent, I am sure that Members on this side of the House will give that consent.

The Acting Chairman (Mr. Redway): Once more, if I might just comment, my advice is that the explanatory notes are not printed in the Bill which is passed by the House and sent on to the Senate. In interpreting the Bill it may be that the judge will look back at some of the comments that have been made here, or whatever. My advice is that at best what we might be able to do is, by unanimous consent, recommend this to the parliamentary counsel and that perhaps in some way they might be included in some fashion.

Mr. Valcourt: Mr. Chairman, the fact remains that for the purposes of the record it will be shown that when this Bill was sent back for third reading the explanatory note had been

amended to incorporate that change. It will be a matter of record. I guess that is all my hon. colleagues are looking for. Hence, I do not see any problem for the House in adopting this amendment, with unanimous consent, and when we go to third reading we all know very well that we do not incorporate the explanatory into the final Bill but that it will be a matter of record.

The Acting Chairman (Mr. Redway): If that is agreed, then, we will carry on on that basis. Is it agreed?

Some Hon. Members: Agreed.

Clause agreed to.

Clauses 2 and 3 agreed to.

Title agreed to.

Bill reported.

The Acting Speaker (Mr. Redway): When shall the Bill be read a third time? By unanimous consent, now?

Some Hon. Members: Agreed.

[*Translation*]

Hon. Bernard Valcourt, Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development) moved, for the Minister of Indian Affairs and Northern Development, that the Bill be read the third time and do pass.

He said: Mr. Speaker, I rise in the House today, and my comments will be brief, to ask the House to consider and provide quick passage of Bill C-150, an Act to amend the Indian Act. It is understood that with the consent of the two Opposition Parties, we shall proceed with all stages of Bill today.

This Bill will eliminate from the present Act a number of provisions that would otherwise unfairly deprive certain persons of their entitlement to registration as Indians.

The proposed amendments are directly connected with major progressive changes introcuced by this Government in 1985 with respect to the Indian Act, changes that were subsequently adopted by Parliament. These changes, known as Bill C-31, were aimed at bringing the provisions of the Indian Act into line with the Canadian Charter of Rights and Freedoms, by eliminating discriminatory provisions, restoring Indian status and band membership and increasing control of Indians over their own affairs.

As a result, we have ensured that men and women receive equal treatment, that children are treated fairly, whether or not they were born out of wedlock, that people who lost their Indian status as a result of discriminatory measures or enfranchisement could recover their status, and finally, that the direct descendants of such persons would also have registration entitlement.

[*English*]

Bill C-31 was a major step forward in the history and progress of Canada's Indian people. The response to the opportunities afforded by these amendments has been heavy.

To date, more than 45,000 Indians have been registered under the new provisions, and applications are still being received at the rate of some 35 per day. In the initial stages, some backlog in processing applications occurred, but this backlog is now being eliminated.

The Government, of course, is committed to provide additional funding to Indian bands as a consequence of the increase in membership and the social and other needs these increases engender. The commitment has been met, although some say partially. Funding for the implementation of Bill C-31 has nearly doubled in the past 12 months, from $40 million in 1987-88 to some $72 million in the current year.

In general, the provisions of Bill C-31 are working well and have been well received by native Canadians.

[*Translation*]

However, although this Bill was carefully drafted, after thorough consultation with the groups concerned, the Government was advised that a provision of the present Act might have the effect of excluding certain persons we had no intention of excluding.

This technical error arises basically from the so-called "death rule" which adversely affects requests for registration based on the initial right of the person's granparents. More specifically, it affects applicants if one or both parents were deceades before April 17, 1985. This was clearly a mistake, and we acted as quickly as possible to draft the requisite amendment.

In the process, we received the positive and unanimous support of the Assembly of First Nations, the Native Council of Canada, the Native Women's Association and other native groups.

Members of the Standing Committee on Indian Affairs, on both sides of the House, also agreed this matter should be dealt with as soon as possible.

The changes proposed today will correct the situation.

• (1030)

[*English*]

They have been made retroactive to April 17, 1985, to ensure justice and fairness, not only to future applicants but to those whose applications are now before us.

The total number of individuals directly affected by this measure is relatively small. However, that is not the main point. The entire purpose behind Bill C-31 was to eliminate discrimination and ensure fairness in the Indian Act. Even if only one person was unjustly denied status, it would be one too many. It is for that reason that I urge all Members in all

Parties, and we have their co-operation, to give speedy passage to the Bill in order that it may be enacted into law at the earliest possible date.

Mr. Keith Penner (Cochrane—Superior): Mr. Speaker, I will be as brief as possible in order to facilitate quick passage of Bill C-150. However, I need to take a few moments because some of the things the Minister has said, as my hon. friend from Skeena has noted in side-long glances to me, have been, to say the least, provocative.

What the House is doing with Bill C-150 is once more amending the Indian Act. We are amending the Indian Act this time to correct a drafting error, or what the Minister called a "technical error", from a previous set of amendments to the same Act, a series of amendments presented by the Government in a Bill known as Bill C-31. That is a rather famous Bill among the Indian people of Canada. That Bill provided that persons who had lost their Indian status because of marriage or some other antiquated reason could now apply to have that status restored, and in some cases they could also have their membership in a band returned to them.

For a very long time in Canada the aspirations of governments was that somehow we do away with this special status that has been ascribed to Indian persons. We wanted to assimilate them and make them part of the nation in a way that ran counter to their own cultural aspirations, to their own view of themselves as nations who had entered into a treaty relationship with the Government of Canada. For at least 20 years that idea has been abandoned, although it keeps cropping up again. We are always nervous about this attempt to fail to recognize the special place that Indian people have in the Canadian nation.

In response to what the Minister said on Bill C-31, I want to say to the House that almost everything connected with Bill C-31 could be described as a litany of bungling. There has been goof-up after goof-up like a parade of clowns. First, the commitment from the Minister of the day, the predecessor to the current Minister, was that as a result of Bill C-31 "no band would be worse off". Despite what the Minister said this morning, that commitment has not been lived up to. It has hardly been partially lived up to. There has been a monumental failure on the part of the Government to live up to its obligations under Bill C-31.

The costs that the Minister mentioned this morning that have gone to Indian people as a result of Bill C-31 have meant that there has been a curtailment in other areas. For example, the housing programs on Indian reserves have not been touched at all. The backlog has not been dented at all since 1984, not at all.

In addition, the Government has decided to put a cap on educational assistance for Indian young persons who are seeking entrance into universities and colleges. As of last September, because of the Government's action, 1,000 of these young people who qualified and had a place at a college or university ready for them were denied access because the Government refused to fund them.

Despite pressure from the opposition Parties, an obligation in Bill C-31 for a parliamentary committee to review the impact of Bill C-31 was delayed and delayed and delayed. Now, Sir, at long last we have a report that is ready for the printer. However, why has that report not been presented to Parliament? It is because it is locked up in the chairman's office. Repeated telephone calls to the chairman's office have not brought any response at all. We do not even know where he is. Presumably he is out campaigning for re-election, which raises an interesting question: "Why would you want to seek re-election when you have not yet completed the job from the last time you were elected?"

When the legislative drafters put together Bill C-31 they erred in Clause 6(3) and Clause 11(3). Under those clauses it became possible in some cases to deny registration to an Indian person where an applicant's parents had died before April 17, 1985, or to deny band membership where an applicant's parents has died before June 28, 1987.

My friend, the Hon. Member for Skeena (Mr. Fulton), in speaking at the committee stage, indicated to the House that that never ever was the intent. It was not the intent of the Government. It was not the intent of the committee which examined the Bill that that restriction should be there, but that is exactly what happened. In fact, the provisions of the Bill were to ensure that no applicant would be disadvantaged by parental death. That was the real purpose. It was meant to be inclusive and not to be exclusive. What went wrong?

What went wrong, Sir, was that someone in the Department of Justice—and one can only imagine what went on, whether the cribbage tournament had come to an end or all the crossword puzzles had been completed—picked up Bill C-31 and said: "Here is a way in which we can create a new obstacle to the registration of Indian persons". I am sure there must have been glee and jubilation in many of the burrows, hollows, and cubby-holes of the bureaucracy because a new obstacle had been discovered.

That always reminds me of the classic description of the difference between a bureaucrat and a public servant. A bureaucrat will always give a hundred reasons plus why something absolutely cannot be done, and a public servant will search diligently for a way to solve a problem and improve the life of a citizen.

However it happened, the death rule created an obstacle. Cooler heads realized that this had to be corrected. It was an injustice against Indian people. It was an interpretation of the Act that was never intended.

I want the House to know, both the government side and the opposition side, that there is a lesson here for all of us to learn. We should never, ever have blind faith or total trust in those who draft the Government's Bills. There is a tendency around here to think that anything that arrives out of the dens,

burrows, and hollows of the bureaucracy has to be letter perfect. There is a tendency to believe that. There is also a tendency to believe that parliamentarians are just a bunch of amateur lawmakers, and how could they ever conceivably correct something that has come out of the Department of Justice. Why, it is insulting and arrogant of parliamentarians to think that they could ever do that! Well, if that were so, I wonder why there are so many times in which we have to amend Bills in this House. It so often happens, Sir, because in many cases the law is in fact an ass. The law is an ass because it has been badly drafted. It has been drafted in a confusing way so that it creates enormous problems for some of our citizens or all of them, as the case may be.

• (1040)

We now have Bill C-150, and it is taking up important time of the House. Why? It is because there was careless drafting in the first place, and then, to add insult to injury, Justice decided to put its own twisted interpretation upon the drafting that it had done. It is causing a lot of difficulty for the House, but leave the House aside. I want you to know how much hurt has resulted from this for many Indian persons who have been seeking reinstatement, seeking to have their status restored, and have run up against this particular brick wall.

I thank you, Sir, and I thank the House for allowing me to get that grievance off my chest. I feel a little bit better for having done so. I want to say that we want this Bill to proceed quickly. My only concern is: Have we now got it right? My confidence obviously has been shaken. Have we now got it right, or will my hon. friend from Skeena and myself be told some time next year that as a result of Bill C-150 no one at all can apply to be reinstated, or of all those who have been reinstated, all those reinstatements are null and void? I know, Sir, that that is unlikely, and I am expressing my concerns in an extreme way. We have had our fingers burned here. I say to my friends in the House that we have to be cautious.

As a general rule, almost all Indian legislation that has been passed by this and successive Parliaments has been bad legislation, and most agreements that this Government and previous Governments have negotiated with Indian Nations have always been subject to those kinds of interpretations in which the Government of Canada comes out the winner and the Indian nation or the group of Indian nations that have involved themselves in that agreement have come out the losers. That is why Indian people have so much suspicion about the whole legislative process. That is why they pause and hesitate and delay when they sign agreements. They are always looking for that hook which will pull them down. They are always looking for the trick, for the con. There has been too much of that by Governments of the past.

Recently, a document came to my desk which contained a check list to be followed by those negotiators who wish to see issues resolved between the Government of Canada and Indian nations. There is no time for me to review that list and I do not intend to do it, but I want to make the point, briefly and simply, that if Government-Indian relations in Canada are ever to improve, it is absolutely essential that we begin with a change in attitude, particularly on the part of those on the government side who are in face-to-face contact with Indian leaders, whether it is at the negotiating table or elsewhere. The so-called trust responsibility, which is so often referred to, has a variety of meanings and a variety of implications, but an elemental aspect of that is that we establish a climate of trust. Only in that climate can there be good and progressive and helpful work which can be done to improve Government-Indian relations.

I will conclude by saying that Bill C-150 has been examined—and the Minister mentioned this—by the Assembly of First Nations, by the Native Council of Canada, by my office, by our parliamentary counsel to the committee, and by my hon. friend from Skeena. It appears to be satisfactory, but, as that line goes in a play by G. B. Shaw by the very same title, "You never can tell, Sir. You never can tell".

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to put a few remarks on the record in relation to Bill C-150. As the Minister said, it is true that the Assembly of First Nations, the Native Council of Canada, and the Native Women's Association had a chance to look at the draft of this Bill, but not because of anything the Government had done. I sent a copy of the draft over to them on Monday so that they would have an opportunity to have a look at it before it came before the House this morning.

It is true, as my friend from Cochrane—Superior and the Minister have said, that it appears to meet the test of allowing those who have been denied the opportunity to be reinstated to have that done now. I was pleased to hear the Minister say that it is fully retroactive to April 17, 1985. Those who are now allowed to have their registration process go forward here in Ottawa will have all those benefits and entitlements that they have been denied these past three years given to them in one lump, once they are registered and have their status returned.

The registration entitlement was first consolidated in the Indian Act in 1876, and here we stand, 112 years later, adding one more chip to the pile of problems and complex rules that are very, very technical. My friend from Cochrane—Superior and I, heard evidence on Bill C-31 for many months, beginning last September until June, indicating that there are probably very few, perhaps only a handful, of Canadians who actually understand all the highly technical and complex rules that apply to women and to those who have different blood quantum, those second generations rules and all those things the Government of Canada has seen fit to bring in over the last 112 years.

I hope that this is a stepping stone, that Parliament will soon listen to what the First Nations have been saying and give serious and determined consideration to the concept of self-government and self-determination, so that it is the First Nations that decide citizenship, status, and band membership,

rather than Parliament continuing to bring forward ever more complex, highly technical, legal language.

Those applying for reinstatement or first time registration face an unbelievable bureaucratic nightmare, as we have heard from the witnesses who came before our standing committee in relation to Bill C-31. Everyone recognizes that the death rule that we are amending today is a legal defect, that it was not the intention of this House or of any Party to bring it forward. As my friend from Cochrane—Superior stated so well, there is a distinct difference between bureaucrats and public servants and between interpretation by the Department of Justice and the interests of those who want to see Parliament act. First, Clause 6(3) results in a denial of registration for an applicant whose parents died before April 17, 1985, or, second, Clause 11(3) results in a denial of band membership for an applicant whose parents died before June 28, 1987.

We must keep in mind that these amendments came into force in 1985 in order to ensure compliance with international human rights standards and the equality provisions of the Canadian Charter of Rights and Freedoms, to a great extent thanks to the work of Miss Lovelace who took this matter all the way to the United Nations. Bill C-31 did not come in of its own volition. It was only under international pressure that Canada brought it into compliance with international human rights standards.

The Government originally estimated 65,000 applicants for reinstatement between 1985 and 1990. Now, 118,000 are expected, according to government estimates, and we have heard evidence before the committee that it may run far higher than that, up to 130,000 or more.

We do not know how many individuals are blocked by the death rule, but we do know that the Minister and the Government have known for more than a year and have done nothing. Bill C-150 should have been before this House a year ago. Applications have been simply held in limbo, kept on ice across the river in Hull.

By May of 1988, over 100,000 applications had come in. Some 54 per cent were from adults and some 46 per cent were from minors. Likely hundreds are held up by the death rule because only 52 per cent of the over 100,000 applications have been completed by the Government. Some 74 per cent of completions have resulted in new registrations with 26 per cent disallowance. The applications by region were the highest from Ontario with 29,000. British Columbia was second with 18,000 and Alberta was third with 13,000; then came Manitoba with 12,000, Québec with 11,000, Saskatchewan with 10,000, the Atlantic region with 4,000, the Northwest Territories with 2,000, and Yukon with 2,500.

• (1050)

Registration delay has had far-reaching impacts on thousands of individuals in terms of health care, education, housing, residents taxation, and, in particular, participation in culture and membership in their home communities and nations. This amendment has been a long time in coming, and it is shameful that once again the First Nations are treated to such second-class treatment by any Government.

I want to touch briefly on a comment made by my friend, the Hon. Member for Cochrane—Superior (Mr. Penner). He quoted David Crombie when he was the Minister responsible who said: "No band would be worse off". We have heard evidence from across the country, including both Yukon and the N.W.T., and we have been unable to find a band of the close to 600 bands in Canada that is not worse off. It is a tragedy that a promise in relation to something which came about because of the good work of the United Nations could not be lived up to by a Government of Canada.

I want to conclude by referring to the Bill C-31 report of the standing committee which relates directly to the death rules. We have the draft, as my hon. friend pointed out, and it has been locked up in the chairman's office for two months now. The Hon. Member for Cochrane—Superior, myself, and two members from the government side have now taken the extraordinary measure of invoking Standing Order 92(2) of this Chamber to order the chairman to come back to Ottawa to do what he is paid to do. Beyond his pay as a Member of Parliament, he is paid to chair the committee.

I have been trying to get a return call for a long time, as I know has my friend from Cochrane—Superior. I would hope that the chairman of the committee would find some way, either with a road-map, on an aircraft, or some other way, to get back to Ottawa and make the report which is required by statute.

As of June, 1987, our standing committee was required to report to Parliament forthwith under a statutory requirement. How many Canadians have been dragged before the courts for not living up to a law? Here we have a standing committee with seven Members of Parliament including five government Members, one Liberal Member, and one New Democrat, who have been unable, in 14 months, to live up to a statutory requirement to report forthwith on the impact of Bill C-31 on the First Nations of Canada.

I would hope that as a result of this debate, and perhaps with the assistance of the Minister who is here today, a call might be made to the chairman of that committee to return to Ottawa. If he does not comply, he will be dragged here pursuant to Standing Order 92(2), being in flagrant violation of the wishes of the standing committee, to report on Bill C-31 which has extensive technical information on the death rules and on the over-all impact of Bill C-31 on the First Nations.

In the interests of the more than one million first citizens of Canada and members of the First Nations, I would hope that the Minister would take just such action today to ensure that the Member from Cape Breton returns to Ottawa and does what he should with regard to the death rules and Bill C-31, that is, report on that Bill to Parliament and the people of Canada.

Motion agreed to, Bill read the third time and passed.

* * *

INDIAN ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-123, an Act to amend the Indian Act (minors' funds and surviving spouse's preferential share), as reported (with amendments) from a legislative committee.

Mr. Hawkes: Mr. Speaker, I rise on a point or order. I think you would find a predisposition in the Chamber to attempt, in relatively expeditious fashion, to finish report stage of this Bill and then to go immediately to third reading stage.

Mr. Penner: Mr. Speaker, I rise on the same point or order. We agree that Bill C-123 can be dealt with expeditiously. Speaking for this Party, it is not even necessary for there to be any speeches at the third reading stage. The Bill was extensively debated at second reading and has been before the committee.

I will be satisfied if I have at least the opportunity to submit for consideration one of two amendments. I understand that my first amendment was ruled out of order, and I understand that the second one has been ruled in order. If there can be consideration by the House of this amendment and an explanation by myself about why I introduced it, that will suffice and I think we could conclude consideration of this Bill very quickly.

Mr. Fulton: Mr. Speaker, on the same point of order, I would like just a few moments to put some remarks on the record in relation to Bill C-123. It does involve trust accounts that are being held in the Consolidated Revenue Fund of Canada involving over $900 million. I think it is important that some concluding remarks in relation to Bill C-123 be put on the record.

The Acting Speaker (Mr. Redway): I assume that those remarks would be put at third reading. I have a ruling by the Speaker with respect to Bill C-123, an Act to amend the Indian Act (minors' funds and surviving spouse's preferential share).

There are two motions in amendment set down on the Notice Paper in relation to Bill C-123. Motion No. 1 causes the Chair some difficulty because it seeks to amend the original Act, contrary to Citation 773(8) of Beauchesne's Fifth Edition which reads as follows:

> (8)(a) An amendment may not amend a statute which is not before the committee. *Journals*, March 28, 1969, p. 862. *Journals*, June 11, 1970, p. 993.
>
> (b) An amendment may not amend sections from the original Act unless they are specifically being amended in a clause of the bill before the committee. *Debates*, December 15, 1977, p. 1909.

Therefore, I must rule that Motion No. 1 is out of order, as the Hon. Member for Cochrane—Superior indicated.

Motion No. 2 is in order and I will now put Motion No. 2 to the House.

Mr. Keith Penner (Cochrane—Superior) moved:

Motion No. 2

> That Bill C-123 be amended in Clause 3 by striking out lines 13 to 15 at page 3 and substituting the following therefor:
>
> "and who the council determined to be the parent or person to whom the payment is to be made or, if so requested by the council on giving its consent to that distribution, to the council to be held in trust and paid for the maintenance, advancement or other benefit of the child to a parent or person who is responsible for the care and custody of the child and who the council determines to be the parent or person to whom the payment is to be made."

He said: Mr. Speaker, this amendment moves to delete certain lines in Bill C-123 and replace them with the motion before you. The purpose of this is simple, that is, to provide for the exclusion of provincial social services in the distribution of minors' trust funds.

My hon. friends in the House ought to be aware that there is a very deep and abiding resentment on the part of Indian nations toward direct interference by a provincial jurisdiction in their affairs. At every opportunity they attempt to make it clear that their relationship is a special relationship with the Government of Canada, a relationship underscored by treaties which have been entered into and by the fact of our Constitution itself, namely, Section 91(24) which says that Indians and lands reserved for Indians are an exclusive federal responsibility.

This amendment simply says that minors' trust funds which now go to parents, guardians of Indian children, or band councils, may not be grabbed by provincial agencies. That is the purpose, Sir, and I would like the House to give serious consideration to that motion to improve Bill C-123.

• (1100)

Mr. Speaker: I think I should tell the Hon. Member for Cochrane—Superior (Mr. Penner) that while we now have to move on to Statements by Members and Question Period, if the Hon. Member would wish to speak further, of course I would recognize him after Routine Proceedings, and that would also apply to the Hon. Member for Skeena (Mr. Fulton) and others.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

ENVIRONMENTAL AFFAIRS

WESTERN DIVERSIFICATION PROGRAM—SPENDING PRIORITIES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Conservative Government has peculiar ideas on the environment and the economy. Its priority actually seems to be

pollution. Look, for example, at the way in which the Western Diversification Fund is spent.

From a memo released by the Minister of Indian Affairs and Northern Development (Mr. McKnight) summarizing projects funded so far, we learn that Vicell Canada Tissue Limited in Delta, British Columbia, receives $4.6 million of taxpayers' money "to manufacture dry formed tissue for sale to paper converters who will produce end products such as wipes, disposable towelling, and serviettes". From the same memo we learn that ISCA Management of Vancouver gets $21,000 "to market a proposal to the U.S. Department of Energy for a $1-million research and development project on acid rain control systems".

What a strange sense of priorities for this Government, spending 200 times more on the production of more litter than on the prevention of acid rain. Would you not agree, Mr. Speaker?

* * *

HISTORIC EVENTS

CZECHOSLOVAKIA—TWENTIETH ANNIVERSARY OF PRAGUE SPRING

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, on August 20, 1968, Czechoslovakia's hopes for freedom and independence were crushed when Soviet troops invaded the city of Prague. The invaders came to crush the Prague Spring, a brave experiment in independence. Soviet troops occupy Czechoslovakia to this day.

Canada was the beneficiary of this sad episode. Thousands of Czechs and Slovaks emigrated here and have since made enormous contributions to their new home. Let us not forget the terrible price that the people of Czechoslovakia paid for the attempts to reform their society.

Today, when so many of the rights and freedoms Canadians enjoy are denied to the Czechoslovakian people by a Soviet puppet regime, let us join together with Czechoslovakians in commemorating the twentieth anniversary of their brave attempt to restore freedom and justice in Czechoslovakia.

* * *

CANADA POST CORPORATION

HAMILTON—PROPOSED DEMOLITION OF HISTORICAL BUILDING

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, Hamilton has one more example of the disastrous corporate plans that are so characteristic of Canada Post. Not only is this government corporation jeopardizing Canadian jobs and cutting back essential services, it is also potentially responsible for the demolition of an historical building in downtown Hamilton.

Canada Post announced plans earlier this month for a new postal plant to replace the present antiquated facilities. It plans to do this by demolishing a building of historical importance. The local architectural conservation advisory committee cannot give the building historical designation without Canada Post's approval. This just shows how little this corporation cares about the communities it serves.

There is unfortunately little hope that Canada Post will listen to the concerns of Hamiltonians. After all, it has not cared about the women and men who have lost a decent living wage because of privatization. It has not listened to the citizens of rural Canada who have fewer and fewer postal services, and it certainly has not listened to the seniors and the disabled people who no longer get door-to-door service.

* * *

ENTREPRENEURSHIP

NATIONAL POLICY—CREATION OF JOBS BY SMALL BUSINESSES

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, "as a nation we rely upon the ability of Canadian entrepreneurs to identify new business opportunities, to respond to them, and to convert a creative idea into a prosperous business".

These were the words of the Prime Minister (Mr. Mulroney) in introducing the new national policy on entrepreneurship on August 16, just three days ago. Of the 1.25 million new jobs created since 1984, 80 per cent have been in the small business sector. This only goes to prove that in Canada, small business is big business.

The new national policy will create the right climate so that Canadian entrepreneurs can be even more successful in the future.

* * *

AIRPORTS

PEARSON INTERNATIONAL AIRPORT—DISPOSAL OF GARBAGE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, when will Conservatives realize that Hamilton is not just the receptacle of the country's garbage? The Hon. Member for Etobicoke North (Mr. Pennock) actually accused Hamilton of "holding the country to ransom" yesterday.

Meanwhile, where are the Conservative Members from Hamilton? I have not heard the Hon. Member for Hamilton West (Mr. Peterson), the Hon. Member for Lincoln (Mrs. Martin), the Hon. Member for Burlington (Mr. Kempling) or the Hon. Member for Hamilton—Wentworth (Mr. Scott) speak out to defend Hamilton. Why elect Conservatives in the

city of Hamilton when they will not defend the interests of the people of Hamilton when the federal Government tries to use us as a receptacle for their garbage?

The odyssey of the garbage is not over. They are now planning to send it off to Gatineau. I guess Quebec is good enough for their garbage. What is good enough for Hamilton and Gatineau is not good enough for the city of Toronto or the garbage facilities at the airport.

The federal Minister of Transport (Mr. Bouchard) is responsible. He created this situation and he should resolve it. The Hamilton Members should speak up for Hamilton.

* * *

ENERGY

REVIEW OF NATIONAL POLICY

Mr. Bill Tupper (Nepean—Carleton): Mr. Speaker, recently the Government received a long-awaited report entitled "Energy and Canadians into the 21st Century". This is the first thorough review of national energy policy in 30 years.

The report indicates that by virtually any measure one might wish to apply, Canada is rich in energy. However, energy wealth does not guarantee a secure future. The luxury of having options carries the need to make difficult choices.

The report recommends that Canada's energy should be used to its economic potential, that environmental goals should have the same importance as economic and social goals, that energy resources should be developed because of market mechanisms, and that commitment to research, development and management of technology is critical to enhancing Canada's energy choices and environmental quality into the next century.

The report paints a future that is challenging and optimistic. It also concludes that Canadians will receive substantive national economic and regional development opportunities through enhanced energy trade. Furthermore, the report concludes that the proportional access clause in the trade agreement can be implemented in a way which does not prejudice Canada's energy security interests.

* * *

PORTS

PORT OF CHURCHILL—IMPORTANCE FOR EXPORTS

Mr. Rod Murphy (Churchill): Mr. Speaker, once again the Port of Churchill's fate is before the federal Government. Rarely has a shipping season gone by when Manitobans have not had a fight on their hands to see that the port remains alive as a shipping centre and a vital part of our nation's sea port system. This year is no exception.

My letter to the Prime Minister (Mr. Mulroney) in June calling for a full commitment to the port has yet to be answered, even though it was written some two months ago. Almost one month ago the Prime Minister gave Manitoba's Premier a commitment that he would personally look into the matter of the Port of Churchill and provide action. What is the Prime Minister waiting for? Even his promises of fast action to the Premier of Manitoba seem to be meaningless.

Manitobans want fairness. The Port of Churchill is crucial for farmers in its catchment area, and it represents substantial savings for those who use it. The potential for a longer season grows as the port is used, not only for the products of other western producers but for other products such as lumber from Manfor in The Pas.

It is a shame that politics is ruining Churchill. The one thing that is required to keep Churchill's potential alive is political will, and I call upon the Prime Minister to keep his promises to the people of Churchill.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—POSITION OF LEADER OF THE OPPOSITION

Mr. Morrissey Johnson (Bonavista—Trinity—Conception): Mr. Speaker, yesterday, while speaking to a group of people in my riding, the Hon. Leader of the Opposition (Mr. Turner) made some erroneous statements regarding the free trade agreement with the United States. The fact is that he failed to tell the people that Canadian control of unprocessed fish is fully protected by the binational dispute settlement process. He failed to tell the people that the tariff elimination for crab products over 10 years will allow Canadian crab processors to remain price competitive in the U.S. market should the significant Alaska crab fishery become a factor in the U.S. market.

We respect the Hon. Member's right to be opposed to free trade, but we also expect him to have the decency to tell the people the truth.

* * *

CHILD CARE

CRITICISM OF GOVERNMENT PLAN

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, there is disappointment for Canadian families with the proposed, poorly conceived Tory child care plan. It fails to understand that adequate child care is not a luxury, it is a necessity.

Canadians now know all too well the market driven Tory philosophy that promotes profits first and policy charades next,

For what you see is not what you get. The old shell game is how they play the policy game. While the Tory plan talks about 200,000 spaces, it forgets the need for fully accessible and affordable child care for one million Canadian children awaiting spaces.

• (1110)

How can Tories defend their child care plan? It says nothing about lower or middle income families being helped. It forgets latchkey children. It makes less spaces available, compared to the old plan. It fails to ensure quality standards across all provinces. It is silent on workplace standards, workplace child care, and extending parental leave. It is a closed program.

What happens after seven years? The Conservatives expect Canadians to be pleased about the increased child care expense deduction. It gives a larger tax break to the well-to-do while costing millions to the Treasury. It does nothing for lower income families who cannot afford to pay taxes.

This tax break is no help to those who need it. Tax credits would have been a fairer way. Canadians will not forgive the Tories for their four-year, too poor, too short plan for children. Liberals consider child care a basic building block.

* * *

[*Translation*]

TRANSPORT

REGIONAL DEVELOPMENT OF MONTREAL SOUTH SHORE

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, on July 14, the Minister of Transport (Mr. Bouchard) gave a very important press conference in Beauharnois. In front of more than more than 400 people, he announced that the federal Government, in particular the Department of Transport, would take part in the regional development of the South Shore of Montreal, called "Montérégie" in French.

The federal Government made it clear that Highway 30, like other expressways, is a provincial responsibility, but that since this highway crosses federal property, the federal Government will connect the two shores with no mechanical hindrance. This commitment from the Minister is worth nearly $100 million.

This positive initiative has been demanded for 25 years and the South Shore of Montreal is very proud of this announcement. The mayors have understood that it is the result of the cooperation of the South Shore mayors with their provincial MNAs and federal MPs, the leadership of the Beauharnois-Salaberry Regional Municipality at the Montérégie Summit and of the Committee to Complete Highway 30 chaired by Beauharnois Mayor Claude Haineault.

At last, Sorel will be connected to Valleyfield and to Highway 20, which passes it, via the Trans-Canada Highway, the Eastern Townships Autoroute and the highway to Saint-Jean.

On the eve of the election, there is much talk about election promises. We are accused of merely making election promises. As far as I know, Mr. Speaker, we are not in an election campaign; this is a commitment by the Minister and it is worth at least as much as the written promise or letter that the Leader of the Opposition is supposed to make public during the election campaign for the same thing. This is only an election promise while ours is a commitment.

* * *

[*English*]

THE ECONOMY

INTEREST RATE REDUCTION URGED

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I am sure you are aware that yesterday the Bank of Canada increased interest rates to some 9.8 per cent. In Saskatoon, all the Premiers condemned the Government's high interest policy, including the Premier of Ontario, the province that has benefited most from economic growth in the last year.

In addition, the Saskatchewan Wheat Pool has condemned the high interest rate policy of the Government, saying that it is hurting the farmers of the country. In addition, the National Farmers Union has condemned this high interest policy. As well, Roger Phillips, President of IPSCO, has made the same kind of statement.

On behalf of Canadians, particularly farmers from western Canada, I want to plead with the Government to come to its senses and bring down interest rates before it throws a lot of people out of work and hurts exporters, hurts western Canadian farmers, and indeed farmers across the country.

* * *

CHILD CARE

SUPPORT FOR GOVERNMENT PROGRAM

Mr. Alan Redway (York East): Mr. Speaker, almost four years have passed since the Government came to office. During those four years many very exciting things have happened. We have the Canada-U.S. Free Trade Agreement. During each of those four years we had the greatest economic growth of any country in the world. We had the greatest job creation of any country in the world.

On top of that, we have the first ever agreement with respect to reducing acid rain emissions in this country. We have the

first ever employment equity legislation. Now before Parliament we have the first ever national child care legislation.

Many of my constituents believe that the child care program is the most important thing Parliament has dealt with and should be dealing with. In fact, contrary to the assertion by the Member for Mount Royal (Mrs. Finestone), many of my constituents are telling me not to hold an election until we have passed that child care legislation.

* * *

CHILDREN

GARBAGE PAIL KIDS CARDS—BAN ON IMPORTATION URGED

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, yesterday I brought to the attention of Parliament that obscene bubble gum cards were being sold to the children of Canada. These are known as *Garbage Pail Kids* cards. As I indicated previously, they depict babies and small children in the form of dolls being mutilated.

The American company involved, trying to justify this grotesque sale of products to children, is reported as saying to the Canadian Press:

"Kids have always liked gross", said Norman Liss of The Topps Company. "And this is a gross product."

Mr. Liss is certainly correct in his last statement. This is a gross product. To be selling us this kind of garbage is a gross abuse of their privilege of being able to sell in this country.

Again I call upon the Government to utilize the provisions of Section 159 and Section 160 of the Criminal Code of Canada to stop the importation and sale of these kinds of products. For my part, I have referred the matter to the Crown Attorney here in Ottawa and have asked him to look at the situation with a view to laying charges, so that our children are not polluted by this kind of nonsense.

* * *

THE SENATE

CALL FOR PASSAGE OF FREE TRADE LEGISLATION

Mr. Murray Dorin (Edmonton West): Mr. Speaker, today in Saskatoon at the annual Premiers' meeting, Premiers will discuss Senate reform once again. At least eight of the Premiers will be concerned about the suggestion that the Upper House might adopt the request of the Leader of the Opposition (Mr. Turner) to block the free trade Bill.

That is an insult to all Canadians. That request is a desperate act by a desperate man seeking publicity. It is harmful to western Canada and all Canadians.

I call on the Upper House to carry out its responsibility, exercise its independent judgment and pass the Bill, until such time as we are able to reform the Senate and have an elected Senate rather than a bunch of unelected people from the Liberal Party.

ORAL QUESTION PERIOD

[*Translation*]

GOVERNMENT CONTRACTS

PATRONAGE ALLEGATIONS ATTRIBUTED TO FORMER MINISTER—REQUEST FOR INVESTIGATION BY RCMP

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, my question is directed to the Deputy Prime Minister and concerns a very serious matter.

For the first time, a Conservative Member of Parliament, a member of the Privy Council and former member of the Prime Minister's Cabinet, has stated that the Conservative Government is involved in a kickback scheme.

The Conservative Member acuses the Conservative Government of routinely resorting to a system that according to her, violates the Criminal Code of Canada.

Yesterday in the House, the Deputy Prime Minister stated that his colleague's statements were, to use his own words, half-truths, falsehoods, innuendo, distortions of facts and smear.

How can the Deputy Prime Minister make such a statement? Was there an investigation by the RCMP? The Deputy Commissioner said there was none.

In the circumstances, will the Deputy Prime Minister ensure that the RCMP will conduct an investigation to clarify the statements made by Conservative Member for Rosemont?

[*English*]

Hon. James Kelleher (Solicitor General of Canada): Mr. Speaker, I can advise the House that we as a Government have no information whatsoever to substantiate the allegations made by the Hon. Member for Rosemont. I am also advised by the Royal Canadian Mounted Police that at no time has the Hon. Member for Rosemont ever spoken to the RCMP with respect to those allegations.

Notwithstanding that, I can advise the Right Hon. Member that the Royal Canadian Mounted Police will be interviewing the Member for Rosemont with respect to those allegations.

• (1120)

PRIME MINISTER'S POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, I direct my question to the Deputy Prime Minister. On February 3 of this year the Prime Minister said, and I use the Prime Minister's words: "The integrity of this Government

and all its members is the responsibility of the Prime Minister".

Yesterday when the Prime Minister was in Waterloo, Ontario, when he was asked about the statement made about criminal activity by his own Member of Parliament for Rosemont—whom the Prime Minister once had in his Cabinet—the Prime Minister said: "I have no idea. What do you think?" That flippant remark by a Prime Minister is a dereliction of duty in the face of an allegation, a statement made by one of his own Members, relating to criminal activity.

This does not come from our side of the House. This comes from one of the Prime Minister's own Members. What is the Prime Minister actively going to do to deal with this situation in accordance with his statement made in this House on February 3?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think the right hon. gentleman would agree that the Government of Canada, under the leadership of the Prime Minister, has moved very quickly with respect to various charges of wrongdoing, such as the establishment of the Commission of Inquiry, ministerial dismissal, and investigations, and where there has been clear evidence that there might be wrongdoing or contraventions of the Criminal Code, immediate action was taken.

What we have here is a broad statement which is not substantiated—and I think the Hon. Member for Rosemont referred to that—vague charges which really cast an unfortunate shadow upon all elected Members of this House and that, I submit, does very little to enhance the integrity of public office holders.

I would also ask the Right Hon. Leader of the Official Opposition what he intends to do with his justice critic who yesterday made a statement, and I will quote from this morning's *Ottawa Citizen*:

> Jensen confirmed that the FBI had asked the RCMP for assistance in investigating whether payments had been made by an American corporation to Canadian politicians or Conservative Party officials considered to be lobbyists but not registered as such as required by U.S. law.

I am advised by the Assistant Commissioner, through the Solicitor General, that at no time did he ever state, confirm or imply that the FBI had asked the RCMP for assistance as stated by the Hon. Member. What we have here is this Member attempting to use the RCMP for political partisan gain, and it is a tactic I abhor and one which all members of this House should abhor. He should have the decency and fortitude to stand up and apologize and withdraw.

Some Hon. Members: Hear, hear!

Mr. Kaplan: I will get up at twelve o'clock.

Mr. Turner (Vancouver Quadra): Mr. Speaker, I intend to deal with that in just a second. Just for the moment I will conclude the exchange I had with the Hon. Solicitor General and the Deputy Prime Minister on the statements made by the Conservative Member for Rosemont. I suggest that an interview by the RCMP with the Member is not sufficient. They should follow the Member's own suggestion and have a Royal Commission to investigate the whole course of conduct of the Government.

METROPOLITAN LIFE BUILDING—ALLEGED RENTAL KICKBACKS

Right Hon. John N. Turner (Leader of the Opposition): The Deputy Prime Minister referred to my colleague, the Member for York Centre. Yesterday, in response to that Member, inside the House of Commons the Deputy Prime Minister denied he had any knowledge of an FBI investigation, but outside the House of Commons he stated in an off-hand way that there had been an ongoing two year investigation relating to the Metropolitan Life Building. Right?

Mr. Mazankowski: That's right.

Mr. Turner (Vancouver Quadra): That's right. Then I asked—

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): All right.

Some Hon. Members: Oh, oh!

Mr. Garneau: They are very nervous out there.

Mr. Turner (Vancouver Quadra): Now we are getting down to the question posed by the Hon. Member for York Centre. I ask the Deputy Prime Minister what is the nature of the FBI investigation, presumably in co-ordination with the RCMP, relating to the Metropolitan Life Building? Does that investigation relate to allegations of kickbacks for rental space? And does that investigation involve any Conservative Member of Parliament?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, yesterday in Question Period I had difficulty in connecting the two situations, the FBI connection with respect to the investigation that was going on with respect to the Met Life Building. My understanding is that because the headquarters of Met Life are in New York, in order to complete the investigation, it was necessary to obtain documents from the head office in New York. That is why the FBI were brought into the act. But I was not aware of that at the time of Question Period yesterday. I was informed during the course of Question Period and I tried to make that clarification, as I always try to do. I try to provide the information as I receive it. I regret I did not have it at the time the questions were asked. I received it during the course of Question Period and I responded to a specific question at that time.

Mr. Turner (Vancouver Quadra): Can you respond to the question I am putting now?

STATEMENT ATTRIBUTED TO MEMBER FOR ROSEMONT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Prime Minister as well. It concerns the issue that won't go away. The Member for Rosemont is quoted in today's *Toronto Star* as saying:

> Look, there are people who told me at a certain time they were aware that when you receive a government contract from Ottawa, you have to return a certain amount to the kitty.

Did the Deputy Prime Minister ask the Member of Parliament for Rosemont how she found out about these alleged kickbacks? If he has not done so yet, when does he intend to do so? And has the Prime Minister contacted the Member for Rosemont? It has been two days now since the Government has known about this.

Hon. James Kelleher (Solicitor General of Canada): Mr. Speaker, as I advised the House earlier, we as a Government have no information whatsoever to substantiate those allegations. At no time, I am advised, did the Hon. Member for Rosemont ever go to the RCMP with any allegations or complaints. Third, I think the proper course of action is the action that is presently being undertaken. The RCMP are going to interview her to see if in fact there is any substance to the allegations which have been made, and the RCMP will then do what is necessary following that interview. But I do not think that we should attempt to condemn people, ask for Royal Commission investigations or anything of this nature, until we find out whether or not there is any substance to the allegations.

[*Translation*]

PATRONAGE ALLEGATIONS—PRIME MINISTER'S POSITION

Mr. Don. Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the Prime Minister has told Members of this House at least twice that the responsibility for public morality rested on his shoulders. I didn't say that, he did. Considering the fact that public morality rests on his shoulders, I want to ask the Deputy Prime Minister when he contacted the Hon. Member for Rosemont, and if he has not done so, will he do so today? And if not, why not? After all, it's his responsibility!

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I considered that course of action. However, having considered the allegations as being of such a serious nature, I thought it would be improper for me to intervene, given the fact that we had been advised that the RCMP were going to conduct an interview with her, as the Solicitor General has indicated. I did not want to be seen as intervening in the process. I considered it on that basis. So the course of action which has been outlined by the Solicitor General, as far as I am concerned, is the proper course of action.

STATEMENT ATTRIBUTED TO MEMBER FOR DUVERNAY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have a related question for the Deputy Prime Minister. Yesterday we heard of the serious allegation made by the Member for Rosemont and it was reassuring to hear that the Solicitor General has indicated that that is going to be pursued, if I understood him correctly, by the RCMP. But what is perhaps even more or at least equally serious is another contention made by another Member of Parliament on the Conservative side, this time the Member for Duvernay, who is also at present a Parliamentary Secretary. He has been quoted as saying the following: "What has been the most difficult thing in four years? It's been to stay clean". He then went on to say the following, which is truly alarming, if accurate: "I could put a dozen people in prison."

• (1130)

Those are the words of a Parliamentary Secretary of the Government of Canada saying that. It is an extremely serious allegation. I want to ask the Deputy Prime Minister if the Hon. Member for Duvernay has been consulted this morning as to what he meant.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the answer to that is no, but I will.

QUERY WHETHER MEMBER PROVIDED INFORMATION TO RCMP

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my supplementary question is directed either to the Deputy Prime Minister—and I appreciate his answer—or to the Solicitor General.

Given the very serious legal implications of what has been said and, indeed, the moral implications of a Member who has been aware, according to his understanding if he is accurately quoted, of criminal wrong-doing, I would ask the Solicitor General if he would inquire of the Member to find out if he has already informed the RCMP of what he believes to be clearly criminal wrong-doing on the part of a number of citizens which he says could amount to at least a dozen people. Would he find out if the Hon. Member has talked to the RCMP? If not, would he as Solicitor General request the RCMP to have a serious discussion with this Member as well?

Hon. James Kelleher (Solicitor General of Canada): Mr. Speaker, I think that is a reasonable suggestion. I do not have personal knowledge of what he has stated. But as a result of what the hon. gentleman has requested in the House, certainly I will look into it and pursue the matter. I think it is a reasonable course of action.

[*Translation*]

PATRONAGE ALLEGATIONS—REQUEST THAT PRIME MINISTER MAKE STATEMENT TO HOUSE

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my last question is directed to the Deputy Prime Minister. The Prime

Minister of Canada refused to comment on this very serious situation yesterday. However, I understand that on the weekend, he intends to have a discussion with the members of his Quebec Caucus and with the Hon. Member for Duvernay and the Hon. Member for Rosemont who are members of that caucus. Would the Deputy Prime Minister care to give the House the assurance that after the weekend the Prime Minister plans to rise in the House and explain clearly what is going on?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, as I indicated in my earlier response, the Government in these cases has reacted with dispatch where there have been clear founded allegations of wrong-doing, by the establishment of commissions of inquiry, investigations, ministerial dismissal, and various other things.

When there is the kind of unsubstantiated blanket charges which have been referred to by the Hon. Member for Rosemont it is very, very difficult to find out. As a matter of fact, I think in her own comments, at least as reported in the press, she is not very specific in terms of this particular issue.

Mr. Broadbent: The Hon. Member for Duvernay is saying the same thing.

Mr. Mazankowski: I suspect that this will probably come up at the Québec caucus—

Some Hon. Members: Oh, oh!

Mr. Mazankowski: They now think it is a laughing matter.

The Solicitor General has acted on this. I have acted on it. I undertook yesterday in the House to bring forth to the Chamber the information that I had. I assure the Hon. Member that this will continue. I will report to the House on any new information that I have.

I see the Hon. Member nodding his head in the affirmative. I hope he would give me that opportunity.

[*Translation*]

PATRONAGE ALLEGATIONS—GOVERNMENT POSITION

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, the situation is quite serious, and I intend to pursue the matter.

Yesterday, we had the Hon. Member for Rosemont, a former member of Cabinet and still a member of the Conservative Caucus, who mentioned the existence of a kickback system as part of the way Government contracts were awarded to various entrepreneurs.

Now we have the Hon. Member for Duvernay who says that if he talked, he could send a dozen people to jail.

Mr. Speaker, I have been in politics for many years, but I have never heard anything like these statements made by Government Members. We in the Opposition are accused of proceeding by innuendo. Now, the Prime Minister's own colleagues are doing just that.

I want to ask the Prime Minister this: Considering that a few months ago, a new Member was elected to the House—he is the Minister, referred to as Mr. Clean, who was supposed to clean up the Augean stables—what has the Secretary of State done to shed some light on the very ambiguous matters being raised and accusations being made by a former member of the Conservative Cabinet and a current Member of Parliament, the Hon. Member for Duvernay?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I find it rather strange that Members opposite, particularly the Hon. Member who has just posed the question, prompted by the justice critic of the Liberal Party, have conveniently ignored the profound error that he made yesterday. He is not prepared to stand up in the House and withdraw or apologize.

Mr. Turner (Vancouver Quadra): Wait until the proper time.

Mr. Mazankowski: As a matter of fact, he raised the issue—

Mr. Kaplan: I will stand up at twelve o'clock.

Mr. Turner (Vancouver Quadra): You know the rules.

Mr. Mazankowski: He raised the issue yesterday and now he is running for cover.

Mr. Allmand: Give unanimous consent and he will do it right now.

Mr. Mazankowski: If Hon. Members are so interested in preserving the morality and integrity of Parliament—

Ms. Copps: It's not possible in your caucus.

Mr. Mazankowski: —might I ask the Hon. Member to ask his Leader what he is going to do about the Liberal Senator in the other place who has been ripping off the system? Is he going to take any kind of action to clean up that mess and that rot in his own Party?

[*Translation*]

POSITION OF SECRETARY OF STATE

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, the Deputy Prime Minister knows perfectly well that according to our Standing Orders, a Member may rise after Question Period to raise a question of privilege. That is what my colleague intends to do later on, and he can stay and listen. I think he would find it useful.

Mr. Speaker, the Deputy Prime Minister evaded the issue and side-stepped my question. He did not answer my question at all and tried to attack my colleague, although he is aware

my colleague can rise on a question of privilege later on, and he intends to do so to set the record straight. Mr. Speaker, once again I want to ask the Deputy Prime Minister, who failed to answer my question: Since the Prime Minister of Canada stated that his new Cabinet colleague, the present Member for Lac-Saint-Jean, the Secretary of State, was appointed to clean the Conservative Party's house, has the Prime Minister of Canada given the Hon. Member for Lac-Saint-Jean and Secretary of State, has he give the Hon. Member and Minister the responsibility for clarifying the charges by Conservative Members, by a former Conservative Minister, that a kickback system exists in the Conservative Party? And what about the other Conservative Member who said that he could send twelve people to jail if he talked? What is Lucien Bouchard supposed to do about all this?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think the Hon. Member is getting carried away. I have tried to respond to the questions that have been legitimately raised. He is now trying to broaden the scope of this in such a way that he wants to accuse everybody.

What the Solicitor General has indicated is that he has been advised by the RCMP that an interview will be conducted. He has also indicated to the Leader of the New Democratic Party that further action will be taken with regard to the revelations that have been quoted in the newspaper this morning. Certainly, these matters will be followed up.

The fact of the matter is, and I repeat once again, the Prime Minister carries ultimate responsibility for these kinds of matters. I think the record clearly shows that he has moved very quickly and with dispatch in terms of dismissal of Ministers, where there have been clear indications of violations, where there have been commissions of inquiry, and where there have been investigations. Where there is clear evidence that can be substantiated, and if the RCMP finds it is necessary to follow through, I am sure that that action will be proceeded with, and certainly not interfered with in any way, shape or form by this Government.

REQUEST FOR PASSAGE OF CONFLICT OF INTEREST LEGISLATION

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is also addressed to the Deputy Prime Minister. We have heard the questions this morning about the alleged statement of the Hon. Member for Rosemont and also about the article in the newspaper this morning wherein the Parliamentary Secretary is reported to have said: "I could put a dozen people in prison." That is a very serious allegation.

• (1140)

In light of that, and in light of the promise made by the Prime Minister some time ago that there would be a morality package before the next election campaign, I want to know from the Deputy Prime Minister whether he can give us a guarantee that that morality package will pass through Parliament before the next election is called?

It was a promise made by the Prime Minister. Can we have that morality package now before the election?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, if that is an indication from members of the New Democratic Party that they would proceed with dispatch with regard to the conflict of interest legislation to bring it into committee very quickly, we would be very glad to call it. Hopefully, it can be done with one speaker from each Party, and we can get on with it. We would be glad to set aside a day next week.

[*Translation*]

PUBLIC MORALITY—REQUEST THAT LEGISLATION BE ADOPTED

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, we want the public morality Bill, and I am going to talk to my Party about adopting this Bill. Mr. Speaker, that also includes the bill on the Canada Elections Act.

The Prime Minister and the Secretary of State of Canada, the Hon. Member for Lac-Saint-Jean, made a political commitment to have the public morality bill ready before the next federal election.

Mr. Speaker, I want to know whether the Prime Minister opf Canada intends to break this public commitment. Are we going to have the Bill on the Canada Elections Act and the Bill on public morality before the federal election? Yes or no?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Member states that he wants to see the legislation. It has been before the House since February. I am sure that there has been enough time to study it.

Mr. Broadbent: Election expenses are not in there.

Mr. Mazankowski: We have dealt with the lobbyist Bill. I am prepared to sit down with the opposition Parties on the election expenses. As a matter of fact, there has been correspondence back and forth.

If we can get a deal to get the election expenses into committee where there can be good study, and deal with those issues, we would be very happy to do it. We are prepared to sit down and negotiate some time frames, Mr. Speaker, yes, indeed, before the election.

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—ADJUSTMENT POLICIES—PREMIERS' REQUEST

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, my question is for the Deputy Prime Minister. Yesterday Canada's premiers asked Ottawa to do what we have been asking for two years, and that is to reveal the plans for adjustment for industries suffering losses as a result of free trade. Both Premiers Devine and Bourassa stated that they wanted to see this strategy as soon as possible.

In its April report the Economic Council stated that 17 industrial sectors would suffer losses as a result of free trade, and that adjustment policies were necessary. This was also recommended by the Macdonald Commission, the Standing Committee on International Trade, the Canada-U.S. Committee, and many others.

When will the Government reveal its strategies for adjustment, as the Premiers requested yesterday?

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the Premiers know and this House knows that Mr. de Grandpré is heading up an independent committee examining industries that could need adjustment, and examining programs of the Government to see if they are complete enough to fulfil the obligations of the adjustment that may be required. We feel very confident that there will not be a great deal of adjustment required.

I might remind the Hon. Member that New Zealand and Australia signed a free trade agreement. They speeded up the process of removing tariffs. One of the questions that was asked was: "What happened in adjustment?" It was stated that New Zealand felt it would be swamped by Australian competition. In the event that has not been the way it has turned out, and I believe also in Australia it has worked out extremely well. Trade both ways has expanded. In other words, New Zealand is sending more goods in absolute terms to Australia.

The same thing will happen between Canada and the United States.

ADJUSTMENT PROGRAMS—REQUEST FOR AMENDMENT OF AGREEMENT

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, the Government states that it does not think that special adjustment programs are necessary, but all the experts that have studied this, including a standing committee in a unanimous report to this House, have stated that special adjustment policies are necessary. The 10 Premiers say that they are necessary, and they want to see those plans now. The de Grandpré committee is only supposed to report in June, 1989. That is too late.

What is the Government doing to ensure that special adjustment programs are not countervailable or in contradiction to the free trade agreement? Will it amend the free trade agreement and the legislation to make sure that whatever adjustment programs we bring in will be legitimate in terms of the agreement?

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I find it passing strange that the Hon. Member would mention the Premiers talking about adjustment policies when eight of the ten Premiers support the free trade agreement. The Hon. Member forgot to mention that in his question.

Mr. Allmand: They were unanimous on this one. Answer the question.

Mr. McDermid: I will answer the question.

Adjustment programs that are brought in to help those industries needing a period of adjustment will not be countervailable. The Hon. Member likes to put things in the agreement that are not in the agreement. I would like to see him draw up an offer of purchase for someone to buy a house. He would probably put in there that the wife and the kids are not for sale, and the car is not for sale. He would put all the things into the agreement that do not belong in the agreement. Neither does adjustment belong in the agreement. It is not there. Adjustment programs are outside the agreement. We have already proven with the adjustment program for the B.C. grape growers that this Government is prepared to help where help is necessary.

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BANK OF CANADA

RISING INTEREST RATES

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, my question is for the Deputy Prime Minister and it concerns the rising interest rates which are a policy of the Government which has endorsed the actions of the Bank of Canada in taking the bank rate up to almost 10 per cent at the fixing that took place yesterday.

Yesterday the Deputy Prime Minister implied that my Leader was not speaking on behalf of the Premier of Alberta when he complained about the rising interest rates. We saw on television last night that the Premier of Alberta was concerned about the impact of those interest rates on homes, on businesses, and on agriculture, and stated that now is exactly the wrong time to have that growth slowed down by increasing interest rates.

After the unanimous resolution of the Premiers meeting in the west, will the Government give a clear signal to the Bank of Canada that now is not the time to have rising interest rates, and those interest rates should come down?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think what the Premiers want is not a repetition of what had occurred during the late 1970s and early 1980s where there was high inflation and high interest rates. Interest rates hit 24 and 25 per cent. There was high unemployment, and high inflation. That was the result of a mismanaged economy.

What is occurring here is the necessity to strike a balance. As I am sure the Hon. Member is aware, the Minister of Finance meets with his provincial counterparts on numerous occasions. My understanding is that there is as meeting set up for later this year. I am sure that he would be very happy to deal with this particular issue with the Premiers at that particular time.

[*Translation*]

BANK OF CANADA—REQUEST THAT GOVERNMENT INTERVENE TO REDUCE INTEREST RATES

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, if the Government rejects the demands of the Premier of Alberta and if the Deputy Prime Minister and the Government reject the requests of all the Premiers together, does it also reject the judgement of the Premier of Quebec, who notes that it is now time to reduce interest rates for excellent reasons: The federal reserves are at $16 billion, inflation is under control, the price of oil is low enough and lower interest rates would discourage speculation and improve the investment climate. For all these reasons, the Premier of Quebec says that now is the time to lower interest rates. Is the Government ready to give the Bank of Canada such instructions?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Member must not lose sight of the fact that our over-all economic policy was enunciated back in November and was complemented with various budget actions taken by the Government in terms of scaling down the regulatory burden, improving the competitiveness of industries, allowing an investment policy that would encourage jobs, and encouraging the small business sector to create the type of jobs that it has created. This is all part and parcel of the over-all economic policy of the Government. Incidentally, it has produced one of the best job creation rates, one of the best growth rates of the OECD group of countries, and one of the best trade records in some seven years.

The economy is strong, and it is strong because it has been properly managed by a government that is in control.

• (1150)

FORESTRY

CANADA-BRITISH COLUMBIA FOREST RESOURCES DEVELOPMENT AGREEMENT

Mr. Patrick Crofton (Esquimalt—Saanich): Mr. Speaker, my question is for the Minister of State for Forestry and Mines. There was a report in the *Vancouver Sun* yesterday suggesting that the renewal of the Canada-B.C. Forest Resources Development Agreement may be in some difficulty. As a Member from British Columbia I am most aware of the very great importance of the forest industry in B.C. I would ask the Minister if he could advise this House what difficulties, if any, are being experienced in this regard.

Mr. Fulton: The Minister is not here.

Mr. Crofton: I would like to know through you, Mr. Speaker, from the Minister, exactly what the nature is of the negotiation and is the Government of Canada intending to pursue with vigour this renewed agreement.

Mr. Speaker: The Parliamentary Secretary.

Some Hon. Members: Hear, hear!

Mr. Ted Schellenberg (Parliamentary Secretary to Minister of State (Forestry and Mines)): I can only hope that the answer is worthy of that applause.

As the Hon. Member for Esquimalt—Saanich may be aware, earlier this week, during his visit to British Columbia, the Minister of State for Forestry announced a $12 million forest replacement fund under the South Moresby Park agreement. That funding will be used for planting and research and spacing in the coastal forest regions of B.C., outside the park area.

As well, the FRDA agreements over the past five years under this Government—they expire in 1990—are worth some $300 million in British Columbia and some $1.2 billion across Canada. So the track record is there. Renewal of those agreements, most of which expire in 1990, are under Cabinet consideration right now. You can be assured that when this Government has returned in a few weeks' time we will again renew our commitment to the forests of British Columbia and indeed all of Canada.

Some Hon. Members: Hear, hear!

* * *

HEALTH

REDUCTION OF LEAD IN GASOLINE—REQUEST THAT TIMETABLE BE ADVANCED

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is addressed to the Minister of National Health and

Welfare. It has to do with lead in gasoline and its impact on health. In view of the fact that the previous Liberal Government launched a program whereby lead was cut by 62 per cent, and in view of the fact that the present Government is in the process of moving ahead with further cuts in lead by 1993, and in view of the fact that the Minister himself a few days ago recognized that the evidence is quite clear that lead is damaging to human health, will the Minister indicate to this House when he will stop using the Department as an excuse and find the courage to make a political decision, and indicate that he is prepared to advance to 1990 the deadline for further cuts in lead in gasoline? When will he do that?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, as I have indicated to the Hon. Member and to the House earlier on this issue, the Minister of the Environment, the Minister of Energy, Mines and Resources, and I as Minister of National Health and Welfare are re-examining some of the evidence that we have received in the last period of time. That answer does not change from the answers that I have given the Member this last week. As I have indicated to him, if there is a change in policy, I will announce it at that time.

MINISTER'S POSITION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the evidence that has emerged in recent weeks is accentuating the necessity for urgent action on the part of the Minister. This is purely a political decision that must be made, not a departmental one. When will the Minister stop hiding behind the Department?

Hon. Jake Epp (Minister of National Health and Welfare): I am not hiding behind the Department at all. It is not a purely "political" decision.

Mr. Turner (Vancouver Quadra): He is the Department.

Mr. Epp (Provencher): The fact of the matter is I have not disputed the health evidence that has been presented. I have not disputed it in this House today, I have not disputed it when I received that evidence, nor has the the Minister of the Environment disputed it, nor has any member of Cabinet disputed it. As well, we have asked our respective Departments if in fact changes can be made to the present policy. If they can and there are conditions, we will announce those conditions at the appropriate time.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—ATLANTIC FISH PROCESSING INDUSTRY

Mr. Morrissey Johnson (Bonavista—Trinity—Conception): Mr. Speaker, I am prompted to direct a question to the Minister of Fisheries because of an article appearing in today's *Globe and Mail* pertaining to remarks made yesterday by the Leader of the Official Opposition. Yesterday, while in my riding, the Hon. Member stated that the Atlantic fish processing industry could be threatened by the U.S. interpretation of the trade agreement. I would like the Minister of Fisheries to tell us if there is any validity to the remarks made by the Hon. Leader of the Opposition regarding that agreement.

Ms. Copps: Issue a press release.

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, it is true that the Leader of the Opposition was in Newfoundland earlier this week. Unfortunately, that is the only truth associated with his visit. The Leader of the Opposition untruthfully attempted to arouse the fishermen—

Ms. Copps: Order.

Mr. Speaker: The question is a legitimate one and the Hon. Minister can deal with it. The Hon. Minister is going to have to put his answer in such a way that he is not accusing the Right Hon. Leader of the Opposition of intentionally saying something that is not so.

Mr. Siddon: Mr. Speaker, the truth of the situation is, as I have discovered in my travels throughout fishery communities all across Canada this year, that the free trade agreement is very positively welcomed and 100 per cent beneficial to the fishing industry.

The truth of the matter is that the free trade agreement in no way jeopardizes the processing regulations applying at present in Atlantic Canada. The U.S. statement of administrative action confirms not only that the free trade agreement grandfathers existing Atlantic processing regulations, but that the U.S. administration will not take these regulations before the GATT.

The truth of the situation is that there are not 7,500 fish processing workers unemployed in British Columbia this summer; there is full employment in that processing sector and they are having a very abundant year.

The truth of the situation is that crab plant operators in Atlantic Canada will not be jeopardized by the free trade agreement. They will win the benefit of a lowering and ultimate removal of tariffs up to 10 per cent on the processing of crab, which is a very productive and very beneficial industry in Atlantic Canada.

We are seeing a desperate, disorganized Party as it slips in the polls, stooping to the depths of deceit to mislead Canadians. I think it is reprehensible.

Some Hon. Members: Hear, hear!

CAPE BRETON DEVELOPMENT CORPORATION

OPERATION OF FOREIGN SHIPS IN CANADIAN WATERS

Mr. Rod Murphy (Churchill): Mr. Speaker, I have a question for the Deputy Prime Minister. I have a document here from the Cape Breton Development Corporation, sent to me this month, to the National Transportation Agency. In the letter, DEVCO asked that foreign flagships be allowed to operate strictly within Canadian waters, from Sydney to the Canso ports, and use foreign crews and not pay Canadian taxes. The names of the ships involved are the MV *Ambassador*, the MV *Pioneer*, the MV *Innovator*, the MV *Hon. Paul Martin* and the MV *Atlantic Superior*. Why is it Canadian Government practice for a Crown corporation to allow these foreign flag groups deny Canadian jobs? Why are we not having Canadian ships, Canadian flags, Canadian staff operating in Canadian waters?

Some Hon. Members: Hear, hear!

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I apologize to my friend opposite. I am not able to give him a detailed answer to that. Had he let me know the question before, I would have made every effort to have the information for him. In any event, I will have the officials take it up immediately and we will get a response to him early next week.

GOVERNMENT POLICY

Mr. Rod Murphy (Churchill): It is not a matter of the specifics in this case; it is a matter of the general government policy. Why are we allowing Canada Steamship Lines Inc. and U.L.S. International, both Canadian companies, to flag their ships offshore, hire foreigners, avoid Canadian taxes and have a Crown corporation have those ships operating in Canadian waters?

Some Hon. Members: Hear, hear!

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Mr. Speaker, it relates to the fact that the general law is determined by the Canada Shipping Act. We have a Coasting Trade Act. There are laws set down by Parliament. Until this Parliament changes those laws, they will remain the law and should be interpreted and acted upon accordingly. If the Member wants the law changed so that Government has the power to dictate that type of detailed thinking, he would have had the privilege to put forth a Private Member's Bill and indeed could still do it.

AIRPORTS

PEARSON INTERNATIONAL AIRPORT—DISPOSAL OF GARBAGE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Acting Minister of Transport. The Acting Minister will no doubt be aware that the Member for Etobicoke North has accused the citizens of Hamilton of holding the country to ransom because we refused to accept garbage from the Toronto International Airport. Will the Acting Minister repudiate the comments of the Member for Etobicoke North and demand an immediate retraction?

• (1200)

Mr. Lee Clark (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, as was explained during the course of Question Period some days ago in this House, the federal Government, particularly the Department of Agriculture, is concerned about the manner in which garbage coming into Canada on international flights is dealt with in order to guarantee that there is absolutely no risk whatsoever to the agricultural industry in Canada, whether that be livestock or plants.

Our primary concern is to ensure that the airline companies work out an agreement with some appropriate municipal body to ensure that that garbage is dealt with in such a risk-free manner.

As was indicated earlier to the House, there was a proposal by the airlines that the garbage would be moved out of the Metropolitan Toronto area, in fact outside the province. I understand that that proposal has not been approved by the relevant municipal authority in the Province of Quebec. We are left, therefore, encouraging the airlines and the provincial Government of Ontario to exercise their responsibilities to ensure that this garbage is dealt with in as efficient and risk-free a manner as possible.

COMMENTS MADE BY MEMBER FOR ETOBICOKE NORTH

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Province of Ontario is not responsible for enforcing a federal Act dealing with federal garbage coming off international flights.

Will the Member repudiate the comments made by his colleague that Hamilton was holding the country to ransom because we would not accept garbage from Toronto? Gatineau does not want Toronto International Airport's garbage either. Will any Conservative please stand up and repudiate the statements by that Party that Hamilton is only fit for Toronto's garbage?

Mr. Lee Clark (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, if I recall correctly, the other day in the House an Hon. Member indicated that he personally had a suggestion as to how this problem might be dealt with. As I indicated earlier, however, the Government is concerned that the garbage coming in on international flights be handled

in such a manner that it not be a threat to Canadian agriculture.

If I understand correctly, it is a provincial responsibility to direct, if necessary, some municipal authority to accept that garbage and to deal with it as necessary.

We have a couple of things to consider now. First, the garbage is being separated as between garbage resulting from international flights and garbage resulting from domestic activities. As a result of that the volume is being reduced. We are also looking in the long term at the installation of a heat sterilizer on site which would effectively deal with the garbage. I hope that in the meantime, however, the airlines will be able to find a resolution to this problem. I hope some municipality will assist them in that.

* * *

THE ECONOMY

EXCHANGE VALUE OF DOLLAR—AUTOMOBILE INDUSTRY

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, my question is addressed to the Deputy Prime Minister. One of the things upon which interest rate policy impacts is, of course, the exchange rate on the dollar. Some weeks ago I pointed out to the Minister of Finance that in Windsor a number of parts manufacturers have indicated that they may move to Michigan if the value of the dollar continues to increase.

Now steel analyst J. Gordon of McLean McCarthy Limited has said that if the dollar goes to 90 cents it will wipe out a major portion of Ontario's auto industry.

My question is directed to the Deputy Prime Minister. What action is the Government going to take to prevent that eventuality which poses such a threat to the automobile industry in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am not quite as speculative as the Hon. Member. I would not want to be associated with the suggestion of that sort of hypothesis.

I have indicated here before that the exchange rate, interest rates, and inflation are all very important components of economic policy. The fact of the matter is that our economic policy has produced very credible results. We have the second best job creation rate and second best growth rate of all the OECD countries. We have the best trading surplus.

I know that the Hon. Member does not like success. He and his colleagues simply want to preach doom and gloom. What really bothers me is that they think they are so dead right on everything. Once in a while they are wrong.

GOVERNMENT POLICY

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, one of the things that this Member does not like is stupidity. Moe Closs, President of Chrysler Canada, says that the Government's auto policy is stupid and needs to be changed or the domestic manufacturers will be severely threatened. The fact of the matter is that the inflation rate has gone down, yet the Government persists in a high interest rate policy which impacts on the exchange rate and the dollar.

What action is the Government posed to take in the eventuality of an increase in value of the Canadian dollar which threatens the automobile industry and so many other Canadian manufacturing sectors, particularly in the context of a free trade agreement which assumes a lower level for the Canadian dollar?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I can assure the Hon. Member that we will not establish a policy which will bring back inflation rates of from 13 to 15 per cent accompanied with interest rates of 23, 24, and 25 per cent, which were part and parcel of the former Government's policy supported by the New Democrats in the late 1970s and early 1980s.

* * *

HOUSE OF COMMONS

TRIBUTE TO PAGE STAFF

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I rise on a very brief point of order with which I am sure all Members of the House will agree. As you are aware, Mr. Speaker, today is the last day that the pages, with the exception of two or three, will be with us. I think this is an opportune time to thank them for their work here over what was an unusually long session. I would like to thank them for all they have done and to wish them well. I hope that, despite us, they have learned a lot about the parliamentary system and the political system of our country.

[*Translation*]

In conclusion, Mr. Speaker, I would like to wish everyone good luck. Most of them will be students, and I want to wish them success in their careers. I am sure that we have some future Members of Parliament among this group of pages. Good luck!

Hon. Herb Gray (Windsor West): Mr. Speaker, I am proud and very happy to say that we are very pleased with the work of this group of pages, given the length of the current session. We want to salute them and wish this group of pages good luck for the future.

[*English*]

The Official Opposition wishes to extend sincere thanks to the current group of pages, especially because of the extra work they have had to do as a result of the extension of the session. We hope they have had a useful and enlightening experience which will lead them to continue to have a positive attitude toward the public life of this country. We wish them the best for the future and again extend our warm thanks to them for their help over the past months.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, on behalf of the Prime Minister, the Government, and all colleagues on the government side, I want to associate myself with the words of the Hon. Member for Yorkton—Melville (Mr. Nystrom) and the Hon. Member for Windsor West (Mr. Gray).

I think it is fair to say that we have been treated by a group of outstanding young Canadians who have served us very well. I know that we have enjoyed their fellowship and companionship. I join with my colleagues in thanking them for all their efforts and also in extending, on behalf of all Members, our appreciation for their devotion and skill. We wish them well in their further duties and hope they will find the opportunity to come back here on frequent occasions.

Some Hon. Members: Hear, hear!

* * *

PRIVILEGE

STATEMENTS DURING QUESTION PERIOD

Hon. Bob Kaplan (York Centre): Mr. Speaker, I rise on a question of privilege of which I have given you notice. During Question Period it was alleged by the Deputy Prime Minister (Mr. Mazankowski) that I had misrepresented information given to me yesterday by Deputy Commissioner Jensen of the RCMP. I would like to take this opportunity to put on the record exactly what happened, because I did not misrepresent the discussion I had with the Deputy Commissioner and I think I can make that clear.

At 12.30 p.m. yesterday the CJOH midday news report broadcast statements attributing certain confirmations to the RCMP. A member of the staff of one of the Liberal Members of Parliament took down what was said, transcribed it, and presented it to me at around a quarter to one. I would like to read into the record, and would ask for unanimous consent to table, that transcript. This is the broadcast:

> The RCMP confirmed that it made an official request for FBI assistance through the US Embassy in Ottawa. The investigation follows allegations that politicians and PC party officials may have personally benefited from the awarding of federal contracts. It also said that the FBI is trying to determine if the US firm broke any American laws by not returning payments paid to lobbyists from another country, mainly in Canada.
>
> There is confirmation that an FBI probe comes in the wake of the statement in today's LA PRESSE which quotes former Tory Cabinet Minister, Suzanne Blais-Grenier as saying "She knows personally that there exists a system of kickbacks on Federal contracts."

When I received this, I was surprised because it is not usual for the RCMP to confirm ongoing investigations. There are circumstances and reasons why this is sometimes done by police, but I was surprised so I telephoned Deputy Commissioner Jensen. I read him the entire piece and I asked him if in fact the RCMP had confirmed that. He said: "I confirm the first part but not the last", and I said: "The part about Suzanne Blais-Grenier". That was the end of the discussion dealing with that.

• (1210)

I took from that discussion that in this case, the RCMP was prepared to confirm and had and that the CJOH midday news report was accurate so far as it referred to the RCMP, but there was nothing in that report in which the RCMP confirmed anything to do with Suzanne Blais-Grenier. I understood that and I indicated that in my press conference in the scrum outside following Question Period. I think that that clears the air.

Mr. Mazankowski: It does not. It certainly does not.

An Hon. Member: It certainly does. You are distorting the truth.

Mr. Speaker: Could I ask the Hon. Member not to give rise to another point of privilege, quite unnecessarily? I was not referring, by the way, to the Hon. Member for York Centre. I was referring to another Hon. Member who knows who he is, and I will spare him the publicity.

The Hon. Member for York Centre has made a statement. I would think that he is rising on a question of privilege. I have heard the statement, and unless other Hon. Members feel it absolutely essential to make a further comment—the Hon. Deputy Prime Minister.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I would like the Hon. Member to comment on the statement that was made in *The Ottawa Citizen* today which I quote:

> Kaplan also said that Jensen confirmed that the FBI had asked the RCMP for assistance in investigating whether payments had been made by an American corporation to Canadian politicians or Conservative Party officials considered to be lobbyists but not registered as such as required by U.S. law.

I think that my information and the information that has been supplied by the Solicitor General (Mr. Kelleher) is that that is categorically wrong, and the Hon. Member has not commented on that at all. Here the Hon. Member is dragging the RCMP into a political issue, something which as a former Solicitor General he should know better than to do.

Mr. Kaplan: Mr. Speaker, I believe that is an accurate quotation in *The Ottawa Citizen* of what I said. I was explaining to Canadian journalists my understanding of the meaning of this sentence—

Mr. Mazankowski: Is it right or wrong?

Mr. Kaplan: It is correct, the statement the FBI is trying to determine if a U.S. firm broke any American laws. I have a certain understanding of what those laws are relating to foreign lobbyists, and I explained that to the media. I thought that was exactly what Deputy Commissioner Jensen was confirming. In other words, this was not the part about the Hon. Member for Rosemont (Mrs. Blais-Grenier), which I understood it was not confirming, and I was explaining the part as best I could.

Mr. Mazankowski: Mr. Speaker, he has not explained it. As a matter of fact, he has confirmed the point that I made earlier in Question Period. I am advised by the Deputy Commissioner, through the Solicitor General, that at no time did he ever state, confirm, or imply that the FBI had asked the RCMP for assistance as was stated by the Hon. Member, and as he just now confirmed, in *The Ottawa Citizen*. I would rather take the words of the Deputy Commissioner of the RCMP than the Hon. Member. If that is right, he should withdraw.

Mr. Speaker: The Hon. Member for York Centre has risen on what I would take as a personal question of privilege, and I, as have other Hon. Members, have listened to him. There has been a further exchange. There has been some disagreement on facts. However, I think both sides have had a chance to express their points of view, and I will go on to other matters.

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour of tabling, in both official languages, the Government's response to fifty-four petitions numbered as follows: 332-5039 and 332-5042 to 332-5094, inclusive.

[*Editor's Note: See today's Votes and Proceedings.*]

[*English*]

Mr. Kaplan: Mr. Speaker, I rise on a point of order. During my intervention I sought unanimous consent in order to table the transcript so that the House could see exactly what I read to Deputy Commissioner Jensen—

Some Hon. Members: No.

Mr. Speaker: I have to inform the Hon. Member for York Centre, as I am sure he well knows, being an experienced Member, that without unanimous consent he cannot table the document. I think he, of course, has other ways to bring it to the attention of Hon. Members.

FINANCE AND ECONOMIC AFFAIRS

PRESENTATION OF TWENTIETH REPORT OF STANDING COMMITTEE

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I am delighted to have the honour to present, in both official languages, the twentieth report of the Standing Committee on Finance and Economic Affairs in relation to Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts, with amendments.

[*Editor's Note: See today's Votes and Proceedings.*]

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PETITIONS

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Mr. Jim Fulton (Skeena): Mr. Speaker, I am honoured to present to the House petitions certified correct pursuant to Standing Order 106. The petitioners are concerned that families throughout Canada need high quality, available, affordable child care services.

Whereas it has been repeatedly recommended that to make these services available for families the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for the development of a comprehensive, non-profit child care system accessible to all families throughout Canada, the petitioners suggest to the House that the child care Act is not in the best interests of young children, women or families in Canada, and therefore they pray that Parliament withdraw the child care Act forthwith.

ACTIONS OF ROMANIAN GOVERNMENT

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, pursuant to Standing Order 106, the attached petitions are certified correct as to form and content.

• (1220)

The petitioners, of which there are many hundreds, wish to bring the following to the attention of the Government and the House. Whereas the Romanian Government is presently engaging in certain acts which violate basic human and minority rights, such as destroying more than one-half of the 13,000 villages in Romania to build agro-industrial centres resulting in the loss of a culture and historic heritage which will deprive not only Romania but also future generations of a priceless heritage by annihilating magnificent examples of Roman, Gothic, and Reform period architecture; whereas the same government has decreed that all geographic designations be changed from the Hungarian and Saxon languages to Romanian, thereby seriously violating minority rights; whereas

the Romanian Government's current harassment through interrogation and house searches of the clergy will result in the destruction of both Protestant and Catholic religions, wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to direct the Secretary of State for External Affairs (Mr. Clark) to express the concern of the Canadian people over the aforementioned actions.

I hope this matter will be taken seriously. We in Canada are most fortunate not to have to live under these kinds of regimes. We are fortunate that these hundreds of people have brought this very serious matter to our attention.

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Mr. Rod Murphy (Churchill): Mr. Speaker, I have the honour, pursuant to Standing Order 106, to present a petition to the House with regard to child care. I recognize, with the diverse communities in my riding, the need for national standards to help areas, especially communities like those of Indian bands and so on in remote areas, to be able to provide non-profit child care systems.

This petition specifically calls for a comprehensive non-profit child care system that is accessible to all Canadians, therefore I am proud to present it. I hope that the Government will withdraw the legislation it presently has before the House and provide a child care Bill forthwith which would have those national objectives and would provide standards for all Canadian children.

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, it is my privilege and responsibility, pursuant to Standing Order 106, to file the attached petition concerning child care.

Whereas the Canada Child Care Act proposed by the Government of Canada contains neither national objectives nor necessary funding arrangements and will not ensure that families have access to high quality child care, the petitioners humbly pray and call upon Parliament to withdraw the Child Care Act forthwith. In duty bound, your petitioners will ever pray.

* * *

QUESTIONS ON THE ORDER PAPER

(Question answered orally is indicated by an asterisk.)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the following question will be answered today: No. 395.

[*Text*]

GRANTS AND/OR LOANS—METROPOLITAN TORONTO

Question No. 395—**Mr. Redway:**

Since September 4, 1984, did the Canada Harbour Place Corporation make grants and/or loans to persons or corporations, non-governmental organizations and governments within Metropolitan Toronto and, if so, to which ones and, in each case, in what amount and for what purpose?

Hon. Benoit Bouchard (Minister of Transport): The Canada Harbour Place Corporation advises as follows: no.

[*English*]

Mr. Speaker: The question as enumerated by the Parliamentary Secretary has been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, if Question No. 362 could be made an Order for Return, this return would be tabled immediately.

I think it exemplifies some of the difficulty in responding on time. It is a single answer and, as Members can see, it is quite large in terms of its response.

If questions were more targeted to Departments, I do not think we would get into the problem of delay in answering.

Mr. Speaker: Is it the pleasure of the House that Question No. 3612 be deemed to have been made an Order for Return?

Some Hon. Members: Agreed.

[*Text*]

FEDERAL EXPENDITURES IN THUNDER BAY AREA

Question No. 362—**Mr. Angus:**

In each year since September 4, 1984, have any government departments or agencies spend money in the (*a*) constituency of Thunder Bay—Atikokan (*b*) community of Thunder Bay, Ontario (*c*) community of Atikokan, Ontario (*d*) area made up of the constituencies of Thunder Bay—Atikokan, Thunder Bay—Nipigon and Kenora—Rainy River and, if so, by which departments or agencies and, in each case (i) in what amounts (ii) under which categories and programs was the money spent?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

INDIAN ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-123, an Act to amend the Indian Act (minors' funds and surviving spouse's preferential share), as reported (with amendments) from a legislative committee; and on the amendment of Mr. Penner (p. 18559).

Hon. Keith Penner (Cochrane—Superior): Mr. Speaker, when we moved to Question Period I was in the midst of explaining to the House why an amendment which I have proposed to Bill C-123 should merit the consideration of the House and inclusion into this statute.

I want to explain to the Minister that this particular amendment, which has behind it the consent, authority, and wishes of the Indian Association of Alberta, was not introduced before the legislative committee at the appropriate time simply because there had been a communications gap; that is to say, legal counsel for the Indian Association of Alberta, Mr. Mandamin, had indicated in his appearance before the committee that he had such an amendment and felt that it was an amendment that was in keeping with the intent of the statute but would deal with one flaw that they regarded as being serious.

On the day the amendment was to be received, the committee delayed its proceedings, hoping to receive it by fax, but as a result of a misunderstanding about when the committee was to sit that particular day, we never did receive the amendment. However, I made a commitment to Mr. Mandamin that I would introduce this amendment at report stage.

Therefore, I want the House to know that this is not a matter that has been dealt with at the committee stage. It was part of the brief presented by the Vice-Chief of the Assembly of First Nations who represents the Province of Alberta.

The purpose of the amendment is to exclude any right of provincial authorities to the trust moneys that are now going to be under the authority of the band or of the parents or guardians, up to the limit of $3,000 or more if that is agreed to by Order in Council.

The Indian Association of Alberta takes the position that the authority of the province into matters of First Nations is an unwarranted authority. I believe that when they make that assertion they are on very sound constitutional ground.

I believe the Government of Canada would probably lean in the direction of that kind of interpretation. I do not need to quote to the House Section 91(24), the first part of our Constitution under the British North America Act. Certainly that federal authority was reasserted again in Section 35 of the most recent changes to the Canadian Constitution.

There is clearly a federal authority and clearly a relationship between the Government of Canada and the First Nations. In other words, the relationship that was described in treaties is a relationship between the First Nations and the Crown. The interpretation is that the Crown is resident in the Government of Canada and has not been distributed widely across the country, so there are Crown rights giving authority to provinces or territorial Governments over Indian people.

That is exactly the rationale for establishing what we call Indian child welfare agencies. This has been done in the Province of Manitoba. Quite properly, the Indian leaders in Manitoba recognized at the outset that in establishing child welfare agencies it was very advisable to receive as much expertise as they could from the provincial authorities because child welfare as such is not an area that belongs to the federal Government. Therefore, we do not have the depository of expertise.

In the Province of Manitoba, a tripartite agreement was the first step toward establishing a child welfare agency. That was done more than five years ago by an agreement that was negotiated between Canada, Manitoba, and the Indian leaders in that province.

During the five to six year period that has intervened up to the present, a body of expertise has developed in Manitoba for child welfare agencies. They are now seeking a new bilateral agreement, with the transfer of funds, so that they can entirely take over this responsibility.

There has been a problem. This new agreement has not been reached. The Government of Canada is delaying. There are a number of difficulties. I will leave it to the Minister who was present in the House today to explain exactly why that is happening. However, I do not want to make that the point of my argument.

The point of my argument is that we are moving in the direction of establishing child welfare agencies for Indian people. The reason for that is that Indian leaders find it abhorrent that provincial agencies, using provincial Child Care Acts, should move in under the provisions of those Acts, take children out of Indian homes, and place them in non-Indian foster homes. In some cases they were adopted by non-Indian people. These youngsters, therefore, lost their culture, tradition, background, and heritage. In fact, there were a great many cases where these children were not only adopted into non-Indian homes but were adopted right out of the country altogether. They were adopted into American homes and only discovered many years later, in some cases, that in fact they came from Canada and that their heritage and ancestry was Indian. This caused enormous distress, psychological, spiritual, and personal. That is why we are moving away from that kind of situation. The Government is sympathetic and accepts that premise, but we are just moving much too slowly.

• (1230)

That is the background for the amendment. The amendments I am proposing to the House will simply say that in transferring to bands the authority over minor trust funds, the band wants to be in the position of saying with authority who can have access to those funds. Of course, the statute with which we are dealing says that authority can be with the parent or with the guardian. The statute is of particular interest in the Province of Alberta where there are large amounts of money in the trust funds because of the oil and gas revenue. Mr. Mandamin, legal counsel for the Indian Association of Alberta, argues that where a child is taken into custody by provincial authorities, that custodian should not have the authority to cease the trust funds. The amendment I am proposing will simple make it clear in law that it cannot be done.

I want to repeat again that we have to understand in approving this amendment that the provincial authority, *vis-à-vis* Indian people, is at best ambiguous and uncertain. It is an area in which we still have a great deal of work to do. It is part of what those First Ministers' conferences were about, to try to define and clarify aboriginal rights, to describe with some degree of accuracy what is the status of Indian people within Canada. This still remains an uncertain area, an area in which academics and learned legal counsel become involved, but we cannot leave it to those people. It is in the political arena, the realm of politics, that we can solve this problem. We can solve it at the negotiating table.

We cannot bite off all that today when dealing with Bill C-123. I ask the forgiveness of the Minister in reaching rather far with a matter that will have to be faced some day. Meanwhile, here is a small gesture, a small movement in the right direction.

I understand the Government's opposition to the amendment because it has already looked at it. I have a memo from the special assistant to the Minister in charge of legislation. The argument is one that I simply cannot accept. The argument, very briefly stated, is that it is imperative that Indian children be treated in a manner consistent with the law affecting all other children in Canada. That is precisely the point. The Indian leaders are saying that their status is a special status, confirmed now in the Constitution. They have a relationship to Canada. Therefore, this equality of treatment which would involve a provincial jurisdiction on First Nations is not acceptable.

Therefore, I ask the Minister to take a look at the amendment. Unless he finds it exceedingly offensive in some other way I have failed to take due note of, I ask, speaking on behalf of the Indian Association of Alberta and its legal counsel, him to give serious consideration to incorporating this modest amendment into Bill C-123. It would still not make the Bill entirely and completely satisfactory to the Assembly of First Nations or to the Indian Association of Alberta because there are a few other flaws, that I will mention at third reading. However, by and large we accept the Bill. It moves in the right direction. We are not in any way raising obstacles to the Bill. Here is one gesture, one movement, which will go a long way in recognizing what ought to be done in Canada; that is to say, First Nations have a particular kind of relationship with Canada and that has been gone into at great length in other forums. Certainly, it is demonstrated in no other way better than by the fact that these people have treaties with the Crown in the name of the Government of Canada. That is not a claim that can be made by any other group of Canadians of which I am aware.

Mr. Jim Fulton (Skeena): Mr. Speaker, I would like to speak briefly to the motion presently before the House. I think the Minister has to give it very serious consideration. Frankly, I can think of no reason why in good faith the Minister would not agree to have this amendment brought forward.

To give a bit of coverage as to what has happened to date, I think it is necessary to expand on the remarks of my friend, the Hon. Member for Cochrane—Superior (Mr. Penner). As the Minister will know, on July 28, the legislative committee hurried that morning to go through Bill C-123 while we were waiting for Mr. Mandamin's amendments to arrive. They were coming from Alberta to the AFN offices, and then they were going to be brought by some kind of messenger service to the committee. Through a series of unfortunate delays, they did not actually get to the committee. If the Minister or any member of this House would like to review the public record of the legislative committee, they will find that while we were examining Bill C-123, members who were there from all three Parties gave a commitment to look at Mr. Mandamin's amendments as soon as we could obtain them. We were going to get together and do that. I know the Hon. Member for Cochrane—Superior and I and our offices have attempted to get government Members who were on the legislative committee at that time together right up until today, and that has not been possible.

We promised on the record in the absence of Mr. Mandamin, who appeared as witness with the Vice-Chief of the Assembly of First Nations on this very important Bill, that we would look at those proposed amendments. The Speaker has already ruled out the first amendment since it touches on another piece of legislation, but I think there is a responsibility of the Minister to accept this proposed amendment. If he looks carefully at the words to be added, he will see that is a very small part of self-government. It is a very small part of determining the future of many children.

My friend touched upon the severe problem that has plagued aboriginal people in Canada for more than a century, and there have been the more recent developments of provincial apprehension laws. We know that not just hundreds and thousands but tens of thousands of the children of first citizen have been apprehended. I know from personal knowledge, having been a probation officer, that in many cases they have been apprehended on the flimsiest of grounds and not just put

into another home or adopted but, as my friend pointed out, many have been taken into the United States and elsewhere.

We encourage the Minister to look very carefully at the wording of the amendment wherein it states:

> "and who the council determined to be the parent or person to whom the payment is to be made"—

That refers directly in most situations to the superintendent of child welfare in most of the provinces or territories. The amendment goes on to state:

> "—to be held in trust and paid for the maintenance, advancement or other benefit of the child to a parent or person who is responsible for the care and custody of the child and who the council determines to be the parent or person to whom the payment is to be made."

What that does is very clear, and I think the Minister should understand it. It is an attempt to provide back to the council some greater potential for protection and for the benefit and future of the child. I think the Government would be remiss in terms of the promise of the legislative committee to deal with this in report stage. We are doing now what the committee proposed could and should be done. I think it is very important that this proposal be in the legislation because just as Mr. Goodwin, who appeared before the committee pointed out, there is extensive study being done within the Department on how to provide for mechanisms to return a large amount of funds.

• (1240)

I remind the Minister that in terms of minors' trusts there is over $135 million, and in terms of estates and minors' trusts combined there is over $900 million presently under the control of the Minister of Indian Affairs and the Minister of Finance. Surely, if we are moving toward what I think Mr. Goodwin in good faith said the Government was doing, which is returning complete jurisdiction and control of those type of trust accounts to first nations, then it is extremely important.

Let us be frank with respect to how long it has taken this Bill to get here. It required investigations two years in a row by the Auditor General. It required all kinds of other investigation. In fact, we know from officials of the Department that there has been widespread lawbreaking going on in the Department in relation to minors' trusts and to estates for many years.

I think this small step at least in terms of children in relation to the bands and the parents having more direct guardianship control and trust control of those funds is what Mr. Mandamin is suggesting. He has canvassed the working group. I confirmed that with him again yesterday. This is a very important amendment for more than just the moment 20,000 children who are directly affected at the present moment.

I urge the Minister to be flexible and to agree, as I do for my Party and I know the Hon. Member for Cochrane—Superior does for his Party, to have this rather small but important protective amendment included in Bill C-123.

Hon. Bernard Valcourt (Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I listened with attention to the comments made by the Hon. Member for Cochrane—Superior (Mr. Penner) and the Hon. Member for Skeena (Mr. Fulton). I want them to know that we have looked carefully at the proposed amendment.

As I was listening to the Hon. Member for Cochrane—Superior talk about child welfare and explain in a few words how difficult it was, how big an issue it was and how much more work was required to be done, he said, and I quote: "We can't buy that off in this Bill"; that is to say, resolving the whole question of aboriginal rights and constitutional protection of those rights and recognition as to what they are.

The Hon. Member for Skeena says that this amendment would be a gesture of good will, a first element of self-government. I have a great deal of sympathy for that argument because I believe that aboriginal Canadians should have the right of self-government. However, if we accept this amendment today, without these other issues being resolved, it will mean that we allow a band council at its discretion to refuse to make the payment of moneys belonging to a minor. That is what we would do. Until these other important questions are settled, I do not think it would be prudent to give that power to the band council to achieve this other objective with which I have sympathy. Then we would allow a band council the power to refuse the payment of money to a minor or to the person who is in fact responsible for that minor. That is what could happen.

For that reason and that reason alone—and it is a good enough reason because I believe that an independent child is entitled to expect that money to be paid to the person who is responsible for his care and custody—I do not think that this Indian child should be prevented from getting payment because the band council would prefer it or does not like the fact that the person actually having care and custody is not a person of their liking.

For that very good reason we cannot accept the amendment. We have given it serious consideration.

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

Mr. Fulton: On division.

Motion (Mr. Penner) negatived.

Mr. Valcourt (for the Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification) moved that Bill C-123, an Act to amend the

Indian Act (minors' funds and surviving spouse's preferential share), as reported (with amendments) from a legislative committee, be concurred in.

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

Mr. Valcourt (for the Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification) moved that the Bill be read the third time and passed.

Mr. Keith Penner (Cochrane—Superior): Mr. Speaker, I will be very brief because we want this legislation to go forward. There are a couple of things that I do want to point out to the House and a few things I want to mention to the Minister because there are still some actions that he can take that would help immensely in what has transpired with respect to Bill C-123.

The first point I want to make is that when Bill C-123 was being contemplated, and here the Government was looking for legislative authority to pass over minors' trust funds to parents or guardians, or to bands, without putting themselves in the position of liability—in other words they do not want at some later time to be brought before the courts—it had been in fact giving these moneys to parents and guardians but there was always the threat, the concern, the danger that there could be some liability against the Minister or the Government. I understand why they wanted to proceed in a proper way. I can only commend them for that.

I can also commend them in the fact that in developing Bill C-123 they established a working group. That is always the right way to go. The Indian Association of Alberta, a number of bands, and the Department of Indian Affairs were involved in this working group. From the Indian point of view there was some really outstanding legal counsel that the Indian Association of Alberta engaged to assist. That was in the person of Mr. Mandamin.

One of the difficulties was that the Department of Indian Affairs encouraged this working group activity. The Indian Association of Alberta co-operated. It got legal counsel and, obviously, the Minister will see in a moment that this was not without costs.

The Indian Association of Alberta which is not flush with revenue and which is not well off incurred extensive costs. It was working to help the Government because Bill C-123 really, if one wants to be very frank about it, does more for the Minister than it does for any minors, guardians, parents, or band councils. It really does more to help the Minister.

In the presentation of the Indian Association of Alberta before the legislative committee, it reminded the committee that no compensation at all had been received as a result of being involved in this working group. I think the Minister will want to examine that and find out if there is still not some way to help out in allaying those legal costs that were involved.

The other points that I want to make are brief and only three in number. The first is that the Government still resists in allowing Indian bands to establish independent trust funds. In saying why the Government could not accept the amendment that I proposed, the Minister used the word that I think describes exactly why this further bolder step of allowing independent trust funds in the name of first nation Governments cannot be taken. The Minister states that it would not at this time be prudent. Large revenues are involved that come from resources on Indian lands, but we are not yet at the stage where we can say with confidence: "Yes, we can trust these first nation Governments to be responsible for their own revenues"'. In the Minister's words, it would not be prudent.

• (1250)

I would like to debate that point at some length with the Minister, and perhaps we could find another occasion and another forum in which to do it. However, I am troubled by the charge that it would not be prudent. It leaves the impression in the minds of people who hear it that while we can extend authority to non-Indian business people to establish large independent trusts and it is prudent to do so, when First Nations people are involved there is some imprudence in doing so. In other words, in one case the confidence factor is there and we can have all sorts of trust companies in Canada either under provincial authority, or in some cases under federal authority or charter, but it would not be prudent to allow First Nations to have similar trusts.

I do not think anyone in the House needs to be reminded that some of those non-Indian trusts have hardly shown that they were in a position to look after other people's moneys properly. The evidence given in the hearings regarding the Principal Group is shocking in the extreme. If ever there was an example of imprudent behaviour, to put it mildly, in dealing with other peoples' moneys then there is a good case.

I hope that somehow the Minister will be able to leap this hurdle of saying that it is not prudent at this time and begin to exercise what is a trust responsibility, which means that we establish a climate or atmosphere of trust in which responsibilities that properly belong to First Nations can be removed from the Department of Indian Affairs and Northern Development, in the name of the Minister, and go to the authority where they belong.

My second point is simply to repeat how much I regret the provincial authority could not be excluded from a call upon these trust moneys, but that argument has been exhausted for the moment and the House has made its decision, and so it will be.

My final point is that the Indian Association of Alberta, and many bands in Alberta still regret that there has to be a limit prescribed in the legislation. There is a $3,000 limit which they

find to be very restrictive. The Minister will be quick to point out that that amount can be increased by Order in Council, but he will also recognize at the same time that that is an awkward and cumbersome way, and it still means that all of the strings are attached. In Government-Indian relations we must start cutting those strings. I do not believe at all, as the Minister seems to think, that it would be imprudent to do so. If we believe in self-determination for our First Nations, if we believe in self-government, as we repeatedly say in all our rhetoric, then when are we going to begin to demonstrate it by cutting some of those strings and saying that, yes, within the context of our federal system our First Nations do have status, they do have authority, and that authority is unencumbered by obstacles, monitoring devices, and means and methods to keep a watchful eye, all because we say if it were otherwise it would not be prudent.

Mr. Jim Fulton (Skeena): Mr. Speaker, I have a few remarks to make in relation to Bill C-123, a Bill of considerable importance to minors, families, and surviving spouses of First Nations.

In the Consolidated Revenue Fund there is presently between $900 million and $1 billion held by the Minister under discretionary authority for (a) minors under Section 52 of the Indian Act, and (b) estates for surviving spouses' preferential share in the estate under Subsection 48(1) and 48(2) of the Act.

Paragraph 64(1)(a) provides that the Minister with the consent of the band may authorize a per capita distribution to the members of a band of an amount not exceeding 50 per cent of the band's capital moneys derived from the sale of surrendered lands which, according to interpretations by the Government of Canada, includes oil and gas revenues.

In 1986-87, 13 bands all in Alberta made distributions. Sadly, the Government and the present Minister of Indian Affairs and Northern Development (Mr. McKnight) refused to accept the proposals put forward by the working group on Indian minors' funds as presented by Tony Mandamin and moved earlier today by my friend, the Hon. Member for Cochrane—Superior (Mr. Penner). In my view, those amendments are entirely proper and evidently related to self-government. My friend tabled these for consideration and we heard from the Minister why we have to wait for some more global breakthrough in self-government before any of the smaller things can be done. It seems to me at every opportunity every Member of the House should be supporting those incremental moves toward self-government, rather than waiting for panaceatic move which may or may not come in the next few months or years.

We have certainly seen the failure of the First Ministers' approach to attempt to get some type of better definition of self-government and some movement on the evolution and implementation of the full box of Section 35 of the Constitution. Frankly, I find the response of the Minister on the amendment, and the response in relation to self-government, albeit he believes in it, somewhat shallow and hollow when an amendment such as that put before the House could not be accepted.

The amendment we were considering that the legislative committee had promised to look at seriously and deal with at report stage would, first, permit a band to name a person or corporation to act as a trustee for the funds of Indian minors. Second, it would allow a band to set by regulation distribution for an infant child for maintenance and benefit of the child. That wording is very clear in the motion we have just disposed of on division. Third, it would give band councils the right to determine who is the parent or guardian to whom a payment is to be made something we covered in debate on the amendment, or for the council to hold such distribution in trust. That is a very important point when one thinks of the degree of funds, close to $1 billion between the minors and the surviving spouses estate trusts.

On these principles First Nations are told that they must wait. I am advised that the Department, in fact the federal Government, is and for sometime has been involved in widespread lawbreaking in this area. The amendments found in Bill C-123 patch up a few legal holes and complications but fall far short of allowing First Nations the responsibility and authority of self-government.

This legislation should allow First Nations the right to establish trusts independent of government, to manage Indian minors' trust funds, but we are told again today by the Government that they must wait. These hundreds of millions could provide the base capital for leverage on myriad developments for First Nations.

First Nations should not in any way have to deal with provincial legislation in this field. That was made abundantly clear by the witnesses in the evidence they put before us. First Nations should be provided the authority to determine to whom the distributions are to be made. In no other sector, in the provinces or where trusts are set up for families, or in any other way, is there this type of intervention.

Fortunately, on both the $3,000 per annum ceiling on minors' trusts, and on the amendment to raise from $2,000 to $75,000, the surviving spouse's preferential share is also given some room to be increased without having to return to Parliament. This is a principle for which I wish there had been another way to do it, but at least that window was opened by amendments moved in the legislative committee so that this Bill would not have to be amended a year or two down the road and actually brought back to the floor of the House to do so.

There are presently approximately 1,000 estates awaiting settlement. For example, there is one in Ontario where a widow has been waiting some 20 years for the Department to settle. I think that various Ministers and bureaucrats should make the commitment with the passage of Bill C-123 to clear up those types of situations, not within a matter of months, but within a matter of weeks. I hope to hear from the Minister

with a commitment that that kind of authorization will be sent to the Department to get cracking, particularly on surviving spouses' preferential share.

• (1300)

Once again, it is sad to see that what actually brought about the movement on Bill C-123 was the pressure of the 1984 Supreme Court ruling on fiduciary responsibility, and the 1985 and 1986 reports of the Auditor General which have forced the Government to move—rather than any kind of serious goodwill—jurisdiction and authority to First Nations. Perhaps the Minister could direct some of his remarks to the matter of trusts. What is the breakdown on those trusts? We have rather scanty information. We know that it is somewhere between $900 million and $1 billion. We know that around $135 million of that is in minors' trusts, but if the Minister has the information, perhaps he could touch on how the rate of interest is paid on the trust funds, what the size of those trust funds are and what kinds of special efforts will be made to settle the surviving spouses' estates. Can he give the House some idea as to how quickly the proposal touched on by Mr. Goodwin in committee to actually establish those trusts under the control, administration and jurisdiction of First Nations will actually get under way? We might hear some kind of an announcement on that.

Hon. Bernard Valcourt (Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I was going to suggest to the Hon. Member that I would be pleased to attend before the committee to answer all those questions, if we can find the chairman.

Some Hon. Members: Hear, hear!

Mr. Valcourt: I think that would be the proper forum. I will be brief because we want this to be passed rapidly. I do not mind people disagreeing with my opinions. I believe in the right of every individual Member of Parliament and, indeed, of every Canadian to have the right to his own opinion. I do not like, however, having people put words in my mouth or imputing motives or other things to me. When I said that it would not be prudent, it was portrayed as if I consider aboriginal Canadians or Indians as people who cannot take care of their own business.

It is significant because I believe that the Department of Indian Affairs, or even matters affecting aboriginal Canadians should not be in the realm of politics, and we should try, as Members of Parliament, to address them without partisanship. It is significant in that regard that this Government is being accused of all sorts of things.

I listened to the Hon. Member for Skeena (Mr. Fulton) refer to the decision of the Supreme Court of Canada of 1984 that led to this. Obviously, the problem had surfaced before. I do not think that this Government was in office. So I do not think that assigning partisanship or motives to these important issues solves anything. When I said it was not prudent, it was because of the unsettled state of law and provincial and aboriginal opinions in the Department and in this Government on the issue of child welfare. I said it is not prudent—given the unsettled state of that—to allow a band council to refuse a minor or the guardian of that minor, because of the present state and the unsettled questions that are there. It would not be prudent for the kids. If I could be assured that by exercising that power I would have no responsibility left as a Minister of the Crown for those Indian children, I would not hesitate. But the law is not such. I guess in the end that both Members will acknowledge that this is not a major step but it is an important step and one which is welcomed by those Indians who are concerned by this.

The Government has moved. I want to thank both Members for their work in the committee. They have made a significant contribution. This being said, I invite my colleagues to give approval to this Bill at third reading.

Mr. Penner: We certainly will give approval. I just noted in the Minister's remarks that he did not comment on the question of compensation to those who were involved in the working group. The costs were large and it was the Minister's Department, of which he is the Minister of State, which encouraged this activity. Did he purposely neglect to comment on that or was it just an oversight?

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): The Minister may wish to respond.

Mr. Valcourt: Of course, Mr. Speaker, I always stay as far away as possible from making commitments that I cannot keep. I will look into the suggestions of the Hon. Member. I will want to know how the group was brought about and what kind of arrangements have been discussed, if this has been discussed at all, and I will get back to the Member on his question.

Motion agreed to and Bill read the third time and passed.

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CANADIAN CENTRE ON SUBSTANCE ABUSE ACT

MEASURE TO ENACT

Hon. Jake Epp (Minister of National Health and Welfare) moved that Bill C-143, an Act to establish the Canadian Centre on Substance Abuse be read the second time and referred to a legislative committee.

Mr. Hawkes: Mr. Speaker, there have been prior consultations among the Parties. Our Projected Order of Business today included five Bills. The next one is Bill C-143. In the remaining three cases, the motion read: "Second reading and reference to a legislative committee". I think that we would find a general predisposition in the House, through unanimous consent, to change the wording of the motion to, "reference to

Committee of the Whole". At the appropriate times I think we would also find willingness in the House, through unanimous consent, to continue to move through all stages. I point out to Members that we have about 52 minutes left. There was a general feeling that these are three important pieces of legislation that help in terms of substance abuse, human rights and taxpayers in the country. Members might discipline themselves to make sure that we try to get as much of this accomplished as possible.

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): The House has heard the suggestion by the Parliamentary Secretary. Is that agreed?

An Hon. Member: Agreed.

Ms. Copps: Mr. Speaker, certainly, there has been agreement to move as quickly as possible on all Bills, but there has been no agreement to have them all go through three stages today. In fact, I have a number of people who want to speak to the issue of drug abuse.

Mr. Hawkes: The Government simply suggests that we move as rapidly as possible. I did not say that there was an agreement to move through all of them. If several Members want to speak to the issue of drug abuse, perhaps they could speak as briefly as possible, for five minutes, and three-minute speeches sometimes are adequate and serve to get the principle out, and then we could get on to the human rights and to the help for the taxpayers.

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): Following that explanation, can I assume that there is consent to move to Committee of the Whole by the House today?

An Hon. Member: On this particular Bill?

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): On this particular Bill. Yes.

Ms. Copps: We have to see how many people want to speak to it. I will not be governed by the time. We will have speakers who will speak as long as they so choose.

Mr. Hawkes: Just on the point of order, I would like to have clarity. I thought that there was agreement among the three Parties to change the motion. Let us just deal with Bill C-143, the Bill before us at this point. There is unanimous agreement to change the motion to read second reading and reference to Committee of the Whole. That was going to be done on the understanding that it would get through all stages today. If Members opposite are not prepared to agree to a change in the motion, if we do not have unanimous consent to finish at least this Bill today, perhaps we would be well advised to move to the next Bill on which there might indeed be unanimous consent to do that.

• (1310)

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): I believe the Parliamentary Secretary is inquiring whether, if we complete second reading of the Bill today, there will be unanimous consent to go to Committee of the Whole and third reading today.

Ms. Copps: Mr. Speaker, the undertaking was to move as quickly as possible. There was no agreement to move to Committee of the Whole and complete this Bill today. I therefore leave it to the discretion of the Government. If it intends to withdraw this Bill and introduce another one, so be it, but we have a number of Members who want to speak to the government strategy on drug and alcohol abuse.

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): I might suggest to the government side that negotiations could take place in the next few minutes, but I think we should proceed. Is that agreed?

Mr. Hawkes: I think we should then proceed with the motion as contained in the Order Paper and at some later time, by unanimous consent, we may want to move to Committee of the Whole. We will have to see what is being produced.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I want to thank the House for this opportunity to speak on second reading of Bill C-143. With respect to proceeding through various stages of the Bill today, I was under the impression that we would be able to conclude the Bill today, and I have constructed my remarks in reference to that understanding which I believe had been reached.

I will not go through the various aspects of the national drug strategy, even in light of the discussion which just took place, in the hope that we can move forward with the legislation in the time remaining today prior to the adjournment of Government Business. I would like Members opposite to note that I will restrict my comments on the Bill to that very specific issue rather than giving an over-all view on the national drug strategy as I would do if a greater amount of time had been provided for.

Bill C-143, an Act to establish the Canadian Centre on Substance Abuse, was introduced on July 21, 1988, and will establish the Canadian Centre on Substance Abuse. The purpose of the centre will be to promote increased awareness and participation of Canadians in matters concerning substance abuse and to support the better use and effectiveness of the programs of excellence that exist both within and outside of government in this country.

Introduction of the Bill followed a commitment which I made in May, 1987, when I launched, on behalf of the Government and under the direction of the Prime Minister (Mr. Mulroney), the national drug strategy. "Action on Drug Abuse", as it is called, was designed as a $210 million initiative through 1991-92 to reduce the harm to individuals,

families, and communities from abuse of alcohol and drugs through a balanced approach to the problem.

I need not remind Members of the House of how correct the Prime Minister was when he made the statement in Vancouver that we had a drug epidemic. There were many who said at the time that the Prime Minister had exaggerated. Surely events since that have affirmed the veracity of his words. One has only to think of the recent and tragic death of young people and, in particular, Benji Hayward to know how serious the problem of drug abuse in our society really is. Benji was a 14-year-old North York boy who drowned in Lake Ontario in the early hours of May 14, reportedly after taking marijuana, LSD, and alcohol.

This Bill and the creation of the centre will provide a national focus for these efforts and reinforce emerging partnerships at the community, provincial, and national levels of the country. The concept of the centre precedes the national drug strategy although, clearly, it has been in the process of consultations over the past year that the idea has actually taken shape.

Let me elaborate very briefly on three of the processes as each has shaped the concept of the centre and this Bill which is now before us.

First, in the course of developing the national drug strategy it became clear that there exists a wealth of experience and expertise in the alcohol and drug abuse field, both within and outside of government, that could be used for the betterment of all Canadians. I called, therefore, on one of Canada's most respected addiction professionals, Mr. David Archibald, the founder of the Addiction Research Foundation and past president of the International Council on Alcohol and Addictions to examine this matter and to recommend how these disparate resources might better serve the country as a whole.

Second, in a related development my Department launched a national consultation on substance abuse in the workplace last February to gain some insight into appropriate policy and program direction in this area for the future. These consultations, which involved a representative and impressive cross-section of Canadians, confirmed the desirability of an independent, federally funded and regionally responsive national centre on substance abuse.

Third, I am indebted as well to the valuable contribution of the Standing Committee on National Health and Welfare in this area. That committee, in late 1986, undertook a study of alcohol and drug abuse in Canada and reported its findings in a report entitled "Booze, Pills and Dope: Reducing Substance Abuse in Canada". One of the major recommendations of that committee was for the creation of a national centre on substance abuse to promote and facilitate the development and exchange of information on alcohol and drug abuse and to engage in public education and prevention activities.

I know, Mr. Speaker, that you are not only a member of that committee but one of the chief architects of that report. I am pleased that you are in the chair today to observe that from time to time committee reports do find fruition in legislation.

The legislation provides for the establishment of a separate corporation to operate at arm's length from the Government and to provide analysis and informed comment on alcohol and drug abuse matters, promote the development and exchange of information, encourage improved standards of service and professional training and education, undertake research, and co-operate with Governments and others in developing improved programs in such areas as alcohol and drug abuse prevention, public education and treatment, and rehabilitation.

The legislation provides that the management of the affairs of the centre be vested in a board of directors consisting of up to 15 members. These persons will be chosen from Government, the business community, labour, and the voluntary sector—effectively all walks of Canadian life. Their leadership qualities and sensitivity to regional, ethnic, cultural, social, and health issues associated with substance abuse will be critical to the success of the centre. The legislation provides that the work of the centre will be directed by a chief executive officer who will be appointed by the board. He or she will be assisted by a small staff of professionals, some of whom might be seconded from the provinces, the business community, and/or labour for a specified duration or assignment.

I am reminded of a businessman who approached me not many months ago and told me of the tragic occurrences in his family. Instead of hiding the information or trying to live with the reality behind closed doors, he told me that if we ever have a centre, drug strategy program or project we should count him in as a volunteer because of his experience, that he would like to help. He said that although he may not have a lot of professional experience or training, he had a lot of personal involvement. It is also that type of person that we are looking for to sit on the board of the centre.

Finally, the legislation provides for a degree of accountability by the centre to Parliament and the people of Canada. While the centre is neither an agent of Her Majesty nor is its staff members agents of the Public Service of Canada, the corporation will be financed at the outset exclusively by public funds. Accordingly, the corporation is to report annually to the public and the Minister of National Health and Welfare in turn shall table such report in Parliament. A more comprehensive evaluation of the centre will be taken in its fifth year.

• (1320)

On the matter of funding, I would add that the Bill is structured to facilitate and accommodate the centre's receipt of financial support from sources other than the federal Government. The Government has committed up to $2 million each year for this centre, to be paid out of moneys appropriated annually by Parliament. The committee also looked at the amount of funding. At that time, we had in mind a figure of approximately $1.4 million per year. The committee thought that a little more should be considered, though the report

indicated that the amount should be excessive. We believe that this figure is very much in keeping with that recommendation as well.

In summary, I believe that Bill C-143, an Act to establish the Canadian Centre on Substance Abuse, represents a very important step in Canada's action on drug abuse. It will contribute to improved awareness and knowledge of substance abuse while building on current expertise. It will point to new directions for action while reinforcing co-operation. I would therefore urge all Hon. Members to support the initiative and to move this legislation ahead as quickly as possible so that the centre can become operational at the earliest opportunity.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I am extremely glad that the Minister of National Health and Welfare (Mr. Epp) raised the issue of the committee's report entitled "Booze, Pills and Dope". He is quite correct in suggesting that one of the recommendations of the report was to seek the establishment of a national centre on substance abuse. What the Minister fails to say and what should be part and parcel of the discussion today is that there were 31 recommendations in that report tabled unanimously by all members of the committee and the Minister rejected 29 of them. Out of 31 substantive recommendations, the only one he has seen fit to move on is the recommendation to create a national centre.

There were many, many other extremely serious concerns elucidated in the report, concerns that the Minister has either ignored, failed to act on or is afraid to act on. I would like to spend some moments outlining the over-all thrust of the Minister's so-called drugs strategy as well as the findings of the committee.

The Minister began this afternoon by reiterating the statement which was made by his leader, the day after a similar statement was made by the President of the United States, that there is a drug epidemic in Canada. In fact, the committee that studied the so-called drug epidemic determined quite substantively that the problem in Canada was quite significantly related to the abuse of legal drugs like alcohol more than to illegal drugs. The Minister of National Health and Welfare himself, in a press release he issued on December 30, 1986, after the statement of the so-called epidemic, said that there was a 12 per cent decrease in the number of convictions under all federally related legislation in 1985.

We heard time and again that the overwhelming majority of Canadians who abuse drugs abuse alcohol and prescription drugs, legal drugs that are available to be purchased at pharmacies or at liquor stores, most of which are government run. While the use of illegal drugs is certainly still of concern to every Canadian, particularly the use among teenagers as we learned in the very tragic case that occurred in the City of Toronto, in actual fact the number of people using illegal drugs in Canada has been on the decline when it comes to marijuana. The number has been holding level for drugs like cocaine and crack. The overwhelming message of the report tabled in the House was that we had to develop a strategy to deal with legal drugs.

I would like to take a moment to quote an article which appeared in *The Vancouver Sun* which is headlined "Lame excuses from Mr. Epp". The article reads:

> So much for the great Canadian Drug Epidemic.
>
> It was of immense concern to Prime Minister Brian Mulroney in September 1986, when he declared in Vancouver that "drug abuse has become an epidemic that undermines our economic and social fabric".
>
> By coincidence, it was on the same day that his good friend, President Ronald Reagan, launched a crusade against drugs in the United States.
>
> A House of Commons committee was given the task of drawing up a plan of attack on alcohol and drug abuse. It held 11 months of hearings and delivered a report to Parliament last November with 31 recommendations, including prevention and treatment programs, tougher drinking-driving laws, warning labels on alcoholic beverages, and mandatory educational messages in liquor advertising.
>
> But it seems the Government no longer considers the problem an urgent one.
>
> Health Minister Jake Epp has delivered a response to the committee's report that accepts only two of the recommendations: establishment of a clearing house on information on drugs and alcohol and a treatment program for young drug abusers. Total cost to Ottawa in the first year of operation: $22 million.
>
> Mr. Epp offered some pretty lame excuses for rejecting the other recommendations.

On the question of warning labels, the Minister said that he had asked the producers of alcoholic beverages to carry them voluntarily and they had said no. As a result of that, the Minister backed down in the same way he backed down on the food labelling issue. If the industry says no, the Minister jumps. Besides, the Minister said that there is no consensus that labels will help, and they might violate international trade rules.

In California, as of October 1 of this year, all alcoholic beverages will have to carry warnings including the message that they can cause birth defects, and in Massachusetts, the State House of Representatives has passed a similar law. Obviously the much-touted Americans who will be entering into the trade agreement think they can carry warning labels without violating any international agreement.

This recommendation would not have cost the taxpayers one penny. A variety of warning labels could have been affixed to alcoholic beverages. One could warn pregnant women that consumption of alcohol during the period of pregnancy can lead to birth defects. Another could warn that excessive consumption of alcohol can lead to cirrhosis of the liver and other extremely damaging illnesses. However, the Minister decided not to follow that recommendation.

As Hon. Members know, the advertisement of spirits is forbidden on Canadian television as a result of CRTC regulations, some legislation and a voluntary ban. At the same time, the television advertising of so-called soft alcohol like beer and wine is permitted. The committee heard suggestions that all advertising for all alcoholic beverages should be banned. The committee considered that recommendation but determined that in the shorter term, it would be more effective

if these companies which spend literally millions of dollars advertising their various brands be required to set aside 15 per cent of their advertising budgets to promotional health advertisements relating to the sale of alcohol. That could include messages like the don't drink and drive message we see from time to time in various magazines.

Again, since spirits are not allowed to be advertised on television, the brewing industry is in a somewhat unique position along with the wine industry in so far as advertising requirements are concerned. We did not want to ban advertising but felt that a 15 per cent set-aside for positive advertising would be sufficient. I am advised by the Brewers Association of Canada that it has voluntarily moved on a set-aside of 10 per cent for positive health-related advertising in the area of alcohol abuse. However, the Minister ignored that recommendation.

There were a number of recommendations relating to specific target groups. The Minister mentioned Benji whose name has become synonymous with the need of families and society to deal with the issue of drug and alcohol abuse, not only by older citizens but also by young people.

• (1330)

One of the problems that was repeatedly cited in this report was the fact that treatment centres are not available for young people who seek help. In most cases, treatment centres are targeted toward older citizens. Even in the cases where there are very positive programs working to get people off illegal drugs or legal drugs, those centres are struggling simply to survive.

When the Minister announced his famous drug strategy, I think many organizations that are specifically delivering treatment programs, like the Stonehenge Rehabilitation Centre in Guelph, Ontario, felt they would be able to benefit from the Government's program. Unfortunately, we discovered very soon after the drug strategy was announced that, according to the Minister's own interpretation: "The federal drug strategy funds cannot be used to pay per diems or any other form of billing for client costs in existing treatment centres". Therefore, a place like Stonehenge, which was in dire straits and appealed to the area Member of Parliament for assistance, was on the verge of a real financial crisis and could not get the help that was required through this so-called $210 million program to combat drugs.

One of the points made by the committee was that we have tried over the generations to inhibit the supply of illicit drugs being made available. In other words, there was an effort to get the pushers, traffickers, and the people coming in by the ports. We heard from the RCMP that this is a never-ending battle because of the line of drugs coming from the Bermuda Triangle and the Middle East.

We must take the approach of encouraging people to take control of their own lives and turn away from the use of drugs. That includes the use of treatment programs and prevention programs. Therefore, another of the extremely important recommendations we made, but was ignored by the Government, dealt with the issue of federal Government and federal Crown corporations offering employee assistance programs. Presently, if someone working for a federally regulated company comes forward to admit they have a drinking problem, or it becomes evident that their performance shows they have a drinking problem, and that person would like to deal with it, it may cause a situation where they may face firing or retribution.

Our committee recommended that the federal Government do everything possible to encourage federal Government employees and employees of federally-regulated agencies to have access to employee assistance programs. We thought that was a reasonable request, yet it was refused by the Minister. Therefore, a federal Government employee who is having serious problems relating to the consumption of alcohol or other drugs and may even be threatened by the loss of his or her job, is not afforded the opportunity of participating in an employee assistance program.

That contrasts very poorly with the record of companies like Dofasco in my community which, in fact, works very closely with employees. When a problem is identified, that employee can voluntarily enter a drug rehabilitation program that is funded by the employer. The employee can take leave from work under the employee assistance program that is available take control of his or her life and deal with the problem, and come back to the job without facing a possible firing or demotion. We thought that recommendation was reasonable, but it was ignored.

We also recommended that the federal Government make available assistance programs in the case of spouses and family members of federal employees who are specifically located in remote areas. I think of some of our military members whose families may be stationed in very remote parts of the country and may be subject to undue pressure of isolation and find themselves in a situation where their consumption of alcohol increases as a result of that isolation, frustration and lack of back-up. We recommended that the federal Government make available to the spouses and family members of employees who are located in remote areas the opportunity to benefit from employee assistance programs offered under the auspices of the federal Government. That recommendation was refused.

There are a number of other recommendations that the Minister of National Health and Welfare chose to ignore. I hesitate to say it, but I think one of the reasons is that his Department's record of expenditures in the area of alcohol and drug abuse generally has been abominable.

I have been studying this issue for a number of months, and the vast majority of federal Government funds that have been funnelled into the so-called national drug strategy have been funnelled toward the so-called area of interdiction, whether it be through the Solicitor General's office or improved staffing requirements of the RCMP. The funds have been funnelled

toward the area of preventing the drugs from getting into the country, but even the RCMP told our committee that any strategy should deal with education in the schools and on cutting down on the demand side. The supply side will always exist. If it does not come from the Far East, it will come from the south and elsewhere.

Let us look at the figures. The most recent figures that were made available to us about specific spending by the Department of National Health and Welfare services and promotion branch reveal some rather staggering negative statistics about the amount of money the federal Government has been spending in the area of alcohol and other drugs, specifically in the health and welfare branch.

The figures speak louder than words. In 1984-85, the last year for which the Liberal Government was responsible for the funding of alcohol and drug treatment programs under the Ministry of Health and Welfare, the total amount spent was $2.322 billion. That included approximately $1.114 billion in the Department of National Health and Welfare in the area of alcohol abuse, and $816 million to deal with programs relating to the abuse of other drugs. There was a subsequent total package of $390 million, for a total of $2.322 billion. These are figures from the Assistant Deputy Minister of the Department of National Health and Welfare.

Let me cite the figures for 1986-87 for the same Ministry. In 1986, the Prime Minister (Mr. Mulroney) said we had a drug crisis and the Minister said it was an epidemic. The actual spending in the Department of National Health and Welfare, excluding the other Departments that deal with the interdiction and cutting down on the supply side, was $1.529 billion. That was a decrease in spending of $800 million over that three-year period in the Department of National Health and Welfare on the question of drug and alcohol abuse.

I certainly agree with the Minister and applaud him for moving forward with one recommendation, a Canadian centre on substance abuse. It is a centre which was endorsed by all three Parties. I am sure all Parties will support the legislation. However, I must ask the Minister to put the facts on the table as they relate to the whole area of substance abuse. Given that this is the only Bill we have seen in the House as a result of the work done by the Standing Committee on National Health and Welfare, I could not permit this opportunity to go by without putting the Government and the Minister on notice that we do not see a Bill representing one recommendation out of the 31 brought before us as a positive response to the crisis in the abuse of legal drugs in this country. We certainly feel there are a number of other areas where the Minister could move expeditiously. He would certainly receive our full support and I believe he would receive the full support of members on the government side of the House, to move on labelling, to move on employee assistance programs.

• (1340)

Mr. Hawkes: If we could trust your word.

Ms. Copps: I am sure the Member for Calgary West (Mr. Hawkes) does not support employee assistance programs for federal government employees, but it was an all-Party unanimous recommendation of the Standing Committee. We are going into the private sector and telling federally regulated companies to give their employees a chance to come forward and acknowledge a drinking or drug problem and to deal with it in the context of treatment rather than dealing with it in the context of being thrown out of their job and being another unproductive Canadian. We think the federal Government could show the lead in the area of employee assistance programs. We feel that the federal Government should also show the lead in employee assistance programs when it relates to the Armed Forces and to the RCMP. Those are areas where family members, in many instances, are required to live in far-flung places.

There was another very great shortcoming in the Minister's recommendation, or lack of recommendation, as it relates to the native population. I think the Member, who sat with us on the unanimous committee which looked at the issue, was well aware of the fact that we have a very difficult situation in relation to illegal substance abuse in the native community. There has been a government program brought forward to deal with it under NAADAP. That is fine for those natives who happen to live in an area where they qualify for a NAADAP program, specifically those Indians or aboriginal people who are living on reserves.

In my riding of Hamilton East I happen to have a very large population of native people who would like to benefit from time to time from the programs being offered. We heard representations from Thunder Bay and many areas in Saskatchewan and Manitoba where the native person who seeks some help from the federal Government by way of a treatment program is told: "Well, you do not live on a reserve. That is a provincial problem".

They go to the provincial Government and ask for help for a problem—perhaps the community would like to launch a program in an urban area—and the provincial Government says: "I am sorry, that is a federal problem. You are covered under NAADAP". So we have a situation where these individuals and community groups are seeking solutions to problems which have resulted in the destruction of some of the social fabric of their communities and they are essentially caught between a rock and a hard place, if I can use a colloquial expression. The provinces say it is the federal Government's responsibility and the federal Government says it is up to the provinces. Meanwhile, people are hurting. People are reaching the point of suicide because they cannot get the answers they need when it comes to specific treatment programs.

Unfortunately, the Minister did not deal with that when he launched his national drug strategy. In fact, when the national drug strategy was originally announced, it did not even mention the word "alcohol" until some of us on the committee rose up and said that while we can talk about cocaine and

crack, which makes a lot of headlines, the reality is that the most serious and pressing problem that touches every family and every community is one of alcohol abuse and we have to address some very specific recommendations.

[*Translation*]

Mr. Speaker, I will try to be brief. Our committee made 31 recommendations, good recommendations that would not cost Canadian taxpayers a cent, including a decision to put warning labels on bottles, indicating, as is already being done in California and Masscachusetts, that continued use of alcohol by pregnant women may cause deformations in the fetus. The research is not very specific, but in any case, we know that if a mother drinks too much alcohol, there is a certain syndrome called the alcohol syndrome which affects the fetus.

All we wanted was a warning label, indicating the kind of problems that might occur. The Minister said no. It wouldn't cost a cent, but he refused just the same.

We made another recommendation. It is a fact, and the Speaker knows better than anyone else, that today, although alcohol manufacturers may not advertise on television, beer and wine producers do have that right. We asked, and there were even witnesses who asked, to prohibit all advertising. The committee said no. We don't think all advertising should be prohibited right now, but we want to ask companies to set aside 15 per cent of their advertising budget for advertisements on health and alcohol problems. I think this is already being done by the National Canadian Brewers Association, up to 10 per cent. So we asked the Government to ask companies to set aside 15 per cent of their advertising budget. The Minister refused.

We support this Bill which would establish a centre on substance abuse, but we challenge the Minister's right to say, as he just did, that he followed very closely the recommendations made by our committee, because in the final instance, he rejected 29 out of 31 recommendations. He accepted only 2, one of which we are considering today in the House.

Mr. Speaker, I think the Minister of National Health and Welfare (Mr. Epp) should realize that, as our committee concluded, federal funding should focus first and foremost on the issue of treatment. Even representatives of the RCMP who appeared before our committee told us: If we try to spend all our money and effort on prohibition, in other words, on preventing drugs from entering the country, if we cut off one route, they will find another one. It's up to the federal Government, through education . . . Even the RCMP said that, for instance, they were starting to visit elementary schools to explain, to educate people so they don't get involved in drugs, whether legal or illegal. And that is where the federal Government should put the emphasis when it launches a so-called drug strategy.

The Minister announced a program worth hundreds of millions of dollars to deal with drugs, but if we look at his Department's figures, there has been a drop of almost 30 per cent in spending in the area of treatment for alcohol and drug abuse since he took over the Department.

I said earlier, and I find it somewhat surprising, that since the Conservative Government came to power, that part of the Department's budget that deals with alcohol and drug issues dropped from $2,322,000 in 1984-85 (the last period for which the Liberals were responsible) to $1,529,000 in 1986-87. So when the Minister refers to a so-called drug epidemic, we first have to realize that he is not referring to an epidemic of illegal drugs, because the Minister himself said the use of illegal drugs was decreasing in Canada. In any case, the Department must focus its spending on treatment, on programs and on the problems of Native people and youth. Unfortunately, the Minister turned down 29 of the committee's 31 recommendations. So it is easy for him to say: Fine, we are going to establish the Canadian Centre on Substance Abuse. That will make a nice headline just before the election. As for a realistic approach to dealing with the problem of legal and illegal drugs, he didn't even mention the issue of prescription drugs, because this is another area, Mr. Speaker, where there is incredible abuse. We suggested, for instance . . .

• (1350)

[*English*]

Another recommendation which was rejected by the Government was that the Canadian Government could take a page from the book of the Alberta Government, which has introduced a method of controlling by computerization the distribution of legal prescription drugs across the province. The pharmacare program of that province is computerized in such a way that it eliminates the practice that we have seen in many provinces where a patient moves from one doctor to another to obtain multiple prescriptions. We made a recommendation in that regard which was ignored by the Government as well.

We do not have time today to get into the whole area of prescription drugs. One of the frustrations that we felt in the committee was that the whole area of legal and illegal drug abuse and substance abuse is so widespread as to make it extremely difficult to zero in on the key areas. However, we agreed unanimously that the very key area was in the area of alcohol abuse. Unfortunately, the reaction of the Minister to date to the committee report has been to ignore almost every single recommendation dealing with abuse of alcohol.

While we intend to support the specific legislation dealing with the creation of the national centre, we would also like the Minister to come forward with some specific legislation before the election. We would certainly give him our support if he could move in the areas of publicity and labelling, two areas which would not require the expenditure of a single cent of the taxpayers' money. We would give him our support if he would also move in the area of employee assistance programs for federal government employees so that we would actually be in a position to start attacking the problem at the root.

Unless we can do that, we will continue to see people turned away from treatment programs as they have been at Stonehenge in the Guelph region. We will continue to see young people who do not get the message early enough to save lives. We will continue to see the escalating difficulty faced by a society that is bombarded by all kinds of advertisements illustrating the glamour of the beach beer party. We have all seen it and probably we have all participated in it. Unless we can counterbalance that with a responsible, reasonable message about a mature way of integrating alcohol into one's life as one is growing up, we will see a continuing escalation in the problem of legal drug abuse, not illegal drug abuse.

My Party and I will certainly support the legislation. However, we would like to see a response from the Minister to the 29 other recommendations that have thus far been ignored, in particular on the issue of funding for specific treatment programs and for native populations and our young people.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, it is indeed a pleasure to have an opportunity to rise in support of Bill C-143. I am sure that you, too, Mr. Speaker, feel a sense of gratitude that at least one of our recommendations has been attended by the Minister of National Health and Welfare (Mr. Epp). On that basis we welcome it. We will do what we can to facilitate and expedite the passage of this legislation. It does not seem to me to be in the interests of what we intended in our recommendations, or in the interests of doing something about the substance abuse problem to delay this Bill simply because we see failures on the part of the Government to adopt all our recommendations, although we take seriously on this side of the House the failure to deal in an explicit and productive way with the entirety of the 31 recommendations that we made.

I know that you are aware, Mr. Speaker, that the investigation by our committee, the Standing Committee on National Health and Welfare, was precipitated by a series of events, culminating in the Prime Minister (Mr. Mulroney) indicating that there was a drug crisis in Canada. This of course was motivated by the statement in the United States by his close buddy and confidant, Ronald Reagan, that there was a drug crisis in the United States as there indeed is in a certain sense. It is my view and continues to be my view that there is not a drug crisis in the United States. There is a social crisis in the United States, a crisis of great disparities in income, great deprivation on the basis of racism, great problems on the basis of emphasis on market philosophy that moves in the direction of sloganeering and easy solutions to complex problems which will not be solved simply by confiscating cars at the border because they have single cigarette papers detected in them.

It was an unfortunate thing that the Prime Minister would have become a copycat in those circumstances because it was misleading in a number of respects. First, it was misleading because Canada is not comparable to the United States. It is true that in certain parts of the country, particularly in Toronto and Vancouver, the appearance of crack concerns us. We are concerned about the fate of Benji. That is certainly true. But even there one can draw certain relationships between social circumstances and social conditions and the appearance of the more dangerous drugs of abuse.

I am saying that the social problems in the United States that have made hard drug abuse such a concern there have not attained in Canada. I thought it was misleading and an unfit description of our country to say that there is a drug crisis of the nature that exists in the United States.

However, this is not to say that there is not a crisis of substance abuse in the country. The only difference between what we found and what was alleged or implied by the Prime Minister is that while there is a problem and, indeed, perhaps in a certain sense, a crisis with respect to substance abuse, the dimensions of this consist in a large part of the abuse of alcohol and in an additional large part the abuse of prescription drugs. Of course, one could not fail to be conscious of the serious conditions on Indian reserves, native reserves, caused by the abuse of substances such as propane and glue and there, too, the tremendous level of alcohol abuse to the extent that in some reserves the level of phenylalcohol syndrome reaches 50 per cent.

There is a problem of substance abuse in Canada. The failure to address it properly does indeed make it a matter of critical dimensions. Whether or not it is an epidemic is difficult to say. I think we would be more inclined to say that it is endemic, that it is a situation in which we have a large—

• (1400)

The Acting Speaker (Mr. Turner (Ottawa—Carleton)): I regret to interrupt the Hon. Member. It being 2 p.m. the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS--BILLS

[*English*]

FOOD AND DRUGS ACT

MEASURE TO AMEND

The House resumed from Thursday, July 7, consideration of the motion of Ms. Copps that Bill C-289, an Act to amend the Food and Drugs Act (list of ingredients), be read the second time and referred to a legislative committee.

Mr. Brian White (Dauphin—Swan River): Mr. Speaker, I wish to address my remarks to Bill C-289, an Act to amend the Food and Drugs Act. This Bill has drawn the attention of the House to problems faced by many Canadians who suffer from various food allergies. Bill C-289 would require the mandatory listing of ingredients used in restaurant food.

It is important to make the Canadian public more aware of this issue. I want to mention one fact that is very important as

a first step in this area. Recently the Searle Drug Company of Canada announced that it was going to be listing non-medicinal ingredients in its drug products, both over the counter and prescription. This has never been done before, and it has been a problem to people who suffer from allergies from non-medicinal ingredients. I believe that that is a very important step in the similar problem that we face today.

Many Members of the House have spoken to constituents who suffer from food allergies and who say it is very important to list food ingredients in restaurants. I believe that the Government and the House of Commons can find a solution to this problem.

The statistics are quite frightening to anyone with a serious food allergy. In the past two years 24 Canadians have died, and 25,000 others are at risk every day. These numbers indicate quite clearly that food sensitivity is a real and serious problem, and one that we as legislators cannot ignore. Similar problems in the areas of food allergies and adverse reactions have been successfully addressed in the recent past.

In the early 1980s sulphites, which are a group of substances that have been widely used as preservatives for years, received a good deal of public attention as a possible cause of a number of allergic reactions suffered by persons eating in restaurants. In some cases, the allergic reactions were severe enough that people were required to seek medical attention or even hospitalization.

Health and Welfare Canada's health protection branch held consultations with many experts on the issue, including groups such as the Allergy Information Association, the Canadian Society of Allergy and Clinical Immunology, the medical community, regulatory agencies from other countries, and the Canadian Restaurant and Food Services Association. A much clearer picture of the problem resulted.

The most common source of problems was narrowed down to the use of sulphites on fresh fruits and vegetables in salad bars in restaurants. Further meetings with the Canadian Restaurant and Food Services Association resulted in that organization taking voluntary steps to discourage the use of sulphites by its members. In addition to the voluntary measures, the health protection branch enacted regulations prohibiting the use of sulphites. Consumer education programs were also carried out. Based on all the available information these measures have been effective, and the problems with sulphites have been minimized.

I have discussed sulphites at some length because there are many similarities between the way that issue is handled and the manner in which a solution is emerging to food allergies in restaurants. There have been a number of unfortunate and even tragic incidents, and the various media have given this issue their attention.

Members of the House know that we are now in a period of consultation and discussion. Bill C-289 presently before the House is in some measure responsible for that. The Standing Committee on National Health and Welfare of which I am a member, has held extensive hearings on the subject, during which the Minister of National Health and Welfare (Mr. Epp) indicated very clearly his resolve to go forward on the issue. Officials of both Health and Welfare Canada, and the Department of Consumer and Corporate Affairs, are actively seeking an effective solution to the problem. Extensive consultations are being held with the allergy associations, the medical community, and the Canadian Restaurant and Food Services Association. Bill C-289 is a commendable effort aimed at eliminating severe allergic reactions to food in restaurants. It is a step in the right direction, but the Bill put forward by the Hon. Member for Hamilton East (Ms. Copps) can certainly be improved.

Bill C-289 could better address the realities of the food restaurant business. Large chains may use highly standardized menus and even centralized food preparation, but the Bill is aimed at all restaurants. Restaurants, in particular non-chain restaurants, must be flexible. Various ingredients may be available to a chef today, but not tomorrow. Some restaurants change their menus on a daily basis. It would be next to impossible for a restaurant, even an establishment with its own printing facilities, to provide clients with a full list of ingredients used to prepare daily menus. For example, let us think of the main ingredients that go into a complex sauce. Menus could become bulky and impossible to read. Ethnic restaurants would have to translate the names of exotic ingredients, and still would not be able to guarantee that an allergy prone customer would be protected against unknown ingredients.

Furthermore, it is conceivable that customers with food allergies may get a false sense of security from such a list. One single lapse in concentration on the part of the restaurant and an additional ingredient in a recipe could have an unfortunate result. Under Bill C-289 not even a minimal substitution or change would be allowed. In view of the very nature of the restaurant business, Bill C-289 is not completely realistic. However, it is an attempt to deal with the problem that should and must be addressed. We must ask ourselves if it represents the very best way to solve the problem.

For example, some people believe that restaurant owners should be required to provide a verbal list of all ingredients used in food preparation, upon request, to customers suffering from food allergies. This method would be effective. It would relieve restaurant owners of the obligation and expense of a printed ingredient list, and could be more responsive to day to day changes.

I also understand that the food industry itself has come up with voluntary proposals for quick service food chains to provide lists of their ingredients in their food. Although these proposals are promising, they would not conform to Bill C-289. Something must be done to afford better protection to Canadians who suffer from food allergies when they dine out in restaurants. There can be no disputing that they need better information so as to avoid substances that are problematic for them. The question is how best to convey that information.

What is the proper vehicle for the job? Promising suggestions have been made by the food industry, the allergy associations, and others. Our task is to take Bill C-289 and improve it in order that Canadians with food sensitivities will receive the type of protection that they deserve.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I am pleased to have an opportunity to participate in this debate this afternoon. I believe that this is the third day we have had the opportunity to speak to Bill C-289 presented to us by my distinguished colleague, the Hon. Member for Hamilton East (Ms. Copps).

The Hon. Member for Hamilton East has proposed this Bill to us for very good and proper reasons. As our colleague from the Conservative Party stated moments ago, we know that there are a number of people in Canada who suffer from drug and food allergies. Sometimes these allergies can range from a minor inconvenience, and on other occasions they can be deadly.

I have a daughter who has allergies. In her case it is something that could be considered minor. She is allergic to cats. However, if she is beside a cat for any longer than five or ten minutes, her face swells to such a point that she is almost unrecognizable. It only takes a matter of a few minutes, but obviously it does something to her system that makes it such that she cannot be near that type of animal.

• (1410)

We understand that for a little girl it is sometimes difficult for her to understand why she cannot go near an animal, especially when it is an animal that kids generally like. I have had to deal with that myself. However, the parallel is not totally just, of course, because in the case of my child, I do not think that what she has could be deadly. Mind you, if she were in the presence of such an animal for a long time, it could have probably more serious consequences, but it is avoidable because it is not an allergy to something that she physically ingests. In the case of people who are allergic to certain foods, of course, the matter is even more serious.

When I was a member of the legislature some years ago, one of my colleagues had a secretary whose daughter was allergic to peanuts. I remember seeing the young lady. She was 16 years old. She otherwise felt fine, and she was fine. She went for dinner at someone's house one day and unfortunately consumed a dessert or something that contained peanuts. She died at about 16 years of age.

I heard last night a television report of similar incidence where a young man of 17 or 18 years old died. He was allergic to nuts. In his case, he ate an apple turnover which contained ground hazel nuts, ground walnuts, or something like that, at a fast food restaurant. It was enough that it killed him. So foods that certainly would not do any harm to most of us can be deadly if ingested by some people, if those people are allergic.

My colleague is asking that restaurants label the food that they serve. I must say that there are provisions of the Bill that I am not totally comfortable with. The main thrust of the Bill, particularly as it pertains to legislating the fast food chains—and I am speaking here of McDonalds, Burger King, Harvey's and Arby's and other such restaurants—to put on their packages the products that are inside. It surely is not all that complicated. If someone can put the word "Whopper" on a cardboard box, one should also be able to put underneath the word "Whopper", "this package contains—" and then describe the contents. Surely that is not unreasonable because those foods do come in packages and there would be very little additional cost.

In the case of smaller restaurants, of course, that would be an onerous task. One cannot ask the local mom and pop restaurant to start giving a list of what is contained in their bacon and eggs and this sort of thing when you buy breakfast there. Under this Bill proposed by my colleague, the way that I interpret it, particularly as it pertains to the franchise restaurants, the Minister would have the authority under regulation to designate which chains would have to comply with the regulations. For instance, the Minister could state, well, chain X, McDonalds—that is a very large chain—can obviously afford to do this, so that one shall be designated as one of the chains that will have to comply with this rule, and so on, and describe the other restaurants which prepare packaged hot food, have a limited menu and sell food in large quantities.

That does not seem to be very complicated. There may be provisions of the Bill which would have to be deleted as they pertain to smaller stores. We can do that in the parliamentary committee. I would suggest that my colleague from Hamilton East, who is a very reasonable Member of Parliament, would probably be most co-operative if another Hon. Member proposed that kind of an initiative.

The Member for Hamilton East has a very good idea here. We should not think that she is the only person who feels that way. We know of Canadians who have had the misfortune of losing family members, we know of people who have died tragically and needlessly as a result of eating foods to which they were allergic.

Over recent months my colleague has received petitions, which I have in front of me in this folder and which she intends to table in this House in the days to come. She now has 4,000 signatures of people wanting this kind of legislation. They are coming in at the rate of hundreds every single day from people supporting this kind of initiative.

I trust that Members will not use up much more time in this House and that at the end of today, or before, they will allow this Bill to go to a parliamentary committee, where we will amend it if that is necessary in order to ensure that it does not create any hardship for small business and so on. I do not want that to happen either. But let us do it now. Let us send it to a parliamentary committee today. If we could protect the life of only one young person in this country—and I know that there

are a lot more than that who can be protected by this measure—then let's do it.

[*Translation*]

So, Madam Speaker, I ask my colleagues, Hon. Members on both sides of this House, to let this Bill go forward, to let it be studied by a Parliamentary Committee so that it can be considered in detail and that a final version can be passed, after certain amendments are made.

[*English*]

I trust that my colleagues on all sides of the House will co-operate, send this Bill to a parliamentary committee and ensure that it is adopted for the benefit of many, many Canadians.

I said moments ago that there were something like 4,000 signatures here. That was an understatement, I am afraid. I am told that the actual number of Canadians who have signed these petitions is 20,000. I ask my colleagues to bear that in mind, and I ask for the co-operation of all Members of the House.

Mr. George Minaker (Winnipeg—St. James): Madam Speaker, I recognize that this is the final hour of a long, extended week of work in the House of Commons. It is the first opportunity that I have had to speak while you have been in the chair, so I hope that you will find the comments and the subject interesting until the final hour is reached.

I would like to comment on Bill C-289, an Act to amend the Food and Drugs Act, which has been introduced by the Hon. Member for Hamilton East (Ms. Copps). Bill C-289 is concerned with the problems of Canadians who unknowingly consume restaurant foods containing ingredients to which they are allergic. The Bill before the House would require all restaurants to make available to the public a list, in French and English, of all ingredients used in the food that they sell. The Bill would also require every restaurant chain and every branch restaurant, or any food services facility—

Mr. Boudria: That is not what it says. It says either language, not both.

Mr. Minaker: —in either language. I would think, because of the seriousness of this, that this would be in both languages because of our country and the travelling of citizens across our country.

It would require that all restaurants or services would provide a packaging, a list of the ingredients used in the food that they sell. Bill C-289 seeks to deal with a problem that has become acute in Canada. Many people suffer allergic reactions to food and food products or ingredients within food. Tragically, some even die from severe allergic reactions to the food that they eat.

I might point out that the CBC has reported that some 24 Canadians have died from allergic reactions to food eaten in restaurants during the past two years. The Hon. Member for Hamilton East has identified a very real problem and should be thanked for bringing it to the attention of the House of Commons for debate so that we can get opinions and the public attention to this problem that exists not only in this country but in all parts of the world.

• (1420)

As I have indicated, many Canadians are at risk because of food allergies. The numbers have been estimated in the tens of thousands, although it is very difficult to say with certainty just how many Canadians suffer from this problem. However, by being extremely careful when shopping and cooking, these Canadians can be reasonably sure of controlling what they eat at home and can, therefore, dine at home with some security.

I attended a restaurant equipment show in Las Vegas in 1975 where it was stated that in the United States two of every five meals consumed by the average American were consumed in restaurants or otherwise out of their own home. I would think that by now in Canada at least half of the meals of the average Canadian are consumed outside of the home. This increases the threat to people who may suffer from allergies without necessarily being aware of it.

I can understand that it is very difficult for restaurants to guarantee all the ingredients they include in their foods. As the Hon. Member for Dauphin—Swan River (Mr. White) indicated earlier, there are many ways that that could fall asunder when people have come to feel fully confident that the list on the wall contains all the ingredients in a meal.

This is a very complex situation. A person may be allergic to the flour in a particular sauce on a meal without being aware of it because the ingredients of the flour had not been listed. To what degree would restaurants be responsible for identifying all the ingredients in the foods they serve?

Without particular reference to the subject, I would like to commend the Searle drug company which announced last week that all of the non-medical ingredients in the products it sells will be identified. This is a step in the right direction. Some of the drug companies are doing this on their own. I foresee that companies supplying food will also do this voluntarily for the public interest. Discussions are now taking place between the Department of Health and suppliers of food, preservatives, and ingredients.

This is a very complex problem, and I would not want this Bill to be passed in its present form. While it attempts to deal with this problem, I do not believe it goes far enough. They have not studied all the implications which would result if this Bill did become law. However, I very strongly support continued discussions with the proper authorities and the bringing forward of a proper Bill to the House of Commons as quickly as possible to try to cover all the areas which I believe this Bill has not covered.

I commend the Member for Hamilton Copps) for bringing forward this first initiative through a Private Members' Bill in

order to bring it to the attention of the public and before this House for discussion. After proper discussions have taken place, the Government will bring forward a Bill which will encompass in a more complete fashion the problems which exist.

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada): Madam Speaker, as we are all aware, it is the official mandate of certain Departments to be concerned with the health of Canadians. Together, the Department of National Health and Welfare and the Department of Consumer and Corporate Affairs work to ensure the development and adoption of legislation designed to protect the Canadian consumer, keep Canadians informed, and ensure their fundamental well-being. It is in that same spirit that the Food and Drug Act regulates the labelling of drugs to ensure that users are aware of the quantities of all medicinal ingredients in those products.

Similar rules are also applied to the packaging and labelling of numerous consumer products that Canadians purchase in grocery stores and put on the dinner table every day. It is not only a matter of ensuring that Canadians eat well and take safe and effective medical products when they are needed, but of respecting their right to be well and properly informed about what they consume. Further, it is a matter of making it possible for those who suffer from allergies to know precisely what substances and ingredients make up the drugs they take and the foods they eat.

Bill C-289 directly addresses the concerns of those Canadians who may unwittingly consume foods containing specific ingredients to which they are allergic or whole foods that bring on allergic reactions.

Under the provisions of this legislation restaurateurs would have to make available to their clientele a list of all ingredients used in the preparation of the foods offered on their menus. Similarly, restaurant franchises and chains would have to list the ingredients they use on their product packaging. Of course, Madam Speaker, this should be done in both official languages.

Let me expand upon this matter further in order to show clearly that the problem addressed by Bill C-289 is of real and pressing concern. For example, diabetics and those suffering from celiac disease must exercise great care in finding out the ingredients of all foods which they themselves have not prepared. If in doubt, these people must simply avoid the food product.

The same holds true for those who suffer from food-related allergies. They must be ever cautious in asking restaurants for complete details on the ingredients and makeup of the food in the meals being offered. For people in both these categories, as well as for many others too numerous to mention here today, it often comes down to their very survival, a matter of life and death.

Since October, 1986, at least three people have died as a result of allergic reactions brought on by foods eaten in restaurants where the ingredients were not known to them. Of those, two were teenagers. Had better and more complete information been available, these tragedies might not have occurred.

It is true that the concept of allergic reaction and its relationship to food is, in most cases, poorly defined. We are all aware that certain foods and certain drinks may lead to upset digestion or allergic reactions and that these reactions, although fortunately mild for the most part, are nonetheless unpleasant.

We also know that the effects of these same irritants can be exacerbated when we are worried, over-tired, ill, or subject to great stress. Finally, we know that in facing all these allergic reactions the medical community seems singularly perplexed and at a loss when it comes to quantifying the incidence, gravity, and growth of these problems. Certainly science is evolving rapidly along with new and improved techniques and we remain hopeful that effective solutions will be found.

However, we must take steps to avoid the death of other children who may suffer for simply having a snack after a hockey game, a swim meet, or a general get together. So, too, we must act on behalf of those consumers who, for reasons medical, religious, or personal, must avoid certain foods or ingredients and be made aware of their presence. We can no longer remain indifferent.

It should also be noted that the foods we eat today undergo complex processing and are made up of numerous ingredients. Most restaurants make use of an incredible number of ingredients in preparing their products. Even those establishments with limited menus and fast food outlets can use up to 1,000 ingredients. In the vast majority of cases these restaurants are at the mercy of suppliers who themselves can alter and substitute ingredients without notice.

Faced with the complexity of this situation, something must be done. We must determine the nature of the problem from a medical standpoint; identify the allergies, the foods involved, the groups exposed, and the treatment for those who suffer; and carry out the necessary research. We must increase awareness within the restaurant industry in order that its members can fulfil their duty to advise the public as to the ingredients they employ. Finally, we must protect the health of all Canadians who are vulnerable and who need not take chances when dining in restaurants.

As a result of Bill C-289 we have the chance to take a step in the right direction by proposing a solution, however imperfect it may be. I am convinced that the authorities within the Departments of National Health and Welfare and Consumer and Corporate Affairs will undertake a detailed examination of all that it entails and continue to ensure the safety of Canadians so that they will be able to enjoy eating outside the home without fear of allergic reaction.

• (1430)

Mr. Lee Clark (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, I am happy to have the opportunity to participate in private Members' hour and in the consideration of Bill C-289 which is a proposed Act to amend the Food and Drugs Act and concerns the listing of ingredients contained in restaurant food. The Bill would compel every restaurant to make available to the public a list, in English or in French, of all the ingredients in any food it sells.

This is certainly a sensitive issue that has received a great deal of attention from health professionals, food regulators, the media and the public at large. Certainly this attention is well justified. Tragic deaths have resulted from allergic reactions to restaurant food, particularly in so-called fast-food restaurants. According to various news reports, some 25,000 Canadians are at risk every day because of their food allergies, and some 24 people have died in Canada over the past two years alone because of allergic reactions to food eaten in restaurants.

It is heartening to note that the Minister of National Health and Welfare (Mr. Epp) is well aware of this problem. I had the pleasure of attending a committee meeting at which he was present and at which this issue was discussed. The Minister is also very concerned about this problem. He has already issued instructions to his Department to determine how much if any of an increase in food sensitivity reactions there has been, whether a perceived increase might be due to the availability of better instrumentation and diagnosis and whether the population as a whole is becoming more sensitive for one reason or another. Certainly the media attention that has focused on this issue in the last year or so could be a factor in that.

In addition, the House of Commons Standing Committee on Health and Welfare has held hearings, one of which I was present at, on the feasibility of mandatory labelling for food products sold in restaurants and fast food outlets. The Government is determined to find the best solution to the problem. It is likely that a large proportion of food sensitivity reactions are linked to relatively few foods or food components. On the other hand, almost any food has the potential to trigger a serious allergic reaction in a particular individual who is perhaps more than generally sensitive.

This problem is complex, and it is vital, therefore, to solicit input from all parties concerned. Officials from Health and Welfare Canada and from the Department of Consumer and Corporate Affairs have consulted with both the Canadian Food and Restaurant Association and the Allergy Information Association. Consensus has been reached that a chart identifying foods served in an establishment and an indication as to whether or not they contain substances for listing on a so-called priority list was perhaps the most suitable mechanism for providing the information required by consumers with food sensitivities.

In this context, I think it is appropriate to quote from a letter from Mr. Douglas Needham, Executive Vice President of the Canadian Restaurant and Food Services Association. Mr. Needham writes that his association:

> —supports the consumer's right to know the ingredients used in restaurant meals, and that his Association continues to work with all concerned groups to identify and implement measures that will decrease the likelihood of more tragic deaths.

I think Mr. Needham and his association should be applauded for that stand.

In fact, according to a recent report by the Canadian Press, the Canadian Restaurant and Food Services Association is strongly encouraging a voluntary program among its 6,800 members. Industry spokespeople such as Mr. Needham have said that restaurant menus should warn consumers of ingredients that could lead to allergic reactions before they order meals. The association has suggested a system of warning charts that could be introduced in quick service restaurant chains because these establishments have a highly centralized control over ingredients.

The consistency of the menus in chain restaurants combined with the limited choices that are normally available make the charts a manageable idea. According to the same report by Canadian Press, the association has talked with 24 quick service or fast food restaurant chains, and of those 24, 22 have voluntarily agreed to take part in such a plan. This is good news. It shows that the food industry is well aware of the problem and is more than willing to take some steps to resolve it. It further shows that the idea of an ingredients list, if it can be adequately fine tuned and made manageable and practical, is indeed a good one.

It is quite possible that the best way to protect Canadians with food allergies as they dine out is through the use of an ingredients list. If this is the case, then every effort should be made to adopt the very best listing system possible. In this light, it seems quite probable that Bill C-289, effective as it has been in focusing attention on the problem, can be improved. It is essential that consumers get the information they need to protect themselves in the market-place and to make intelligent choices. This applies as much to allergy sufferers who dine in restaurants as it does to anyone else.

The Government is determined to bring about an effective solution to this issue. If that solution is found to centre upon ingredient disclosure lists, then the House can be assured that the listing requirements will be applied in a manner that is effective, fair and as cost-efficient as possible.

Fast food and quick service restaurants are popular among Canadians for a variety of reasons. One of the reasons is that in large measure, quality control is strict, consumers know what they are getting with a great deal of certainty when they buy a product and the prices are reasonable and generally affordable. We want to make sure that it stays this way.

We must adopt a system that affords the best possible protection to the Canadian consumer and at the same time allows greater freedom and safety for those who suffer from food allergies. Thank you, Madam Speaker, for permitting me

to have the opportunity to speak on what is obviously a very important issue.

Mr. Alan Redway (York East): Madam Speaker, I appreciate the opportunity to say a few words with respect to Bill C-289, a Bill to amend the Food and Drug Act put forward by the Hon. Member for Hamilton East (Ms. Copps).

This is a very topical Bill. It is topical because of some of the incidents that have occurred recently, one of which occurred right here in the City of Ottawa. It is because of those incidents that the spotlight has focused on this situation and has brought to our attention this health concern, a health concern which relates particularly to those who suffer from allergies to various foods and who have a problem when they eat out and are not able to identify the ingredients in the food they eat. This problem was highlighted by an incident which occurred a short time ago here in the City of Ottawa, and it is a problem that also relates to many, many people.

A week ago today, I believe, I had the opportunity to raise in the House the concerns of those who suffer from environmental hypersensitivity, which is a similar kind of problem to the one we are discussing here. In fact, many of those who have this problem could be put in one category, that of those with environmental hypersensitivity.

Constituents of mine, the Black family, came to me a few months ago with this problem as it relates to another aspect, the whole issue of the tax deductibility of the medical expenses that people suffering from this kind of problem have to incur.

• (1440)

I am interested to see the Hon. Minister of National Health and Welfare (Mr. Epp) in the House. He will know that I had correspondence with him, his colleague, the Minister of Finance (Mr. Wilson), and their colleague, the Minister of National Revenue (Mr. MacKay) on this very topic of the deductibility of prescriptions to treat people with environmentally hypersensitive health problems.

For instance, the Black family pointed out to me their great difficulty in having to actually modify and change their entire way of living. They had to make drastic changes in their household and, in doing so, incurred enormous expenses in making actual physical changes to their house. This included removing the rugs and making changes to the rooms. They incurred $15,000 to $20,000 in expenses that related to environmental health problems.

They tried to deduct these expenses from their income tax as prescription health expenses. They were successful in their first year. The Department of National Revenue allowed them to deduct these expenses from their income. However, the next year, when they submitted a similar tax return, the same kind of expenses were disallowed. When they appealed their income tax assessment on the basis of what had occurred the year before, the Department went back and reassessed them from the year before and, in fact, found that all of those expenses were not deductible under the Income Tax Act because they related to environmental health problems, not the average health problem.

Consequently, I have made representations on their behalf to the Minister of National Health and Welfare, the Minister of Finance and the Minister of National Revenue. I am hopeful that eventually they will see the light of day and understand that there are many people in this country who suffer from environmental health problems.

It is interesting to note as well that there is a lobbyist on behalf of people with environmental health problems, Mr. Chris Brown, who is making representations in Ottawa all the time. He is trying to get some changes in this regard. It is another example of what is being dealt with in this Bill.

This Bill is aimed particularly at restaurants. By virtue of this Bill, restaurants would be obligated to make available to the public a list, in both official languages, of all the ingredients contained in the foods they sell. The Bill would obligate suppliers to print in French and English the list of all ingredients that are used in the preparation of those meals. Today, the number of Canadians who are eating in restaurants is increasing by leaps and bounds.

Madam Speaker, if you were to cast your mind back a few years to think about the number of times you and your family ate in restaurants, it would probably have been rather minimal. Today, all of us are spending more and more time in local restaurants or fancy restaurants rather than preparing our own meals. This trend seems to be on the increase. I know that in our household we seldom seem to use the stove. We may use the microwave oven or barbecue, but seldom do we use the traditional stove.

Families are getting away from eating meals that are prepared over a long period of time at home and are concentrating more on quick meals. If they want to have a more leisurely meal, it is done as part of an entertainment package. Rather than going to a movie, they will spend the evening at a restaurant, as a form of recreation. This may even have replaced a visit to the shopping plaza as a form of recreation.

The point is that an increasing number of people are eating at restaurants and it is becoming a more significant problem because there is more opportunity for exposure to these problems as Canadians eat out more.

The objective of this Bill is to protect consumers who are affected by food-related allergies, while protecting all Canadians whose right it is to be made aware of the contents of meals served to them in restaurants. Just as they have the right to know the contents of a prescription and over the counter drugs they purchase, they should have a right to know the ingredients of these foods, particularly if they are in any way sensitive to some of these ingredients.

Consumers are faced with the same problem when they purchase foods in stores, but in this case the problem is at least partially solved by the fact that the Food and Drugs Act has

certain requirements for spelling out on the package, in both official languages, a list of ingredients in those foods that we buy off the shelf in food stores. That is not so with respect to restaurants.

I have much more to say on this subject because it is as important and one that I feel strongly about. I know my constituents feel very strongly about it, particularly those who suffer from problems of food sensitivity or other environmental food sensitivity. Having said that, I know there are others who are anxious to speak in relation to this legislation and I know that they, as I, want to urge passage of this legislation to ensure that we have some action for all the people who need it. I certainly commend the legislation to the House and when the time comes I know that you will support it very vigorously yourself, Madam Speaker.

Mr. David Daubney (Ottawa West): Madam Speaker, I am pleased to have an opportunity to participate in the Private Members' debate this afternoon on Bill C-289.

[*Translation*]

Madam Speaker, I would like to talk to you about Bill C-289, which requires Canadian restaurants to list, in either official language, the ingredients used in the food they serve their customers.

Highly complex, to be sure, and difficult to apply, such a law nevertheless satisfies Canadians' rights to be informed accurately and effectively about the nature of the food they eat in a restaurant. I refer more particularly here to the many Canadians with food allergies who cannot take any food without knowing what is in it.

But to get an overview of the problem, let us first try to put it in a larger context. This is not the first time that the question of food has arisen. Our laws and institutions already seek to ensure the protection, welfare and health of Canadians. The Food and Drugs Act, for which Consumer and Corporate Affairs Canada is partly responsible, has prudently set a whole series of regulations with which all suppliers who sell their food products in stores, whether a corner grocery, specialty shops or major food chains, must comply.

Madam Speaker, the regulations that I am talking about here apply to any food product, foreign or Canadian. On the package must be shown information in both official languages concerning the nature of the product, its usual name, the name and address of the company responsible, the net quantity, the ingredients used, the last date for storage and how to keep the food.

Since Canadians regularly eat most of their meals at home, the measures of which I speak here give them reassuring protection. Also, many foods are prepared in large quantities with unchanging recipes, and this gives us a further assurance. This law, Madam Speaker, has already been in effect for many years and experience shows us that suppliers have in general learned to comply with it strictly.

But more and more Canadians are eating away from home, from children who eat in school cafeterias and the snack bars of community centres to patients served on a tray in their hospital room and Members of this House who often eat on the run as they go about their business.

And not only restaurants are involved in this matter, Madam Speaker. People also eat in hotels and on board planes and ships. They pick up all kinds of food from carts and vans in the street, from fast food outlets and from caterers.

• (1450)

[*English*]

In fact, in Canada there are 72,000 commercial establishments in which one can procure food, which sell hundreds and hundreds of meals every day composed of over a thousand ingredients.

[*Translation*]

How can we resolve this situation effectively without violating anyone's rights, Madam Speaker? Well, I believe that it must be done in an orderly way, with a concern for fairness for the whole community.

In the vast empire of fast food, the answer to dealing with the problem of allergic reactions would seem to be more straightforward. Why? Because in most cases, these enterprises have built their reputation on a limited, specific and uniform recipe, so much so that what you eat tomorrow at the Royal Burger in Montreal is what you ate last week at the Royal Burger in Vancouver. That is typical of the franchise system. We know that some of these huge enterprises have already drawn up a list of allergens and are preparing to deal with the situation on a regular basis.

The problem is more acute in conventional restaurants. In this case, we are dealing with establishments that are much smaller and with a kind of cooking that depends on the personality of the cook. The cook or chef makes up the menu according to the preferences of the customers, according to what is in season, or to meet special requests, and may change the menu or modify a recipe if he runs out of one of the ingredients he usually uses. His cooking basically depends on his creativity and inspiration, which forms the basis for his gastronomic and financial success.

We must be careful not to frustrate thousands of Canadian, restaurateurs who would be hard pressed to provide a daily list of the ingredients they used that day, attached to the menu. In that case, their menu would become rigid, and every time they changed the menu they would have to publish comprehensible lists in French or English, when many seasonings have no equivalent in those languages?

But on the other hand, how can we respond to the complaints and apprehensions, which are justified, of thousands of other Canadians who have allergic reactions and, every time they go to a restaurant, run the risk of going home with an upset stomach or becoming very ill? So far, Madam Speaker,

the wisest approach has been to ask the restaurant owner, to warn him and to trust him. However, this approach has not always had the desired effect, and there have been some tragic incidents, Madam Speaker.

In the modern and open world we live in, we can no longer expect Canadians with serious allergies to eat only and always the food they themselves have prepared. These people also live active lives, and I think they have a right to participate in all the various activities that make life enjoyable. We must also ensure that they do not run any undue risks when they decide to eat food they are convinced not do them any harm.

[*English*]

If my time has expired, Madam Speaker, I will accept your injunction and call it three o'clock.

The Acting Speaker (Mrs. Cossitt): The period provided for Private Members' Business has now expired. Accordingly, the item has been dropped from the order of precedence.

It being three o'clock, this House stands adjourned until Monday morning at eleven o'clock.

The House adjourned at 3 p.m.

HOUSE OF COMMONS

Monday, August 22, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to Petitions Nos. 332-5098 and 332-5103.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Derek Blackburn (Brant): Mr. Speaker, I have the privilege to present a petition signed by several of my constituents from the federal riding of Brant under Standing Order 106. These petitioners call upon the Government to call an election immediately over the free trade agreement between Canada and the United States which they feel will help to destroy our country and our independence.

TRANSFER OF PFRA JURISDICTION

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, I have the honour to present petitions on two separate matters. The first petition is signed by approximately 130 people from the southeast corner of Saskatchewan in Prairie Farm Rehabilitation Area 3. The petitioners are concerned about the possibility of PFRA turning over the jurisdiction of their irrigation works to the Saskatchewan Water Corporation. They call upon the House of Commons to stop that transfer of the administration to the Saskatchewan Water Corporation and retain the PFRA in its present form.

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, I also have a series of petitions from people in various parts of the country who request the Government of Canada to introduce legislation containing national objectives and appropriate mechanisms for the development of a comprehensive non-profit child care system accessible to all families throughout Canada. The petitioners believe that the proposed Child Care Act is not in the best interest of young children, women or the families of Canada.

CANADA-U.S. FREE TRADE AGREEMENT

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I have the privilege of presenting a series of petitions from groups of Canadians in different parts of the country who are strongly opposed to the Canada-U.S. Free Trade Agreement. They believe that Canadian industries will not be protected by U.S. trade laws and that there are serious giveaways in areas of agriculture, energy, auto trade, financial services and investment. They, therefore, humbly pray and call upon Parliament to denounce the Government for signing the Mulroney-Reagan trade agreement. I present these petitions on behalf of these Canadians.

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have two petitions to present, both dealing with the question of child care. They come from Victoria and Vancouver, British Columbia, and indicate that in the view of the people presenting the petitions, families throughout Canada need high quality, available and affordable child care services. There have been repeated recommendations to have legislation introduced to establish such services as national objectives.

The Child Care Act proposed by the Government of Canada in the view of the petitioners, contains neither national objectives nor the necessary funding arrangements. The petitioners say this will not ensure that families have access to such high quality child care. Therefore, the petitioners call upon Parliament to withdraw the Child Care Act forthwith.

• (1110)

CANADA-U.S. FREE TRADE AGREEMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have the honour to present two petitions under the provisions of Standing Order 106 in which the petitioners state that the Conservative Government had no mandate from the Canadian people to conclude a free trade agreement with the United States; and that the proposed free trade agreement not only denies Canadians a secure access to the U.S. market, which was the key objective of the negotiations, but threatens the loss of hundreds of thousands of Canadian jobs.

Therefore the petitioners humbly pray and call upon Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement during a national general election.

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Shall the questions stand?

Some Hon. Members: Agreed.

* * *

PRIVILEGE

MR. DELLA NOCE—ARTICLE PUBLISHED IN *OTTAWA CITIZEN*

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and Minister responsible for Multiculturalism): Mr. Speaker, I want to take the first opportunity available to me today to raise a question of privilege and clarify the false impression some may have got from the comments reported in the Ottawa Citizen of August 19, 1988.

Some may have got the impression that I witnessed certain questionable incidents. I wish to state categorically that I have no knowledge of any illegal or dishonest acts. The article gives an unfortunate interpretation of what I wanted to say about the need for politicians to maintain high moral standards.

If my comments resulted in some confusion, it is because I did not make myself understood clearly. The interview in question was conducted over the telephone, alternately in French and in English, and English is my third language. I deeply regret any inconvenience this may have caused or the negative impression it may have unfairly cast on others, including my colleagues in the House. For this reason, it was important that I clear up the matter in this House, out of respect for this institution and my colleagues. I ask them to accept my most sincere and profound apologies.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed from Thursday, August 18, consideration of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee.

Mr. Speaker: It is now my responsibility to put forward further motions. They are Motions Nos. 30, 32, 38, 41, 43, 44, 50, 56 and 58.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 30

That Bill C-130 be amended in Clause 14 by striking out line 32 at page 6 and substituting the following therefor:

"appointed by the Governor in Council subject to review and approval by a committee of the House of Commons."

Motion No. 32

That Bill C-130 be amended in Clause 21 by striking out line 14 at page 9 and substituting the following therefor:

"21.(1) The Governor in Council, subject to review and approval of a House of Commons committee, may"

Motion No. 38

That Bill C-130 be amended in Clause 35 by striking out line 30 at page 20 and substituting the following therefor:

"report to the Governor in Council and committee of the House of Commons on the".

Motion 41

That Bill C-130 be amended in Clause 44 by striking out line 13 at page 31 and substituting the following therefor:

"with the consent of the Minister and a committee of the House of Commons and the".

Motion No. 43

That Bill C-130 be amended in Clause 44 by striking out line 14 at page 35 and substituting the following therefor:

"Governor in Council, subject to review and approval by a Committee of the House of Commons, to hold office for a".

Motion No. 44

That Bill C-130 be amended in Clause 44 by striking out line 35 at page 36 and substituting the following therefor:

"77.27 The Governor in Council, subject to approval by a committee of the House of Commons, may, on".

Motion No. 50

That Bill C-130 be amended in Clause 48 by striking out line 12 at page 41 and substituting the following therefor:

"5.1 The Governor in Council, with approval of a committee of the House of Commons, may".

Motion No. 56

That Bill C-130 be amended in Clause 53 by striking out line 15 at page 44 and substituting the following therefor:

"27.1 The Governor in Council, with the approval of a committee of the House of Commons,"

Motion No. 58

That Bill C-130 be amended in Clause 57 by striking out line 20 at page 47 and substituting the following therefor:

"(4) The Governor in Council, subject to approval by a committee of the House of Commons, may make".

He said: Mr. Speaker, over the weeks we have seen a process throughout this development and furthering of a trade deal with the United States which, as I said to the House on Thursday, was very much directed by the Cabinet, very much kept within the secrecy of Cabinet itself. I suspect in fact that it was kept within the secret context of the committee of Cabinet which was responsible for these negotiations.

As a consequence we have reached a trade agreement with the United States which is unbalanced and, which, frankly, is

unfair to Canadians, and which provides to the United States far more in the way of benefits than it provides to Canada. With that as a background it is important to learn some lessons, to draw some conclusions out of that process which tell us that Members of Parliament, individual Members of Parliament and those who have developed expertise as part of the standing committee, could and should be deeply involved in any further steps that are taken with respect to this trade deal. It is for this reason that this whole set of amendments has been brought before the House.

I will very quickly indicate the different areas with which the motions deal. Motion No. 30 suggests that the appointment of the chairman of the procurement review board should be an appointment which is subject to the approval of the appropriate Commons committee.

Motion No. 32 deals with the powers, duties and functions of the procurement review board which is a very important board within the Bill. Yet the regulations which establish how this board will operate are set forth as being very much the controlled purview of the Cabinet itself. Again, it seems to me that it makes eminent good sense in this period of parliamentary reform for those regulations to be subject to review and approval by the appropriate parliamentary committee.

• (1120)

Motion No. 38 is an attempt to see to it that the Canadian International Import Tribunal reports not only to Cabinet and to a Minister, but to a Commons committee with respect to the questions of whether, as a result of tariff reductions, U.S. imports are causing serious injury to Canadian producers. I think that industries and workers have to be able to petition the tribunal directly when they experience injury resulting from U.S. competition. That is not a part of the Bill either, but at least in this context there will be a parliamentary committee which will play an important role in overseeing the work of the Canadian International Import Tribunal. That will give a possibility for testimony from groups outside the bureaucracy and outside the Cabinet itself.

Motion No. 41 would, in the same way, increase the role that a parliamentary committee would have by giving it the necessity to approve the establishment of dispute settlement panels and committees, and their operation within the agreement itself.

Motion No. 43 would give the same committee the chance to review and approve the appointment of the secretary of the Canadian secretariat that will administer the dispute settlement panels and committees. Again, this is a crucial role that is going to be played within the agreement which has been signed, if it goes ahead, and this parliamentary committee should be able to have some say in this appointment.

Motion No. 44 deals with the question of regulations with respect to a number of powers of the dispute settlement panels and committees established by the Cabinet and states that these too must be subject to approval by the appropriate parliamentary committee.

Motion No. 50 makes the same point with respect to regulations regarding agricultural standards which are related to the standards harmonization provisions of the agricultural chapter of the agreement.

Finally, Motions Nos. 56 and 58 follow the same direction. Motion No. 56 gives the appropriate parliamentary committee the capacity to approve and review decisions regarding the manner in which the CRTC should interpret the television retransmission provisions of the agreement, which is Article 2006. Motion No. 58 gives that same committee power to approve and review the question of regulations defining distance signals and local signals for the purpose of copyright payment on television retransmissions.

Throughout this entire set of amendments there is an attempt to see to it that instead of Cabinet autocracy we recognize the principle of parliamentary democracy through its various committees. We see to it that these committees have the opportunity to carefully review and hear testimony from people about regulations and appointments with respect to this agreement, and consequently we give the Member of Parliament the chance to speak out with reference to these very important decisions which otherwise will be subject only to discussion and debate within the cabinet room itself.

I suspect that the Orders in Council which establish these various regulations, appointments, and committees, will not be subject to any detailed scrutiny from the Cabinet, but will simply be taken through in some very rushed manner without that scrutiny. These committees will permit scrutiny. They will permit the input of Members of Parliament. They will make for a much more democratic system should this agreement ultimately go forward.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I would like to take this occasion to speak to this grouping of amendments. Last Thursday in speaking to a similar set of proposals concerning the increasing power of Cabinet and the expansion of the whole authority of the executive branch, I took note of the increasing trend of executive federalism and the attempt to make the decisions of government less and less accountable. The general tenor of these amendments further demonstrates how the trade agreement will distance and separate the question of accountability and the ability of elected Members trying to hold to account the decisions of Government on this issue more limited.

This morning I want to talk to Motion No. 41. Primarily it deals with the dispute settlement panel and the proposal that is in the Bill. In many ways this is the heart of the agreement. It was certainly put forward by the Prime Minister (Mr. Mulroney) as being the primary reason for undertaking a negotiation with the United States.

In 1987 the Prime Minister stated: "Our highest priority is to have an agreement that ends the threat to Canadian industry from U.S. protectionists who harass and restrict our

exports through misuse of trade. Let me leave no doubt that first a new regime on trade remedy laws must be part of the agreement".

I have poured through Bill C-130 and looked at it extensively. I did not follow the example of the Minister for International Trade (Mr. Crosbie), and I actually read the documents and the agreement line by line. Nowhere in Bill C-130 or in the agreement itself do I see a new regime on trade remedy laws. In other words, the fundamental priority that the Prime Minister announced in 1987 somehow did not make it into the legislation or into the agreement. In other words there is no new regime. The agreement and the application of the dispute settlement mechanism will continue to apply existing trade law on both the Canadian and the U.S. side.

There are no limitations on United States industries taking their existing law and using it to continue the harassment of Canadian industry. That has not changed. In fact, as I have gone through the Bill and looked carefully at the whole section dealing with the dispute settlement mechanism, I found that we may end up with a worse regime than we started out with, a regime that will take longer to settle disputes and provide more cost to the Canadian businessman, simply because the way in which the dispute settlement mechanism works does not come into play until a final decision is made by the U.S. trade commission Department of Commerce. It may sound like a technical point, but let me remind you of this. Under present circumstances, as soon as there is a preliminary ruling by the International Trade Commission in the United States on their law, we can immediately ask for a GATT panel to review that.

• (1130)

Furthermore, under the existing circumstance, we can challenge the basic law itself. We can go to the GATT panel and say that this U.S. law is against international trade rules, that it confronts the rights and obligations under international trade requirements. But under the panel that is being established here in this clause of the Bill, we cannot do that. We cannot challenge U.S. trade law. We have to accept U.S. trade law as being the standard which has to be applied. All that this review panel will do is determine whether the law has been judiciously applied in a way that is fair and impartial. But the fact is that we can already do that. With the International Court of Trade in New York, we can already ask for a review that is based upon a fair, impartial adjudication.

For those who try to make out that that review system is unfair—and I have heard the Minister for International Trade and the Parliamentary Secretary and others claim that to be—I put in evidence in the House a statement made by Gordon Ritchie, the Ambassador for Trade Negotiation, a public servant who, when asked in committee, whether the International Court of Trade is a fair, impartial forum, said yes. He agreed. So we have a refutation of the Minister of trade through the senior civil servant who negotiated the agreement.

I have to scratch my head a little and say, what did we get? We did not get any new U.S. trade laws. In fact, the same trade laws are there. Indeed, the trade laws are now tougher than they were when the negotiations started. The United States has written into its implementing legislation new powers for the trade negotiations office to review and monitor Canadian exports in order to determine if there are Canadian subsidies. That was not there before. The reason why it is important is because the U.S. industry no longer has to pay to do its own research on Canadian subsidies. The Government of the United States will do it for them.

One of the great results for which I am sure the Conservatives will take great credit is that the negotiation has resulted in tougher trade laws being applied to Canada than when we started out.

An Hon. Member: Nonsense.

Mr. Axworthy: Once again we see the superior negotiating ability of our Prime Minister. On the weekend he gave an interview to *Le Devoir*. He promised to negotiate an agreement on acid rain based upon what he did at Meech Lake and the trade agreement. God forbid! Stop him before he goes ahead. Please, Mr. Prime Minister, do not negotiate an agreement on acid rain similar to what you did in Meech Lake and similar to what we got on free trade. Please, for the sake of Canada, don't do it. My goodness, if he negotiates on the same basis, we will end up drinking acid rain in our coffee cups every morning. He will provide that kind of wholesale giveaway on acid rain that he gave on the other kinds of agreements.

An Hon. Member: The U.S. will get the rain; we will get the acid.

Mr. Axworthy: That is right. I say if that is what we are asking for, goodness gracious, let's watch out. Please restrain the Prime Minister. Use your good offices to hold him in check. This country cannot afford another agreement so totally one-sided against us.

Miss MacDonald: So he is against Meech Lake?

Mr. Axworthy: We come back to the review panel and what do we have? We have tougher U.S. trade law and we have made it more difficult to go to GATT. It will take longer to have a review undertaken because under existing rules we can ask for a GATT panel 20 days after a preliminary decision. Under this section of the Bill we have to wait until the final decision, which may take a year or two, and that could cost Canadian industry one, two, two and a half, three million dollars. It goes back to the historic words of the Prime Minister: "Let me leave no doubt that the first of the new regime of trade remedy laws must be part of the agreement". Now we know what he meant. Now we know what the new regime is. It is tougher laws, it takes longer, it costs more. That is the new regime. I wish he had spelled it out then. I wish he told us that in fact what we are asking for is a regime that will work less in our interest, be tougher for us to implement, be

more discriminatory against Canada and will provide for greater harassment for our exports.

We should have guessed that because we know what the record is of the Prime Minister in his negotiation. I suppose if we really looked at it carefully, we would say that now we end up in the glue. While I approve of the amendment, I think the mover of the amendment, the Member for Essex—Windsor (Mr. Langdon), will admit that the amendment does not deal with what is really the problem, and that is the dispute settlement mechanism entrenched in this Bill. It is a disaster and a serious mistake. It does not deal with the problem. In fact, it makes it even worse.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I am going to get in on the debate of these amendments early because some of the statements that have been made this morning are totally outlandish.

Miss MacDonald: It is not surprising.

Mr. McDermid: They must be—

An Hon. Member: Challenged.

Mr. McDermid: —challenged. Thank you. That is the word that I was looking for. On the dispute settlement mechanism, we had testimony at the committee from a Mr. Pinard. Mr. Pinard is the chairman and executive vice-president and the chief operating officer for Domtar. He appeared with the Canadian Manufacturers' Association. I will not quote him verbatim because his language was rather colourful. He was asked about the dispute settlement mechanism by the Hon. Member for Essex-Windsor (Mr. Langdon). He commented on the tariff reduction. I will not use his words, but he said that it was not the important matter on this. As far as he was concerned, as a manufacturer, the important thing was the dispute settlement mechanism. I quote:

> This agreement allows Canada to have a special arrangement for disputes and countervailing duty. We now have a bilateral tribunal, and that should make a hell of a difference. I know what I am talking about because I have been in the court in the U.S. several times for my company and this tribunal in the States is worth nothing; it is very biased. If you challenge a decision, it takes five years to get an answer. You go back to square one for a rehearing. The U.S. found it very difficult to agree to this tribunal because this puts them under the spotlight.
>
> They do not like this bilateral tribunal. There is certainly a body of expert opinion that says if we had had this bilateral tribunal we would probably not be stuck with this . . . duty on lumber. So we have something there.

That is the testimony from Mr. Pinard, who was at our committee. He made it very clear that this was a very, very important part of the agreement. Almost all the amendments that have been brought forward are from the New Democratic Party. There is a quite a list of them. There is one from the Liberals and the balance are from the New Democratic Party.

What these amendments basically say is that the House of Commons is going to start administering this legislation, as well as being parliamentarians and creating the legislation.

• (1140)

The NDP now wants the House of Commons to start administering all the boards and commissions involved in the free trade agreement and probably any other agreement that comes along or any organization that is set up through legislation. That really is the job of the bureaucracy through Order in Council. We hire the bureaucracy to administer legislation that we bring in. The whole purpose of delegating power to the Governor in Council is to remove from Parliament the burden of dealing with administrative detail. If we got involved in administrative detail in every piece of legislation that has been passed by this House of Commons, the House would be at a complete standstill. We could not operate. These proposals will basically do that. It would be an exceptional departure from normal practice to make administrative actions of this type subject to approval of a committee of the House.

We are talking about Governor in Council appointments. By virtue of Standing Orders 103 and 104 they are now automatically referred to the appropriate standing committee for review. Its members can call up these appointees and question them at the committee hearings to find out if they qualify for the positions.

Mr. Blackburn (Brant): What happens when we say no?

Mr. McDermid: That has happened. The qualifications of an individual suggested for an appointment were found not appropriate and the appointment was not made. I believe the standing committees have an important role to play. Appointments to the CRTC are subject to the Standing Committee on Broadcasting. The members of the Standing Committee met these appointees, put them through the grill, ensured that they qualified and had the necessary experience for those positions and approved them. Very little opposition has been raised by the New Democratic Party and the Liberals, if any, in these hearings. Members have all the time in the world at these meetings to question appointees on their qualifications.

We have found that the appointments made by the Government by and large have been of people well qualified.

Mr. Keeper: It is a rubber stamp.

Mr. McDermid: Was it a rubber stamp when Ian Deans' appointment was made? He was questioned before the committee. He was qualified. He had good experience in labour relations. He was in that field before serving here. He served provincially as well as federally and is fully conversant with those things. What about the latest appointments to the CRTC?

Miss MacDonald: Absolutely.

Mr. McDermid: The statement was made that the appointments to the CRTC were of very high quality.

The Opposition is putting forth requirements that will double the work of parliamentarians, which is typical of the New Democrats. They will bog everything down with this proposed administrative cloak of the House of Commons. It is totally irresponsible. I might also point out that all regulations brought forward by Order in Council are referred to the Joint Committee on Scrutiny of Regulations. I have been involved in regulations where the Government had carried out a program incorrectly. The Joint Committee found that the regulations were wanting and reported that to the House of Commons. Those matters were changed. Why do we want to duplicate things that are already in place? That is what the Opposition is suggesting with this series of amendments Nos. 30, 32, 38, 41, 43, 44, 50, 56 and 58.

An Hon. Member: Jackpot!

Mr. McDermid: That is right, it is like a bingo game. The Opposition talks about this House making regulations. If we start getting into the House making regulations, we will never get anything accomplished.

Mr. Blackburn (Brant): We may be able to understand it.

Mr. McDermid: My hon. friend from Brantford says that the public and we would probably understand better.

Mr. Blackburn (Brant): Right.

Mr. McDermid: I would be willing to wager that we would not. I think the system we have in place now is fully adequate and will protect any of the Opposition's concerns that they have brought forward today in the House of Commons.

I will recommend to my colleagues that they defeat this series of amendments because they are totally unnecessary and it is duplication of what is already in effect.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I support these amendments. Unfortunately, this is not the place where we can demonstrate how bad the proposed Bill is. At this time the amendments go part way to deal with some major difficulties.

I remind Members of Parliament that when the Conservative Government started to promote this deal and when questioned and challenged about it, we were promised that there would be no deal unless its dispute settlement provisions were so specific and clear that when any segment of Canadian industry, agriculture or the service sector believed that the Americans were being unfair in their competition that a tribunal would be able to make a finding which would be binding on both Canadians and Americans. What we find now is that this so-called tribunal will have to deal with any challenges brought to it but deal with them under the provisions of U.S. law. Where U.S. law is different from Canadian law, the tribunal will have to find in favour of the Americans.

I want to deal with two facets of the Manitoba economy which will be adversely affected by what this Bill does. First, the clothing and textile industry. In my City of Winnipeg we have about 10,000 workers involved in the industry, most of whom are women. Many of them are new immigrants from the Philippines, Hong Kong and Vietnam. The industry in Canada has been and is under tremendous pressure from imports from Third World countries where the wage rate is a fraction of what it is in North America. Now, as a result of this agreement, the Canadian industry and its workers will have to compete not only with imports from the Third World but with imports from the United States.

What do people who work in the industry say about this agreement? Let me begin by putting on the record an article which appeared in March this year in the *Winnipeg Free Press*. The heading is: "Clothing factories threaten to close". The article begins by saying:

> Two Winnipeg clothing manufacturers are threatening to close their operations if the federal Government does not go ahead with a package to shelter them from the Canada-U.S. free trade agreement.
>
> Peter Nygard, President of Nygard International, and Gary Steiman, of Gemini Fashions of Canada Ltd., said yesterday the industry needs a minimum bridge of $200 million to help it compete with larger American companies.
>
> Without the aid, they say their businesses will be destroyed by American competition under free trade and they will be forced to close domestic operations and relocate in the United States.

I remind Hon. Members that Peter Nygard was the Chairman of the Advisory Committee this Government set up to examine the effects of the agreement on the clothing and textile industry. Peter Nygard, despite some changes in details which went a small way toward meeting his objections, has made it very clear and has been quoted in the *Financial Post* as saying that he opposes this agreement. Mr. Nygard speaks for the industry.

• (1150)

Let me put on the record the views of the unions. I will quote from a pamphlet put out by the International Ladies Garment Workers' Union. The opposition expressed by that union is the same as the opposition expressed by the Amalgamated Clothing and Textile Workers and by other unions in the industry. This is a pamphlet which the union's Toronto office put out, but that office certainly speaks for the members in Winnipeg who have the same views. The pamphlet reads:

> ILGWU and Ontario New Democrats are fighting the Mulroney trade deal.
>
> Lower wages. Layoffs. Fewer benefits. Cutbacks on your medical care. Fewer health and social services. This is what free trade will bring to garment workers. This is why your union, ILGWU . . . say "NO" to free trade.
>
> Prime Minister Mulroney is spending $12 million to convince Canadians that the deal he signed with Ronald Reagan is good for us. But Mulroney isn't telling the truth about this bad deal.
>
> The Liberals are no better. They're confused. Federal Liberal leader John Turner says he'd rip up the deal and David Peterson says he wouldn't.
>
> It was the Liberals that opened our shoe market to more imports in 1981 and cost thousands of Canadian workers their jobs. Look what happened. Orders for Canadian-made shoes dropped, the level of imports went up and prices went up too.

Now, Mulroney's deal will hit even more jobs in the garment industry, and in textiles, footwear and food processing.

Under the Mulroney trade deal we will have to compete directly with larger U.S. companies which pay their workers lower wages and fewer benefits. This means that Canadian companies will be demanding lower wages from us in order to compete. Many companies won't survive.

Women, immigrants and older workers will lose the most. The industries that are most threatened by this deal are where they work.

ILGWU and New Democrats have always fought for better wages and working conditions for these workers. We will continue to fight for these jobs and industries but it'll be much tougher under the Mulroney deal.

Mulroney promised that health and social services would not be included in the deal. He lied.

The Mulroney deal will let American companies run our hospitals, ambulance services, homes for physically disabled and mentally handicapped, home care services and many other health and social services.

In the United States health care is more expensive, employs fewer staff and provides worse care. And it is run for big profits by private companies. Forty million Americans have no health care protection at all.

If they get sick they have to pay out of their own pocket for their medical treatment.

No matter how you look at it, this deal is a bad deal for women, for immigrants and for all working people and their families. It's good for big business, bad employers and the Americans.

I have heard some Hon. Members say that this is nonsense. Let us just look at one aspect of this deal. This deal provides that Canadians companies will be able to compete in the much larger American market. This also means that the American companies will be able to compete in Canada. In Canada, corporations—

Mr. McDermid: Eighty per cent is free trade now.

Mr. Orlikow: I wish the Hon. Parliamentary Secretary would sit back in his seat. He can speak again if he wants to.

In Canada, Canadian corporations pay, as part of their corporate taxes, part of the cost of hospital insurance and medical insurance plans, the Old Age Security system and the unemployment insurance plan, all of which are far superior to those that are in the United States. If we are to continue these programs, those taxes will have to be higher than the taxes American companies pay. This alone will give the American companies a tremendous advantage in producing and selling their products cheaper than the Canadian industry. That is just one illustration of what is wrong with this Bill, and that is one of the many reasons we oppose this Bill. That is also why we have moved these amendments.

Hon. Herb Gray (Windsor West): Mr. Speaker, I was very interested, in listening to the remarks of the Parliamentary Secretary, to hear that he somehow seems less favourable to the idea of elected Members of Parliament having a role in scrutinizing appointments to boards by the Government than appears to be the official Party policy. The Conservative Government always pats itself on the back when reference is made to reform of the rules of Parliament which allowed parliamentary committees to question appointees to a number of Order in Council positions, positions which are within the executive discretion of the Cabinet.

We now have before us a set of motions which would extend this concept to appointments to various key panels and committees required to implement the dispute settlement mechanism provided for by this crucial trade deal the Government has negotiated with the United States. It was interesting to hear that the Parliamentary Secretary now seems to feel that the whole concept of parliamentary scrutiny of Order in Council appointments is somehow open to question and is on the verge of going too far.

I do not recall seeing the Parliamentary Secretary get to his feet to question the proposals which were not initiatives of the Conservative Government but which were rather a matter of all-Party agreement on reform of the rules to allow Parliamentarians through Standing Committees to question the qualifications of various Governor in Council appointments. This approach was very sound and very acceptable. Changing the rules of Parliament was a matter of all-Party agreement, but now, when it comes to the Government's trade deal with the United States, this is a concept that should not apply. According to the Parliamentary Secretary, it would mean too much work for parliamentarians. All of a sudden, what was once acceptable and in fact desirable has in fact become less acceptable and desirable when it comes to the trade deal with the United States.

I am wondering if this hesitancy on the part of the Parliamentary Secretary is not linked to a very clear fact connected with the Government's trade deal with the United States, and that is that this deal does not achieve what the Prime Minister (Mr. Mulroney) said was the key objective for a trade deal with the United States. That is, the complete exemption of Canada and Canadian business and Canadian exports to the U.S. from the impact of American trade legislation.

• (1200)

We must remember that while the negotiations were under way, the Prime Minister said there was one condition, a bedrock condition, which had to be met. If it was not, there would be no trade deal between his Government and the U.S. The words that come to mind are those the Prime Minister used in an interview with the *Wall Street Journal* in which he said that Canada has to be exempted from American trade remedy laws, period. I am pretty sure that is the exact quotation. He did not qualify the condition in any way. He did not say that a partial exemption would be satisfactory. He said that Canadians would have to be exempted from American trade remedy laws, period.

Mr. McDermid: He did not say that at all.

Mr. Gray (Windsor West): We know the deal the Prime Minister and the Government negotiated with the U.S. does not in any way exempt Canadians from American trade remedy laws.

Mr. McDermid: Nor does it exempt Americans from Canadian trade remedy laws.

Mr. Gray (Windsor West): In fact, what the deal does, now that we realize that grandfathered by it is the American omnibus trade legislation that just passed the Congress, now that we see the way the Americans intend to apply and interpret the trade deal from their side, is actually to expose us even more than we were before the trade deal was negotiated to harassment by American trade remedy legislation. They have added to what was already on the books a new form of investigation by the American Government in response to the slightest pressure of concern from American business.

There has to be a new, immediate type of investigation. There is no discretion, as I understand it, on the part of the U.S. Government to reject the investigation. Therefore, right away, under the American omnibus trade legislation, right away under the legislation the Americans have adopted or are on the verge of adopting to implement the trade deal in their country, Canadian business will have to take time, make effort and spend money to begin responding to additional forms of trade harassment by investigation which did not exist before the current Conservative Government began to negotiate its trade deal with the U.S.

The Government will boast about the dispute settlement mechanism provided for in its trade deal with the U.S., but let's make something very clear: that mechanism does not exempt us in any way, shape or form from American trade remedy legislation. All it does is enable a panel to say whether or not that American legislation was properly applied according to its own language. This panel cannot be called upon at the beginning of an effort to apply American trade remedy legislation. It comes in at the end of the existing process. It just adds another level of bureaucracy to what exists already.

One of the claims by the current Conservative Government in support of a trade deal with the U.S. is that what was going on under the American law took too long. They said that the length of time taken in applying the American trade remedy legislation was itself a form of harassment. Yet the deal the Government negotiated with the U.S. did not cut by one day the length of time that process was taking. Instead, it has made it even longer by adding at the end of that process this new dispute settlement mechanism set out in the Government's deal with the U.S. We do not find that Canadian exporters will spend less time than before dealing with American trade remedy legislation. On top of that, we do not find any exemption whatsoever from the current American trade remedy law. Instead, there is a panel which will do nothing more than confirm whether or not American law has been properly applied according to its language.

This is a far worse situation than was available to Canadian exporters and the Canadian Government under the dispute settlement approach made available through GATT. Under that approach, the panels that were set up could rule whether the American law as such was proper or whether it should be overturned and not applied. The GATT dispute settlement mechanism did not look only at the language of the American law to see whether the decision was consistent with the language. Instead under the GATT the panel set up to look into disputes about the proper application of American law or other member countries' laws could say whether those laws were proper in light of the General Agreement on Tariffs and Trade itself. If the panel said they were not, then those laws could not be applied.

This treaty takes away the right of the Canadian Government to go to GATT on behalf of Canadian exporters to the United States. This deal, instead of helping Canadian supporters get greater access, without harassment, to the American market, exposes them to more harassment and takes away rights that Canadians had under GATT.

We certainly should look at the points being made by these amendments, but the real point linked with the amendments we are now discussing is that the dispute settlement mechanism set up under the Government's trade deal with the U.S. does not help and will not help Canadian exporters. This is still another reason why this deal should be defeated in this House and in the country during the next election.

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, I would like to address the group of motions we have before us at the moment. It consists of some nine motions proposed to be debated together because they all have a number of things in common. Most of them seek to some extent to limit the power of Cabinet to make far-ranging decisions with regard to many areas of the agreement. This is, I think, in keeping with the concept of open government which the Party now in power has been espousing for many years but dropped on coming in to power.

These amendments are not perfect. They do not portray with very much accuracy the kind of agreement we would have preferred to have seen with regard to our relations with another country. What we are left with is the kind of dilemma that building contractors are left with when they are asked to repair a faulty building. All we can do as opposition Members is to propose amendments, short fixes, that would try to make it more usable with some repairs, although it will still be a faulty building. We find the procedure cumbersome, certainly less than ideal, and it will not result in the kind of structure that Canadians ought to have had in the first place, although it will be somewhat better than it is now.

For example, Motion No. 38 requires that the Canadian Import Tribunal make its report to a Commons committee as well as to Cabinet. That is in the interests of more openness. It is not going to necessarily result in more work for members of committees. It will perhaps make their work more efficient because they will be as informed as members of Cabinet. I have great difficulty believing the proposition that a few members of Cabinet, albeit the biggest Cabinet the country has ever had, will be able to find time to handle this workload while the 240 or 250 remaining of us are too busy doing other

things to be able to understand or comprehend something as vital as recommendations of the Canadian Import Tribunal.

• (1210)

I do not think there is any harm in allowing those reports to be available to the committee members who may or may not decide to do something with the information. The process would certainly be more open and available to the public if they knew what the recommendations were.

A few moments ago the Parliamentary Secretary was telling us that the ideal behind these amendments, namely, that the parliamentary committee have an opportunity to review appointments and regulations before they come into effect, is unnecessary because we have an opportunity now to call before committees, for questioning and scrutiny, proposed appointees. Those committees do not have the power to stop the appointment, they simply have the power to make inquiries. The Government and Cabinet are still in control of whether or not that appointment proceeds.

With regard to the issue of regulations already being fully observed, I think the Parliamentary Secretary was referring to the Standing Joint Committee on Scrutiny of Regulations. That committee has gone through some name changes over the past few years, but its function has basically been one of looking at regulations as they come about and determining whether or not the Cabinet or Government complied with the laws of the land when they struck the regulations. That is all they can do. They cannot make comments on the appropriateness of the regulations and as long as the regulation is within the purview of the law of the land, there can be very little public discussion of the regulations prior to their coming into effect. This proposed amendment would permit that kind of comment and public disclosure to occur.

The regulations regarding agricultural standards are mentioned in Motion No. 50, which would require the committee to look at those prior to their coming into effect. This is especially pertinent because of the actions of the Joint Standing Committee on Scrutiny of Regulations or its immediate predecessor which found, after regulations had been in effect for quite a number of years, that in fact the regulations we were using to regulate the importation of certain fruits, vegetables, and agricultural products did, in the opinion of the joint standing committee, go beyond the powers which Parliament had granted the Government to use in the Acts concerning Canadian agricultural products standards. Parliament therefore had to amend those Acts to provide the Government with the powers it had need of and which the industry was convinced it should use in order to make those regulations legal.

The process takes a number of years. We have gone on with this process for eight or ten years. I believe we may have avoided that had there been a more open procedure, and had the committee been able to look at it prior to the regulations coming into effect and had the opportunity to discuss whether or not this was in fact a legal way to proceed. It could have questioned the objectives of the regulations and would have made Canadians who are in the business of trading back and forth across the border more aware of the thinking of the Government and of the process under which they would have to live.

I believe these proposals would go some way toward creating more open government and a more open understanding of what our trading arrangements are under this new agreement with the United States and would put us on a more equal footing with some of our counterparts across the border who have the opportunity to involve their politicians much more closely in trading decisions and trading relations than is the case in this country. Under our constitutional monarchy we have always attempted to keep such decision making within the Cabinet. When we get into a trading dispute, it is very difficult to find that political action is being taken almost immediately and in almost every case on the other side of the border, regardless of what is stated in the trading arrangement, whether in the current trading arrangement or the new one which we are now debating.

The Americans have a great advantage over Canadians in that they are always able, as exporters or importers, to call on their politicians in Congress to interfere on their behalf. We in this Parliament are not given the same kind of ability to interfere because we do not have the kind of constitutional arrangement which they have. These motions are moved in order to highlight the differences between the two systems and to try to make this very shabbily-built structure a little better. If we are going to be stuck with it, we would like to improve it in order that it might be of some use to Canadians.

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I welcome the opportunity to re-enter the free trade debate. We have debated the legislation in the House before, but it goes without saying that we ought to continue to debate this legislation until the public is aware of the full implications of it and until the Government comes to its senses and decides that it is not in the best interests of Canadians and will therefore not proceed with it.

I would like to refer specifically to the nine amendments before the House at the present time. The first motion refers to the appointment of chairmen of the procurement review board. The next one refers to the regulations regarding the powers, duties, and functions of the procurement review board. The third requires that the Canadian Import Tribunal report to a Commons committee as well as Cabinet as to whether, as a result of tariff reductions, U.S. imports are causing serious injury to Canadian producers. The next motion requires committee approval for the establishment of dispute settlement panels and committees in the agreement. The next motion requires the appointment of the secretary of the Canadian secretariat that will administer the dispute settlement panels and committees. A further motion makes reference to the powers of such dispute settlement panels. The next motion

refers to the regulation of agricultural standards, and the final two motions refer to the retransmission of TV signals.

I will use the first motion as an example to illustrate what this is about. The first motion requires that the appointment of chairmen of the procurement review board be approved by a Commons committee. The procurement review board will consider the fairness with which companies are being treated when they seek to get contracts with the Canadian Government or other levels of government in Canada. So this affects a very important area of the economy. What this Government is doing, and we want to make this clear to the people, is giving to Cabinet the privilege of appointing the chairman of this board. It is also giving Cabinet the privilege of making the regulations with respect to this board, that is, the powers, the duties and responsibilities of this board.

• (1220)

The same thing is being done with respect to the Canadian Import Tribunal and the other aspects I have already mentioned. What we have here is the introduction of a notion of cabinet legislation. This Commons is being asked to approve a piece of legislation so broad in its nature that it outlines legislative authority for Cabinet. Cabinet will determine just what are the powers, duties and functions of the procurement review board. In other words, when we set up a board that will determine whether or not the competition for contracts with the federal Government are being distributed fairly among Canadian and American companies, Cabinet will be able to outline the criteria and rules under which this will take place. Cabinet will also appoint the czar, the chief, the boss, who will determine whether or not this is being carried out in a fair way. What we have is a Government which is substituting cabinet rules for parliamentary democracy.

What the Government is saying is that it wants Cabinet to have the capacity to set the rules, to draft the regulations and it does not want to define legislation in such a precise manner that Parliament will know what the rules will be so that it has an opportunity to speak on these issues, and so that the representatives of the people will have an opportunity to be involved in debate. It does not want public opinion to affect the outcome of the debate. The Government wants to do all of this behind closed doors. That is what it is saying.

That is, of course, not surprising given what the Government has done until now. If we consider what the Government has said about a commitment to openness and democracy, we are shocked by these provisions. But if we measure these provisions against the Government's behaviour, particularly as it affects this trade deal, then, of course, we are not particularly surprised.

When the Government ran for office four years ago, it made no mention of a comprehensive free trade deal with the United States. When the Prime Minister (Mr. Mulroney) ran for leadership of his Party, he said that such a deal would be destructive to Canadian society. The Government cooked up the idea of a trade deal with the United States behind closed doors and if the truth be known, it was the Business Council on National Issues, the leaders of the major corporate enterprises of this country, that hatched this idea.

Mr. Blackburn (Brant): And the Chamber of Commerce.

Mr. Keeper: Along with the Chamber of Commerce, as my colleagues points out. They then took their pet project to the Government and behind closed doors said: "This is what we want. Do not pay any attention to public opinion. This is what we think is good for the country". That is what this set of regulations reflects. It reflects a closed and manipulative approach to Government. It reflects the idea that all Cabinet has to do is read public opinion polls in order to devise its regulations, strategies and policies behind closed doors and thus manipulate public opinion. That is what is distasteful about this aspect of the trade deal with which we are now dealing.

If the outcome was beneficial to Canadians, perhaps we could hold our noses and go along with it. However, if we examine the outcome of the trade negotiations, the deal that Canada is entering into with the United States under the leadership of the Prime Minister, we cannot in any way see it as beneficial.

I would like to read into the record some of the comments of people who have been excluded from this debate. The garment workers in my riding are some of the lowest paid workers in our country. These people live in the greatest of insecurity and their voices should be heard. The International Ladies Garment Workers' Union is one of the unions in that industry, and I would like to read its assessment of this trade deal with the United States. It indicates that this deal is going to lead to lower wages, lay-offs, to fewer benefits, to cut-backs in medical care, and to fewer health and social services. This is what will happen to garment workers because of free trade. That is why the International Ladies Garment Workers' Union says no to the free trade deal.

These workers, of course, know that the Liberal Party in this House and its Leader are opposing the free trade deal. I would like to read its assessment of the Liberal stand in this respect. The Union says: "It was the Liberals who opened our shoe market to more imports in 1981", which shows it is paying more attention to the behaviour of past Liberal Governments rather than to the words of the present Liberal Leader. The International Ladies Garment Workers' Union says that the trade agreement will be detrimental to the garment industry and to Canada. I am sure it would agree with me that it would be far better if this agreement had been negotiated in an open fashion rather than behind closed doors.

Mr. McDermid: It's all public information. Don't be silly.

Mr. Keeper: If the Conservatives believe in open Government, why do they want us to pass legislation that will give

arbitrary power to Cabinet to make regulations and appointments, and to be able to do this without public input, without the Canadian people having an opportunity to have a real impact on the decisions Cabinet makes? I call upon this Government to withdraw this legislation and take an open approach to Government.

Mr. George Minaker (Winnipeg—St. James): Mr. Speaker, I would like to make a few comments with respect to this debate on free trade, particularly as it relates to the wage factor. Not only the New Democratic Party but the Liberal Party have continued to drag a red herring across the floor of the House of Commons with respect to wages and how the wages of employees will be affected by the free trade deal. The Right Hon. Leader of the Opposition (Mr. Turner) went so far as to ask on June 29 of this year: "Do they want us to harmonize our minimum wage rates with Texas where the rate is $1.40 an hour, or the nine other States in the American Republic which have no minimum wage rate?" I guess the Leader of the New Democratic Party (Mr. Broadbent) wanted to get into the act because he thought perhaps he was being outdone by the Leader of the Liberal Party.

• (1230)

On July 5, 1988, the Right Hon. Leader of the Opposition said: "Eight states in the U.S. have absolutely no minimum wage whatsoever, and three are set at less at $1.60 an hour." This is a real red herring. While in Canada the provinces primarily look after minimum wage legislation, in the United States the Americans have both state and federal legislation dealing with minimum wages. In fact, whichever is the larger will prevail in the states. In other words, if a state does not have a minimum wage, then the federal minimum wage law is in regulation.

To give Hon. Members an idea of comparisons of the minimum wages in the two countries, in the United States virtually all workers are protected by federal or state minimum wage laws, whichever is the greater. Most workers in the states where there is no minimum wage protection are in fact covered by the U.S. federal minimum wage, $3.35 U.S. per hour. If we translate that figure into Canadian dollars it is equivalent to about $4 Canadian. This is in line with the minimum wage that applies in five out of ten of our Canadian provinces.

Further, the state minimum wage prevails when it is higher than the federal standard. Thus, for example, most workers in California have an hourly minimum wage of $4.25 U.S. per hour which, when translated into Canadian funds, is equivalent to $5 per hour.

Mr. Orlikow: Tell us about Georgia and South Carolina.

Mr. Minaker: If the Hon. Member for Winnipeg North (Mr. Orlikow) had been in his chair when I was opening my remarks, he would have heard me say that where there is no state minimum wage the federal minimum wage prevails.

Mr. Orlikow: They have minimum wages—they are low.

Mr. Minaker: The greater of the two standards apply in instances in which materials are purchased from another state, or when the product is shipped outside one state. The competitive advantages to trade arising from low minimum wage laws in the U.S. are virtually nil. Yet members of the Opposition would try to create a situation in which there was an extreme difference. It is interesting because the NDP concern about the U.S. minimum wage laws is curious, given the foreign aid policy of dropping barriers to manufactured imports from countries in the Third World, where wages often average less than $1 per hour. Perhaps the Leader of the Opposition has never read the NDP policy bible entitled "Resolutions Reference". We see that these people are trying to create a red herring on the wage situation.

Further to that, I received a very interesting letter in July of this year from the President of the C. D. Howe Institute, Maureen Farrow. The letter was written to me as a Member of the House of Commons Standing Committee on Finance and Economic Affairs.

Mr. Langdon: Who finances them?

Mr. Minaker: The letter states:

Dear Mr. Minaker:

I am pleased to enclose an advance copy of the C. D. Howe Institute's latest publication, *Evaluating the Free Trade Deal: A Guided Tour through the Canada-U.S. Agreement,* which will be released on July 19, 1988. In this study, authors Richard G. Lipsey and Robert C. York analyse and interpret the contents of the bilateral treaty.

The authors' main conclusion is that the Agreement represents a win/win situation for both countries. From Canada's perspective, the Agreement will increase access to the U.S. market significantly and make that access more secure.

The Agreement goes most of the way toward completing the policy of trade liberalization that Canada has been pursuing since 1935. It also represents a complementary strategy to Canada's active participation in the Uruguay Round of GATT negotiations.

The next paragraph in the letter is very important. I quote:

The authors work through the Agreement chapter by chapter, reviewing the content of each chapter, analyzing the significance of that content, and examining the major concerns that have been voiced with respect to the chapter. Altogether, they examine over 50 such concerns, making the text an invaluable handbook for all those interested in the public debate on free trade.

They show that Canada has not relinquished its sovereign right to pursue independent policies on energy, social services, cultural industries, investment, and public ownership—assertions to the contrary notwithstanding.

That is from a letter signed by the President of the C. D. Howe Institute, Maureen Farrow.

Mr. Langdon: Who finances them?

Mr. Minaker: It is an independent study. I suggest to members of the Opposition that they read that book. They would find that the myths they are trying to create are completely wrong. They are trying to put falsities into the minds of the people of Canada. The people will recognize that as they come to understand that the C. D. Howe Institute supports the trade Bill. The Economic Council of Canada has made recommendations that this deal is good for the country.

The people of Canada will recognize what the Opposition is trying to do to this good treaty that has been negotiated between our two countries.

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I join in the debate this morning on motions put forward by my colleague, the Hon. Member for Essex—Windsor (Mr. Langdon), with pleasure. Before the Hon. Member for Winnipeg—St. James (Mr. Minaker) leaves the Chamber, perhaps I should take a moment to deal with one or two of the things that—

Mr. Minaker: I am not leaving the Chamber. I am going across the way to talk to someone.

Mr. Epp (Thunder Bay—Nipigon)): He is going to the other side to listen. I am pleased to see that.

I would like to make a couple of points. First, the C. D. Howe Institute is always of some interest for me as a Member for the constituency represented once upon a time by the Hon. C. D. Howe, the old riding of Port Arthur, now Thunder Bay—Nipigon. The C. D. Howe Institute began life as the Private Planning Association of Canada Operations, an affiliate of an American organization in Canada. It was latterly turned into the C. D. Howe Institute. It has always had that American connection. As my colleague was trying to point out a few minutes ago, it has been abundantly funded by the large corporate interests of Canada which have their own interests to support. They find the C. D. Howe Institute perfectly useful in supporting those interests.

Mr. McDermid: Just like the CLC does with the NDP Party.

Mr. Epp (Thunder Bay—Nipigon): Perhaps in regard to that I should read from a copy of an advertisement which I have in my hand published by Georgia, "The International State". It is entitled: "138 Reasons To Do Business In Georgia." I take it from the content of the ad that there are 138 companies operating in Georgia, with no less than $950 million U.S. of Canadian investment in that state. Why are so many Canadian corporations operating in Georgia? For a number of reasons. It points out the productivity growth of the labour force is 36 per cent higher than the U.S. average. It focuses on the fact that the costs of labour in Georgia are among the lowest in the U.S. It observes that fewer than two in ten workers belong to a labour union.

The Parliamentary Secretary just moments ago was evincing his own anti-union, anti-labour attitudes in the House by his jibes across the floor.

Mr. McDermid: I used to be a union member.

Mr. Epp (Thunder Bay—Nipigon): I am not surprised that he would be a proponent of this trade deal which will encourage more investment in the U.S., investment in states such as Georgia where everything that the Hon. Member for Winnipeg—St. James has been trying to assert about good incomes resulting from economic investment would seem not to be particularly true.

I note among the 138 reasons for Canadians to look to Georgia, the international state to invest, the firm Dominion Textile is mentioned. Anyone who has been observing Dominion Textile—this great corporation put together in 1905 by a union of other companies to try to achieve a dominant position in certain lines of the Canadian textile industry—will see that it has been moving out of Canada at a pretty tidy rate over the last while. It has been putting its investment into the U.S., and hiring labour in America states where it can produce much more cheaply, and reducing the employment in Canada in a process which one of these days could very well see Domtex producing nothing in the province of Québec.

• (1240)

Mr. McDermid: Why have they not all moved down there if it is so good?

Mr. Blackburn (Brant): They will after free trade.

Mr. Epp (Thunder Bay—Nipigon): I wonder about support of the trade deal by members of the Conservative caucus from the Province of Québec, and those who represent textile workers employed by Domtex in Québec City, in Montreal, and in other cities in Québec. This trade deal will encourage Dominion Textile, a great enterprise built up behind tariff barriers in Canada, to do its producing in the United States and importing into Canada to meet the demand here. That is Canadian prosperity under the trade deal.

The focus in these motions is on some particular matters of accountability to Parliament on the part of the Government when it appoints persons to boards and when it establishes regulations. In the last months in certain parliamentary committees, and in the legislative committee on Bill C-72, in dealing with the Official Languages Bill, we saw some interesting developments. I witnessed this development in the regulatory functions of the federal Government in ways that seemed to me to coincide exactly with what my friend, the Hon. Member for Essex—Windsor is putting forward in these motions.

In the Official Languages Bill there is a measure that is essential to national unity. Here we have an elaboration of official languages provisions dating back to 1969. In those provisions there was an elaboration which was repugnant to some members of the Conservative caucus, one or two of them being present in the House at the moment. Those persons resisted those provisions. It was a drawn out process that was fought by Conservative back-benchers against Bill C-72 which was just about worthy of comparison with the valiant struggle which my colleague has been fighting in the legislative committee, in the House, and on the hustings against this trade deal. Conservatives put up quite a fight. In watching the response of the Government, what was interesting was the manner in which it finally came forth with some proposals on regulation.

The provisions are now in the Official Languages Act which has passed both Houses of Parliament and been given Royal assent. We were assured that, when the Government published regulations under the Act providing for recognition and provision of services to the official language minorities in various parts of the country, those regulations would not simply be published as they had been in the past, but there would be a complex and carefully developed process during which they would be given to the world in the sense of notice being given. Members of Parliament would be informed that the Government planned to put regulations forth on these matters. After some weeks of digesting the fact that regulations were coming, the regulations would then be published in draft form. There would then be time for Members of Parliament and committees to consider whether these were desirable regulations. After they had been given proper scrutiny by Members of Parliament, then finally these regulations would be published in the *Canada Gazette*, proclaimed, and be in force.

That particular process of responding to anxieties in various parts of Canada, anxiety about the extension of our official bilingualism in federal government institutions into other parts of the country where they are not so operative now, struck me and other members of the committee as an impressive elaboration of the regulatory function of the federal Government. One might be somewhat of two minds about why it was happening, but it is a democratic country and we want it to remain that way. When Canadians, who may be a minority in some regions and not in other regions, expressed concerns about what the Government of Canada planned to do, then it was right and proper for the law of the land to provide opportunity for additional consideration. Now under the Official Languages Act we have precisely that.

That is largely what my colleague wanted to do with the motions. Given the anxiety that exists across the country, which is perhaps stronger in some regions than in others but which exists everywhere about the impact of the trade deal on Canada, and the impact of Bill C-130 on Canadians, it seems to me the proposals made in this series of motions are eminently sensible ones.

In addition, where these motions provide for consideration in committee of the House of Commons of persons to be appointed to head boards, surely parliamentary reform envisioned movement in that direction. Particularly in a debate on a trade deal with the United States that certain patterns of activity of congressional review of appointees of the President to the executive branch in the United States, that style of congressional review which very often is a fairly ready acceptance of the appointee, and in other cases where there are serious questions to be asked when it is a dubious appointee that is before the American citizens, surely this particular activity of the U.S. Congress is one that we might easily emulate in Canada.

It is shameful that the Government, which has spoken so much of parliamentary reform, and which had before it proposals for some development of a tradition of parliamentary review of appointees in committees, has neglected and has failed to follow through on those initiatives. I am anticipating the attitude of rejection of opposition efforts that we have had time and again, and presumably there will be a decline of accepting the motions put forward to achieve that goal in this very important matter.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. King): The question is on Motion No. 30. The vote on Motion No. 30 will be deemed to apply to Motion Nos. 30, 32, 38, 41, 43, 44, 50, 56, and 58. Therefore, we will vote on Motion No. 30 standing in the name of the Hon. Member for Essex—Windsor (Mr. Langdon).

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen.

The Acting Speaker (Mr. King): Pursuant to Standing Order 114(11), a recorded division on the motion stands deferred.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 39

That Bill C-130 be amended by adding immediately after line 37 at page 21 the following:

""48.2. That the Tribunal be empowered to oversee the agreement; in particular it shall;

(A) 1. Report to Parliament to include;

(a) quantity and nature of Canada-United States trade;

(b) United States federal and state programs which affect Canada-United States trade;

(c) determine whether the rights and benefits to which Canada is entitled under the agreement are being denied;

(d) if the determination of the tribunal is affirmative under paragraph (c), then the Tribunal shall also determine and report what corrective action is necessary.

2. (a) The Tribunal shall be empowered to receive petitions from any entity, including a trade association, firm, union or group of workers who represents a Canadian industry and who has reason to believe that

(i) the industry is likely to face, as a result of the Canada-United States trade agreement, increased competition from subsidized American imports, including those supported through the United States defense programs; and

(ii) the industry is likely to experience a deterioration in its competitive position during the time negotiations occur between Canada and the United States on subsidies

(b) Upon receipt of a petition under paragraph (a) the Tribunal shall:

(i) compile and make available to the industry, information on the amount of subsidization to the American industry, the increase in market share since the agreement came into effect, and the impact of those imports on the Canadian industry.

(ii) update this information annually or as requested by the industry;

(iii) provide to Parliament a copy of any reports undertaken as a result of subparagraphs (i) or (ii).

(c) (i) The tribunal shall review information obtained under paragraph (2) and consult with the industry to decide whether action may be appropriate under section 59(2) of the Customs Tariff Act, and recommend such action be taken by the Minister of Finance in conjunction with the Secretary of State for External Affairs.

(ii) The Minister of Finance and the Secretary of State for External Affairs shall, upon receipt of any recommendation under subparagraph (i) determine whether to take action and shall on determination that action be taken, give preference to actions that most directly affect the products benefitting from governmental subsidies unless the application of action under section 59(2) of the Customs Tariff Act to other products would be more effective.

(B) Be empowered to implement and oversee adjustment programs for those firms and workers who will be dislocated as a result of the agreement including:

(a) specific programs for groups most disadvantaged; older workers, new immigrants, women, aboriginal workers;

(b) procedures for application by firms to be designated dislocated and apply for adjustment assistance;

(c) generalized programs for workers to insure that they are retrained for jobs that become available.

(C) Monitor and report to Parliament the extent to which United States exports are subsidized by U.S. defense expenditures and the impact such products have on Canadian industry.

Motion No. 93

That Bill C-130 be amended in Clause 146 by adding immediately after line 26 at page 113 the following:

""(5) Implementation through section (4) of this Act is conditional on:

(a) the Tribunal's report to Parliament on United States Defense Department subsidization of transportation

(b) proof that the United States government does not assist the transportation of agricultural exports to Canada.""

He said: Mr. Speaker, in rising to present these amendments, I want to underline why I consider that in the context of this Bill it is one of the most important set of amendments that we can present because of two things: First, it substantially improves the Bill; second, it points out the serious, glaring inadequacy in the entire trade negotiation and the trade agreement. What the motions in fact do is provide additional powers to the Canadian International Trade Tribunal to monitor United States exports in this country, to present a report on those exports to determine whether in fact they meet the so-called benefits that are supposed to accrue to Canada as a result of the agreement. They provide for the ability of Canadian industry to petition the Canadian International Trade Tribunal where they believe that Canadian-U.S. exports are being unduly subsidized. They provide for the Canadian International Trade Tribunal to initiate action to ensure adjustment for workers, and they specifically require the trade tribunal to monitor U.S. exports to deal specifically with the question of defence-related subsidies.

• (1250)

One would want to ask why you would apply additional new powers on an agreement dealing with free trade. The answer is very simple and obvious. This is what the Americans are doing. The United States has taken advantage of the trade negotiations to strengthen their own powers and procedures to apply actions against Canadian trade. It is a paradox, a joke, an irony. However you want to describe it, the fact of the matter is that it is contrary, in fact totally opposite to what the Prime Minister (Mr. Mulroney) promised in a statement back in 1987 when he said that there would be a new regime against U.S. protectionism. We have in fact ended up with the United States, in both the implementing legislation and the omnibus trade Bill having tougher trade laws against Canada. That in itself should be sufficient to tell Canadians what a hoax this whole thing really is. All the efforts of government propaganda, the $30 billion or $40 billion of taxpayers' money that they are spending to sell the trade agreement, cannot avoid that one fundamental fact, that the United States Congress has written into new trade laws tougher laws against Canada.

All that I am proposing in this amendment is that we mirror the legislation, that we at least acquire similar powers to provide a balance, some kind of parallel with the U.S. legislation so that we will not be at a severe disadvantage. I do it to point out just how singularly ludicrous the situation is and how deceptive the statements are by government spokespeople when they go across this country and say: "We have won a free trade deal". In fact, they have won a pyrrhic victory. They have acquired new U.S. trade legislation where, rather than giving Canada exemption, an easier ride, some kind of special preference, we have been singled out for tougher laws.

The Baucus-Danforth amendment that was introduced has given what I consider to be a very important new advantage to U.S. industry. Under the present laws, if a U.S. industry, whether it is potash or pork or uranium or steel, thinks that it is being affected by a new Canadian export, it has to undertake the research, develop documentation, and provide for the kind of inquiry that is necessary to make their case. Then it can go to the International Trade Commission and ask for countervail or an anti-dumping on that. Now it can petition the U.S. Government to do it for them. The trade office will now undertake to do all that research and investigation, which will give an open sesame, open invitation for U.S. industry to provide enormous harassment of our exports.

Furthermore, if you read the so-called Baucus-Danforth amendment, they have changed the reading so that it does not say that there has to be injury; it only has to be affected by a Canadian import. Then you can bring in the new provisions under the omnibus trade Bill, which will apply as part of this agreement and be part of the U.S. trade law, the new Section 301, which will give the President expanded powers and changes the definition of a subsidy. They substantially narrow what they expect a country like Canada can provide for its natural resource industries. Put together all these things and you end up with a package of U.S. procedures and laws that are much tougher than we had before.

In committee, when I raised this point and brought forward this amendment, the Parliamentary Secretary and officials said: "Yes, but we could do almost the same thing under existing law". They pointed to the Special Import Measures Act and the Customs Tariff Act. I went back to check those things out. It is not the same. Under the Special Import Measures Act it has to be the Governor in Council that requires the trade tribunal to undertake an investigation. There is a big difference in having a government decide to take that investigation, with all the kinds of pressures it is subjected to by its counterpart, the United States, as opposed to giving the industry that right.

Then they point to Section 59 of the Customs Tariff Act, which gives the right to Canada to respond. But it has never been used. There are not even any regulations determining how it will be used. It is a dead letter.

I say: "Well, let me call your bluff, put it into the Bill". At least this Government, for all its surrenders that have gone on, should be prepared to give Canadians the same rights that our American partners are acquiring under the trade agreement. I suspect that they might not. The reason they will not is because they would not want to provoke our powerful American partner, the powerful American Congress, into further action. So they are going to quietly sneak into the darkness once again, with a smoke screen behind them, trying to cover up, saying that it has been watered down.

We phoned around. We asked the Canadian Embassy in Washington and the Department of External Affairs and the trade office if they could analyse for us the impact of the omnibus trade Bill upon Canada. There is no analysis, they said. They have not bothered to do it yet. Or, if they have done it, they are not going to have it public, they are not going to give it proper exposure. They are well aware of the statements that were made last March by our Ambassador, Mr. Gotlieb, who said that the specific measures in the omnibus trade Bill that were contrary to the obligations of international trade law and were damaging to Canada have not been changed. They are still in that Bill. We are now incorporating those very laws into the trade agreement that we will have to administer on behalf of the United States.

The case must be made that the one thing that the Prime Minister achieved with his negotiations is a tougher protectionist law against Canada. I ask him if he is going to tell all those people out there in the hustings that that is what he achieved. If he is not, he is not going to be telling the truth, because that is the truth as it is written in the U.S. legislation.

I will make one final point, if I may, before you rise to your feet, Mr. Speaker. The important amendment 93 deals with the U.S. Defense Department subsidies. The Americans claim that that is national security. In fact, it is a massive form of subsidy to their industries, which should be examined and we should be prepared to apply our trade laws to them. This amendment would do it. I say to you that these amendments will certainly tell us the real tale as to how prepared the Conservative Government is to protect Canadian interest.

The Acting Speaker (Mr. King): It being one o'clock p.m., I do now leave the chair until two o'clock p.m this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

HEALTH

GASOLINE—CALL FOR ACCELERATION OF LEAD REDUCTION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, studies by the U.S. Department of Health and Human Services indicate that lead is dangerous at levels far lower than those considered dangerous so far.

Until recently the presence of 25 micrograms of lead in a decalitre of blood marked the danger level. The new report says that 10 to 15 micrograms are enough to retard mental development. Lead pollution has been a suspect in that area and others for more than 20 years. It is believed to interfere with the synthesis of key substances in the blood, and is considered especially harmful to children. Lead has been held responsible in some instances for premature birth, hearing loss, and low birth weight.

Public health impacts should convince the Government to accelerate the lead reduction policy initiated in 1984 and achieve by December, 1990, the standard of 0.02 grams per litre of gasoline already enforced in the United States.

S. O. 21

NATIONAL PARKS

BANFF—PROPOSED NEW CHAIR LIFTS FOR SKI RUNS

Mr. Gordon Taylor (Bow River): Mr. Speaker, if a business is going to be viable it must be competitive, and that is just as true for business in the national parks as elsewhere.

Two ski businesses in the Banff National Park were authorized and are in operation but are rapidly becoming non-competitive because Parks Canada will not permit the operators to run their business like owners elsewhere in Canada. Both the Lake Louise and Sunshine Ski Companies want to erect a quad chair lift and to make other improvements in order to be competitive with other ski areas, but Parks Canada says "no dice!".

Canadians invested their money in these ski areas on the understanding that they could manage their businesses, and if Parks Canada is going to interfere and stop these businesses from being competitive it will bankrupt the businesses and be a betrayal of these investors.

We need these chair lifts, Mr. Speaker.

* * *

NATIONAL DEFENCE

PROPOSED ACQUISITION OF NUCLEAR POWERED SUBMARINES

Mr. Derek Blackburn (Brant): Mr. Speaker, a curious thing has happened. The Government's nuclear submarine program has submerged.

For months the Minister of National Defence (Mr. Beatty) proudly proclaimed that his flagship program was going full speed ahead. But the long overdue decision on a final design seems to have been put into the dry dock for the fall. Perhaps the nuclear submarines have run into rough weather. The U.S. may not have given the Minister blanket permission to use their nuclear technology. His own Cabinet and caucus colleagues seem doubtful that the Minister can deliver them for $8 billion. Perhaps others aren't exactly sure why we need them. But one thing they are sure about. They don't want the nuclear submarine issue floating around during an election campaign.

Meanwhile, the Minister is making a flurry of announcements on much lower priority items. He seems to think that throwing around a lot of money will keep people from noticing that his pet project has taken a dive. But the people of Canada will soon have the chance to remind him that the whole nuclear submarine project was a bad idea from the beginning. And when they finally speak, the nuclear submarines will be sunk for good.

[*Translation*]

CONSERVATIVE PARTY

PEOPLE'S VERDICT

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I would like to point out the efforts made on the weekend by all Hon. Members from Quebec in the Conservative Party caucus meeting in Saint-Hyacinthe, to confirm and reassert our unity and our intention to continue to work all together for the betterment of all Canadians, especially Quebecers who put their trust in our integrity and our dynamism, in order to put Canada back on the road to prosperity by trying in every way to strengthen our economy and thus improve life for all Canadians. Mr. Speaker, that is our ultimate goal.

Further to the talks and discussions of the weekend, I am quite hopeful that Canadians have realized that the Conservative Government is on the right track and that they will trust us again in the next general election, because they are convinced, Mr. Speaker, that the Conservative Government is the only one that can lead our beautiful country Canada to its proper destiny.

* * *

[*English*]

AIR TRANSPORT

YORK WEST—NOISE CAUSED BY NIGHT FLIGHTS

Mr. Sergio Marchi (York West): Mr. Speaker, despite the repeated reassurances of Transport Canada officials, aircraft continue to fly over the homes of my constituents well after midnight until the early hours of the morning. This ongoing problem has not reached a satisfactory solution despite meetings with transport officials, and petitions and letters to the Minister of Transport (Mr. Bouchard).

Passenger aircraft that violate the midnight curfew are often fined only $500 of the maximum $5,000 penalty and view this imposition as only a landing fee. Other aircraft not restricted to the curfew, such as courier jets and non-passenger flights, continue at all hours, to the displeasure and discomfort of awakened York West residents.

I ask again that the Minister of Transport eradicate this annoying situation by imposing harsher fines on violating airlines. As well, noise and air pollution should not be a burden solely on our community. Rather, all runways should be equally utilized so as to minimize the difficulties on any one community. The Minister of State for Transport (Mr. St. Germain) vowed in the House on June 29 to lessen run-up noise of engine testing.

My constituents would sleep and live a lot better if the Minister would also act on the unfair and unacceptable levels of overhead aircraft noise.

ENVIRONMENTAL AFFAIRS

TOXIC POLLUTION OF GREAT LAKES—REMEDIAL ACTIONS

Mr. Bob Horner (Mississauga North): Mr. Speaker, this Government recognizes the toxic chemical problems of the Great Lakes and has devoted considerable resources to their resolution. Specific actions include amendments to the 1978 Great Lakes Water Quality Agreement in November, 1987, as well as a number of provisions dealing with toxic substances; substantial research, monitoring and surveillance effort on the lakes which has been undertaken to identify and assess toxic problems and appropriate remedial strategies; development of remedial action plans for 12 longstanding Canadian areas of concern where water quality is impaired, and development of studies and management plans with the United States on interconnecting channels of the lakes where toxic chemical problems are highlighted.

In a broader context the Canadian Environmental Protection Act passed earlier this summer will provide comprehensive management of chemicals so that Canada will not in the future be confronted with the kinds of problems which are prevalent today due to the neglect of the previous Government.

* * *

TECHNOLOGY

PENALTIES URGED FOR DESTRUCTION OF COMPUTERIZED DATA

Mr. John Oostrom (Willowdale): Mr. Speaker, computers have become an integral part of all aspects of Canadian society. Governments, industry, and individuals rely on computers to cover the entire spectrum of usages. However, this very efficient means of information storage and transfer can be brought to an abrupt halt by viruses.

Computer viruses have the same effects as biological ones have on humans. A computer virus can reproduce, mutate, lie dormant, attack at a set time resulting in the shutdown of systems, modification or destruction of data. The ramifications are mind boggling. Just think of the crimes which could be performed. An example would be money transfers from banks and then having systems crash. Terrorists, organized crime, disgruntled employees can wreck havoc with our computer systems.

The Minister of Consumer and Corporate Affairs (Mr. Andre) must enact legislation which will impose harsh penalties on those who deliberately set out to manipulate or destroy data which actions can have a detrimental effect on Canadians.

S. O. 21

POLITICAL PARTIES

MEETING OF PROGRESSIVE CONSERVATIVE PARTY'S QUÉBEC WING

Mr. John R. Rodriguez (Nickel Belt): There is nothing like a deathbed repentance, Mr. Speaker. It amazes me how a vision of Heaven will so concentrate the mind.

This weekend the Pearly Gates parted in St. Hyacinthe, Quebec, and the Conservative Party glimpsed the Heavens beyond. The Tories repented, Mr. Speaker, and they swore to follow a new morality. After four long years of marching through the desert, the Prime Minister (Mr. Mulroney) claimed to discover that elixir of life—honesty and integrity. No more corporate contributions, he proclaimed from the mount. "Political Parties have to go out and get their money from ordinary citizens, in limited amounts".

But while the scent of death and corruption lingers, we smell a more earthy odour arising from St. Hyacinthe. Can we really believe that Quebec's Conservatives will refuse the $6.7 million of corporate donations raised in 1987? Will the Prime Minister renounce the $260,000 donated by the big banks, or the $10,000 given by Inco in 1987? And will Tory MPs outside Quebec turn as pure as the driven snow? No, Mr. Speaker, it is easier for a camel to pass through the eye of a needle.

* * *

FISHERIES

DEVELOPMENT OF PROJECTS IN BONAVENTURE—ÎLES-DE-LA-MADELEINE

Mr. Darryl L. Gray (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, recently I announced federal contributions in my riding of Bonaventure—Îles-de-la-Madeleine regarding the development of aquaculture industries.

Since my election in 1984, this Progressive Conservative Government has emphasized new technology regarding the fishing industry in our area. In the riding of Bonaventure—Îles-de-la-Madeleine we now have substantial private investments in the area of raising blue mussels, Atlantic salmon, and giant scallops.

I thank the Government for its interest in developing these new industries.

[*Translation*]

And also, Mr. Speaker, I would like to assure all consumers wishing to buy products from Bonaventure—Îles-de-la-Madeleine that these are of the best quality. Good eating, everyone!

S. O. 21

• (1410)

[*English*]

AGRICULTURE

ESSEX COUNTY, ONT.—EFFECT OF DROUGHT

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, this past weekend I took a disaster tour through the drought stricken areas of Essex County and I saw devastation which I have never seen before on the farms of that county. I saw cuts in normal production of as much as 40 per cent on farms which were fortunate and as much as 85 per cent on farms which were not fortunate. I saw seed corn which had been totally devastated because of the drought.

I saw examples of all sorts of crops of every kind that demonstrated that there must be in Essex County, just as in western Canada, urgent action on drought. It must come fast so that farmers can make decisions and predictions and be in a position to be able to plan for the future.

* * *

[*Translation*]

POLITICAL PARTIES

ALLEGED LIBERAL-SOCIALIST MARRIAGE

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, having been away from the House of Commons for a few days, I noticed upon my return this morning an official, formal statement that the socialists and Liberals intend to live together. For a long time, the two leaders had been exchanging compromising winks, but it was not official. On August 15, 1988, the socialist and Liberal love-birds signed their marriage contract. A marriage of love! A marriage of self-interest!

I wish this new couple, this embryonic socialist-Liberal family, as few children as possible and a golden wedding anniversary in the Opposition, with pleasure.

* * *

[*English*]

ENVIRONMENTAL AFFAIRS

FEDERAL FUNDING SOUGHT BY INVENTOR TO PROTECT MAPLE TREES

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, over the weekend Canadians listened to the Prime Minister (Mr. Mulroney) who pretended to be concerned about the environment. In my own constituency there is an inventor by the name of Bill Haines, of Vankleek Hill, Ontario. Eleven years ago he developed a formula to save Canada's sugar-maple trees. Some three or four years ago he approached the present federal Government to get assistance to further develop and to test this new product made of silica which would assist in the protection of our forests.

Much to his chagrin, and even with the help not only of myself but of the Hon. Member for Parry Sound—Muskoka (Mr. Darling), Mr. Haines has been unable to obtain federal government funding for the project in question. I call upon the Government to listen to the good advice offered to it by the Hon. Member for Parry Sound—Muskoka and by me, and to assist with this project which could go a long way toward reducing the damage done by acid rain to our sugar-maple trees.

* * *

INDUSTRY

REBOUND OF PETROCHEMICAL INDUSTRY

Mr. Sid Fraleigh (Lambton—Middlesex): Mr. Speaker, my riding is heavily dependent on the petrochemical industry. Unfortunately, as the rest of my province was booming, the Lambton County and Sarnia area was suffering high unemployment rates and a very depressed economy.

The industry has finally recovered from the disastrous results of the National Energy Program. Never was there a program so ill-conceived. It ravaged the entire industry: the primary sector in the West and the refining and petrochemical industry in the East.

I have good news. The industry is finally rebounding, buoyed not only by the abolition of the National Energy Program but also by the very positive aspects of the free trade agreement for that industry.

* * *

EXTERNAL AFFAIRS

CZECHOSLOVAKIA AND POLAND—STRUGGLE FOR FREEDOM

Hon. Edward Broadbent (Oshawa): Mr. Speaker, 20 years ago on August 20 the tanks of the Soviet Union and other Warsaw Pact countries rolled into Czechoslovakia to put down one of the most courageous, determined struggles for genuine freedom that this century has witnessed. Today in Czechoslovakia there are courageous civil libertarians who want the same basic human rights that we take for granted in this country, civil rights, the right to organize trade unions, and the right to participate in a full and humane way in society.

The neighbouring country of Poland participated, under a communist Government, in the invasion by the Warsaw Pact countries of Czechoslovakia in 1968. In Poland today there are men and women struggling democratically to form a free trade union.

I say as a parliamentary leader of a Party in this House, joining with all other Members of this House—

An Hon. Member: You're a bunch of socialists.

Mr. Broadbent: If the central European—what profound ignorance has just been uttered from the other side of the House. I leave that to him. I say to him that it was Social Democrats who were put down in Czechoslovakia who fought for freedom like we are calling for here. I call upon the leadership, both in Poland and in Czechoslovakia, and particularly in the Soviet Union, to live up to the commitments to freedom and allow freedom to flourish both in Czechoslovakia and in Poland.

Some Hon. Members: Oh, oh!

Mr. Broadbent: You are so ignorant, you're despicable. Where was your Party on the War Measures Act, on the Japanese-Canadians? Tell me.

Some Hon. Members: Oh, oh!

Mr. Broadbent: I'll tell you who stands up for freedom in this place, it's not you guys.

Mr. Lewis: Oh, boloney.

Mr. Speaker: Oral questions.

ORAL QUESTION PERIOD

[*English*]

GOVERNMENT CONTRACTS

PATRONAGE ALLEGATIONS—RCMP INVESTIGATION

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is for the Deputy Prime Minister and it concerns the Prime Minister's apparent double standard of political morality shown over the weekend. The Member of Parliament for Rosemont is kicked out of the Tory Caucus for what the Prime Minister called irresponsible and unacceptable behaviour. She is on the side of—

Mr. Speaker: Just a moment. The Hon. Member may be rising on a matter of considerable political interest, and there certainly may be other places to pursue it, but I am having some difficulty here because, as Hon. Members know, a question directed to the administration has to deal with the administration of government. So far the Hon. Member is not persuading me that that question does involve the administration of government. Perhaps the Hon. Member can help the Chair.

Mr. Kaplan: Mr. Speaker, I can assure you that I believe the question I will ask does comply with the rules of the House, but in the preamble I wanted to raise circumstances which have been much in the news over the weekend and which reflect on the political morality of this Government as a Government.

I contrast the treatment of the Member for Rosemont with the Member of Parliament for Gamelin who faces 50 charges of influence peddling, and yet he remains in caucus.

Mr. Speaker: I have asked the Hon. Member, who is an experienced Member, to assist the Chair and stay within the bounds. I do not want to interrupt a lead question, and I do so with great hesitancy. However, I do ask the Hon. Member's co-operation.

Mr. Kaplan: Mr. Speaker, I wanted also to contrast that with the Member for York—Peel who, after having 14 violations—

Mr. Speaker: The difficulty the Chair is in is that the rules by which we are bound are designed ultimately and primarily so that questions do not create disorder and, second, that they be pertinent to the administration of the Government. The Hon. Member, I know, understands this, and I would ask him to put his question. Otherwise, I may have to move on to another Member.

Mr. Kaplan: Mr. Speaker, the Prime Minister's condemnation of the MP for Rosemont is based on an RCMP press release which I have here which says simply that she had no evidence to justify initiating a criminal investigation. Whether she had anything new to add on that day, August 19, we all know she has evidence of alleged kick-backs because she is a key witness for the prosecution against the MP for Gamelin.

• (1420)

Mr. Gormley: Kangaroo court!

Mr. Speaker: I will exercise considerable patience and allow the Hon. Member to put his question, but the preambles are going too far.

Mr. Kaplan: Then to come right to the question—

Some Hon. Members: Hear, hear!

Mr. Kaplan: —the Deputy Prime Minister accused the Hon. Member for Rosemont of irresponsible and unacceptable behaviour. Will he acknowledge what RCMP Constable Trevor Edwards is quoted as saying, namely, that there is an ongoing investigation? As well, why is the Prime Minister trying to undermine the credibility of the Hon. Member for Rosemont who will shortly be a witness in a criminal proceeding?

Mr. Speaker: The Hon. Member is taking the lead question for Her Majesty's Loyal Opposition and, as I said, I do not like interrupting, but we are now treading into another even more difficult situation because there is an ongoing criminal investigation. I do not know where all this is leading but I have an obligation to ensure that the questions are within the rules. If the Hon. Member can put his question—

Some Hon. Members: No!

Mr. Speaker: —and keep it within the rules, I will hear him.

Mr. Kaplan: If I can repeat my first question, it was simply to ask the Deputy Prime Minister why the Prime Minister is making adverse statements about the Hon. Member for Rosemont. Exactly what has she said that he objects to?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Member has raised a lot of allegations. One he noted is that the Hon. Member for Rosemont has evidence of kick-backs. That is totally contrary to the report issued by the RCMP. I find it very strange that a former Solicitor General, who was a spokesman in this House on behalf of the Government for the RCMP, would second guess the RCMP. I find that totally unacceptable.

Mr. Kaplan: They said no such thing, Mr. Speaker. They simply observed they had no information from her to initiate a criminal investigation. There was already one ongoing.

STATEMENT ATTRIBUTED TO MEMBER FOR DUVERNAY

Hon. Bob Kaplan (York Centre): Mr. Speaker, I want to ask the Deputy Prime Minister about the statement we all heard this morning made by the Hon. Member for Duvernay, the Parliamentary Secretary to the Secretary of State. He is in the House and perhaps he would like to answer the question because his statement was far from enlightening.

Did anyone on behalf of the Prime Minister or the Secretary of State ask that Hon. Member exactly what he meant when he said "I could put a dozen people in prison"? What does that mean?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am not sure whether the Hon. Member was in the House—

Mr. Kaplan: I was in the House.

Mr. Mazankowski: —when the Hon. Member made his statement, but perhaps I can just refer to it because I think it explains what was said and the unfortunate interpretation placed upon this. Referring to the article in question, he said: "This article presents an unfortunate interpretation of what I wanted to say concerning the necessity of maintaining the highest moral standards in political life. If my thoughts brought about confusion it is because I did not clearly express myself. This was done through a telephone interview, alternately in English and French, with English being my third language".

I think we have all been misquoted and misinterpreted. I think the Hon. Member admits the fact there was a misinterpretation. He has apologized to the House. He rose at the earliest opportunity. In his opening comments he said: "I rise today at the first available opportunity on a question of privilege to clarify an erroneous perception which may have arisen from the comments of mine reported in *The Ottawa Citizen* on August 19". Just the other day the Hon. Member for York Centre himself was misinterpreted and we gave him an opportunity to make a clarification. What is good for him should be good for Members on this side of the House as well.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Kaplan: Mr. Speaker, the problem is that he did not qualify or clarify the statement he made to the media.

STATEMENT REPORTED IN *LE DEVOIR*—CLEAN-UP OF POLITICAL MORALS

Hon. Bob Kaplan (York Centre): Third, I would like to ask why the Prime Minister is so angry with the Hon. Member for Rosemont, when in his statements as reported in *Le Devoir*, he admitted that even after four years as Prime Minister, it was still necessary to clean up political morality here in Ottawa.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Member wants to blame the Prime Minister. My understanding is that the decision taken was a Quebec caucus decision. There are certain decisions that are taken in the Liberal caucus and in other caucuses. I do not know why the Hon. Member would take offence at that.

STATEMENT ATTRIBUTED TO MEMBER FOR LASALLE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is also directed to the Deputy Prime Minister and concerns the Prime Minister's role in protecting ethics in government and his role as administrator of the conflict of interest rules.

Over the weekend another Conservative Member, this time the Hon. Member for LaSalle, said, referring to political contributions to his Party:

> "What goes into (the party coffers) is public", he says. "It's what falls off to the side, the crumbs that drop off the table" that bother him.

When did the Prime Minister find out about these new allegations of a diversion of funds and what does he intend to do about it?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, here we have another allegation with regard to the—

Mr. Broadbent: Yes, from another one of your Members.

Mr. Mazankowski: —comments that appeared in *The Globe and Mail* today. I am advised by the Solicitor General that the RCMP is today conducting an interview with the Hon. Member. I would hope that for the time being it may rest there until such time as information is provided.

When the Hon. Member talks about the Prime Minister and his responsibility with regards to ethics and morality, I think the answer is very clear. He has acted decisively on many occasions where there has been inappropriate conduct. Conflict of interest legislation has been brought before the House. We have dealt with lobbyists legislation. We have brought in reform with regard to the appointment process, reform with regard to the appointment of judges. There have been reforms in the contracting process. We are trying to get changes to the Elections Act. This is the first Government that has had to operate under the full supervision of the Access to Information Act, so indeed there have been many, many improvements.

The fact of the matter is that what is evident today is that the system has improved considerably over what it was in previous years.

[*Translation*]

ALLEGATIONS REPORTED IN MEDIA—GOVERNMENT MEASURES

Mr. Don Boudria (Glengarry—Prescott—Russell): I have a supplementary, Mr. Speaker. I would like to remind the Deputy Prime Minister that he did not answer my question. I would like to put it to him a second time: When was the first time the Prime Minister heard of the allegations made by the Hon. Member for LaSalle, as reported in the media on the weekend? Did the Prime Minister or the Deputy Prime Minister know about these allegations before the weekend? If so, what specific action did the Government take and when?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I was certainly not aware of it. My first information with reference to what the Hon. Member said was that which was included in the report in *The Globe and Mail* this morning. I will check with the Prime Minister to make sure, but I am not aware of his being advised of this. I would suspect that would not be the case. I am sure he got his information the same way I did.

* * *

CANADA ELECTIONS ACT

FUNDING OF POLITICAL PARTIES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Deputy Prime Minister on the same subject. We have just had reference to another Conservative Member making what could be euphemistically described as perhaps bizarre statements about financing and how it is being handled in the Conservative Party. At the same time on the weekend the Québec wing of the federal Conservatives said that it will go into the election campaign without relying on corporate donations—

Some Hon. Members: NDP and the Unions.

Mr. Broadbent: —and union donations. They would rely only on donations from individuals.

Some 18 months ago the NDP called for federal legislation in this House not once, not twice, but three times. Therefore, why has the Government of Canada not proceeded with this legislation up until now? Will it give us assurances that it will put into place, not simply moral persuasion legislation but effective law, before the next election, for all of Canada?

• (1430)

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, of course this is an important matter which I believe all Hon. Members want to address. Obviously the Quebec caucus has come up with an interesting approach which I think—

Mr. Broadbent: For the next election.

Mr. Mazankowski: The Hon. Member thinks it's a joke.

Mr. Speaker: Order, please. The Hon. Member for Oshawa has asked a question which, of course, is completely within the rules. I ask Hon. Members to respect the Minister's right to reply.

Mr. Mazankowski: Mr. Speaker, I am trying to answer the question as best I can. I know the Hon. Member posed it in a very serious vein. This is an experiment which the Quebec caucus wishes to adopt on a voluntary basis.

With due respect, these are the kinds of things we could have studied had we been able to move Bill C-79 into committee. The Member's spokesman behind him shakes his head in the negative. I realize that the present Bill does not suit all the needs of the New Democratic Party. We acknowledge that. However, we wanted this Bill brought into committee in order that we could study it fully and consider some of the suggestions which have been advanced by the Quebec caucus.

The Hon. Member also suggests that this should be adopted before the next election. The Hon. Member's Party is calling for an election immediately. According to the Chief Electoral Officer, if we were to make these changes by mid-September it would take three to four months for them to be implemented. I ask them to consider that.

As I said on Friday, I think discussions have already started between the Deputy Government House Leader and the Acting House Leader of the New Democratic Party in an attempt to advance this particular piece of legislation.

There is more to it than only the matter of corporate contributions. There is the definition of election expenses, the issue of third party advertising, the extension of voting rights to people abroad, and the structure of the enforcement commission. We had hoped that we would be able to deal with all of these things and are still prepared to do so.

Oral Questions

PROGRESSIVE CONSERVATIVE PARTY'S EXPENDITURES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Deputy Prime Minister knows that the Bill in question does not deal with election expenses and does not deal with party financing. He knows that a year and a half ago I asked the Government to bring in such a measure at that time. Apart from repeated promises to do so, he knows that the Government has stalled ever since and has refused to bring it forward.

The Conservative Party in Quebec has said that it will impose a moratorium on itself on collecting money from corporations during the campaign. The national campaign of the Conservative Party pays the expenses for Leader's travels, all the television coverage in English and in French, and newspaper ads. Corporations in the Province of Quebec as well as corporations on Bay Street gave a total of over $6 million to the Conservatives last year. Will the Minister admit that this money will be spent in Québec just as it will be spent elsewhere in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I thought the Hon. Member was posing his questions in a very serious vein and was not going to go to the bottom of the sink-hole on a question which I take very seriously.

First, the Member is absolutely wrong when he says that we were not prepared to deal with the election expenses Bill. There have been letters. Just because there is a disagreement between his Party and our Party with regard to the definition of election expenses is no reason it should not go forward into committee for further study. We have advanced a definition and are prepared to meet again and advance another one. We are prepared to deal with this.

The Hon. Member also suggests that there is something fundamentally wrong with the proposal which has been advanced by the Province of Quebec. I am not going to get into specifics on this particular issue right now, but I can assure him that this would be an issue more appropriately discussed in committee where all Parties could sit down with their representatives to deal with it. As I said on Friday, Mr. Speaker, we stand ready to do that.

Mr. Broadbent: Mr. Speaker, the Deputy Prime Minister knows that the New Democratic Party, to our knowledge, is the only Party that has submitted a definition of the kind he has requested. There has been no such definition proposed by the governing Party. We have been consistent and we want reform.

[*Translation*]

CONTRIBUTIONS OF LARGE CORPORATIONS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my last question is just this: The Conservative Caucus in the province of Quebec promised that as a Party, it will not accept contributions from corporations or unions. It only wants private donations. My question is quite simply: Is it true that during the next campaign, in the province of Quebec, the Conservatives' national compaign will use money donated by the big corporations on Bay Street in Toronto and on St. James Street in Montreal? Is it true that the big corporations will pay for the national campaign in the province of Quebec?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, this is a very important question. I regret that I did not get the full thrust of the question and I would like to hear it before I respond to it.

Mr. Broadbent: Mr. Speaker, I will repeat the question very clearly, and if he can get his colleagues to shut up maybe he will hear it.

Some Hon. Members: Oh, oh!

Mr. Broadbent: Will the Deputy Prime Minister acknowledge that in the forthcoming election campaign, notwithstanding what the Quebec Conservative caucus has had to say, money collected from corporations on Bay Street and on St. Jacques Street in Montreal, which totalled over $6 million last year, will be spent in the national campaign coming up in the Province of Quebec to finance the Leader's tour, newspaper advertising, and television ads? Will he answer yes or no to that question?

Mr. Mazankowski: Mr. Speaker, I am not aware of the specifics but my understanding is that the Québec caucus has decided to run its local associations on the basis of the new funding rules which could put ceilings of $5,000 on individuals and would not allow for corporate, association, or union contributions. That is my understanding.

* * *

PORTS

THUNDER BAY—DECLINE IN GRAIN TRAFFIC

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Minister of Transport. The Government's policies with regard to the Port of Thunder Bay are having a devastating impact. Some 700 grain handlers and port workers have been laid off, four of the 13 grain elevators are shut down, and 20 of the 64 grain handling ships in the Great Lakes are lying idle.

What is the Government doing to correct this situation and to try to ensure that this port gets its fair share of grain handling and the employment of those workers in Thunder Bay is preserved?

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Mr. Speaker, we certainly are in a very difficult situation. This shows once again just how interdependent we are. When there are tough times on the

Prairies there are tough times along the entire St. Lawrence Seaway. If we stick together we can pull through it.

On this specific issue I can tell the Member that the Ministers are meeting at a high level. They are trying to come up with a proposal as a result of representations made by a grain coalition. I am sure the resolution will be satisfactory to the Member and all Members in the House.

• (1440)

REQUEST FOR GOVERNMENT ACTION

Mr. Maurice Foster (Algoma): Mr. Speaker, I wonder if the Parliamentary Secretary could confirm that the Government has a secret report that indicates that over 1,150 workers will be laid off by this time next year. I wonder if the Parliamentary Secretary could say exactly what action the Government is going to take to equalize opportunity for the Thunder Bay port and whether the Government is going to take other action to ensure that a reasonable share of these jobs is maintained.

For instance, the Prime Minister announced a couple of months ago in the Lac-Saint-Jean by-election that he was going to provide $164 million. Is there going to be specific action taken to help the port of Thunder Bay to ensure it continues to operate and employment is maintained?

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Mr. Speaker, there are dozens of situations which have arisen over the last four years where a certain sector of our population found itself in deep trouble and the federal Government has been there. It will be there in this situation in the appropriate way.

LAID-OFF WORKERS—GOVERNMENT MEASURES

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is directed to the Minister of Employment and Immigration and concerns the devastating impact on the Port of Thunder Bay and on seafarers and grain handlers throughout the eastern system. The Minister is one of the Members of the Cabinet who have been meeting to discuss remedial action to be taken in the short and long-term. I wonder if she is prepared to advise those people who are already laid off, and those who are about to be laid off, what specific action the Government of Canada is going to take to protect their interests.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, like my hon. colleague, we recognize and sympathize with the local difficulties. The Industrial Adjustment Advisory Service has been working with groups in Thunder Bay. It will continue to work with these groups and we will try to come up with appropriate solutions, but it will take some time to work these things out.

GOVERNMENT POSITION

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, as every day passes, more and more men and women are being laid off. Their families are wondering what is going to happen to them. I am wondering if someone in the Government can at least tell us when the Government is going to announce what kind of plan of action it has been able to come up with. The Government has being working on it now for nearly six weeks. It has known the problem was going to happen for three years. When will there be some action taken for these people?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I think the people most familiar with this, and who are working the hardest on it, aside from my own Department, are the Minister of Labour and the Minister for Grains and Oilseeds. They have been actively engaged in seeking solutions to this problem and seeking the help of their colleagues. We will come up with a solution as soon as we can. We have the co-operation of a number of parties as we try to work out what can be done.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—REQUEST FOR GENERAL ELECTION

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, my question is directed to the Deputy Prime Minister. Over the weekend the Prime Minister was quoted in an interview with *Le Devoir* as saying that the ratification of the Canada-U.S. Free Trade Agreement could be delayed beyond the January 1 deadline. In fact, he would be unconcerned whether the implementing legislation was to be considered beyond that.

Considering that the Prime Minister is unconcerned, that he is prepared to delay the ratification of the Bill, and considering that a large majority of Canadians want an election before that ratification takes place, I wonder if, on behalf of the Government, the Deputy Prime Minister can give us the assurance today that the Government will call an election before the ratification of the trade agreement so that Canadians will have what is their right, that is, to decide whether they agree with this terrible agreement or not.

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, we are proceeding with our free trade legislation. It has not passed third reading in the House of Commons as yet. When it does so, it will go to the Senate. Then, of course, Senators will be put to the test. Are they the house of sober second thought, or are the Liberal majority merely automatons, to respond to any hint or direction given to them by the Liberal Party?

In other words, is this country governed by the Liberal Party when it is elected? And is it also governed by the Liberal Party when the Liberal Party is not elected but their majority in the Senate governs for them? That is the question we are going to

be interested in seeing, and that is the question the people of Canada might have to decide later this year or next year.

Mr. Axworthy: I just say to the Hon. Minister, Mr. Speaker, that he has it wrong. The real question is will the people be given the right to decide. It is a very simple question. That is what it is all about.

UNITED STATES OMNIBUS TRADE BILL

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): I would like to ask the Minister this question, if he is now prepared to answer questions on trade. We have now had public statements by the French Government, the Japanese Government, and representatives of the European Economic Community, condemning the United States omnibus Trade Bill as being contrary to the rules of GATT and contrary to the rules of international trade. Yet we have had this Government in full retreat from its March 1 statement on that legislation. The Government has not provided any full statement as to the impacts of the U.S. omnibus Trade Bill on Canadian exports or Canadian business. In fact it is beginning to sound as if once again it is caving in.

Why will the Government not issue a statement and full analysis of the U.S. omnibus Trade Bill, condemning its actions, condemning its impact upon Canada, and asking the President of the United States to veto that Bill because it is contrary to the spirit of international trade rights and agreements?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman's Leader seems to have a slogan and I think it is "leave it to the people". I suggest to him that we should leave it to the people when the Leader of the hon. gentleman's Party starts telling the truth. When is he going to tell the truth on his trips around this country? I would be more worried about my Leader than I would be about the omnibus Trade Bill which is passed by the U.S. Congress and which neither this country, nor any country, can do anything about, just the U.S. Congress.

Ask your Leader to start telling the truth so we can have an honest—

Mr. Axworthy: Tell your Leader to stand up for this country for a change. That's what I am asking.

* * *

INDUSTRY

SITUATION OF FORMER EMPLOYEES OF MASSEY COMBINES CORPORATION

Mr. Derek Blackburn (Brant): Mr. Speaker, my question is directed to the Deputy Prime Minister. It concerns the plight of former employees of Massey Combines Corporation in Brantford. Exactly four months ago today I asked the Deputy Prime Minister in a letter if the Government would sell its holdings in Varity Corporation and use the money to help the workers who lost their jobs at Massey Combines Corporation of Brantford. Why is the Government still sitting on over $30 million worth of shares that serve no public policy purpose, and continuing to ignore the needs of workers who have lost their jobs and benefits, particularly the retirees?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, my understanding is that this unfunded liability falls within the jurisdiction of the province. I may be wrong, but that is my recollection. I have to advise the Hon. Member that I have not fully apprised myself of the latest developments in this respect, but that is my sense of it. In so far as the Government of Canada is concerned, whatever funding is required by the federal Government has in fact been provided. I stand to be corrected on it, certainly, and I will get back to the Hon. Member, if I might.

VARITY CORPORATION—GOVERNMENT SHARE HOLDINGS

Mr. Derek Blackburn (Brant): No, what I am talking about is the fact that the Canadian Government and the Province of Ontario both hold about $54 million in common shares in Varity as part of the restructuring for Massey Combines Corporation a couple of years ago. What I have been asking for the past four months is for this Government and the provincial Government to sell their common stock and put it in a trust fund, the proceeds of which could be used to fund the benefits for the retirees. In addition, there would be money left over annually to assist the workers. There is a precedent for this already established by the federal Government with respect to its help to the workers who were laid off and terminated at Hawker-Siddley in Central Nova.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am not sure what covenants, if any, may apply to this particular fund to which the Hon. Member refers, but I will check into it and get back to him.

* * *

ENVIRONMENTAL AFFAIRS

PRESERVATION OF ROUGE VALLEY

Mr. Bob Hicks (Scarborough East): Mr. Speaker, my question is directed to the Minister of Public Works. Nothing is more important to the people, especially those in eastern Metro, than saving the Rouge Valley. Affordable housing is also important but not in the Rouge Valley. Taking into consideration the massive lands that are now owned by the federal Government which were put together for the Pickering Airport, would the Minister consider attempting to negotiate a trade of some of these lands with the Ontario Government for the Rouge Valley lands, thus assuring preservation of the Rouge area for our children and their children?

• (1450)

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I wish to acknowledge that the Hon. Member has been making continued representations to express his concern about the Rouge Valley. It is a very complex matter. There are very substantial lands held by the federal Government at Pickering Airport. There is a process now under way to see how the Government might dispossess itself of those lands. I will certainly take the Hon. Member's representations and pursue discussions perhaps with the provincial Government and those interested.

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NATURAL RESOURCES

FEDERAL WATER POLICY—INTRODUCTION OF LEGISLATION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is for the Deputy Prime Minister. As he probably knows, it is now three years since the Government received a report on federal water policy. That was in September, 1985.

In that time we have heard in the House on many occasions the Government promising legislation, particularly on water exports and diversions. Most recently, as the Deputy Prime Minister will recall, six weeks ago a promise of that kind was made. Is this another empty promise by the Government? Does the Minister have the intention to introduce this piece of legislation? If so, can we know when legislation on federal water policy will be introduced in this House? Canadians are expecting it.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, no, it is not another empty promise, as the Hon. Member has said. It is indeed a very positive initiative that the Government is taking. It should have been taken by previous Governments which failed to do so, particularly when the Hon. Member himself was the Minister of the Environment.

I can assure the Hon. Member that the legislation is in its final drafting stage and will be introduced soon.

TIMING OF INTRODUCTION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, that is very much like the Prime Minister promising action soon on acid rain. The fact is that if the Government has had this report in its hands for three years it is because the previous Government initiated the report itself.

We now want to know whether we can expect to have it this month, next month, or next year. When is this legislation going to be introduced?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, as I said, it is in its final stages of drafting. I think the Hon. Member will recognize that there can always be drafting glitches. If I might just modify my answer from soon to very soon, perhaps that might make him satisfied.

* * *

REVENUE CANADA

REASSESSMENT OF FARM MACHINERY CONTRACTS

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, my question is directed to the Minister of Finance. About 10 days ago I raised a question in the House concerning Revenue Canada's reassessment of farmers who have traded in used farm equipment and the propensity of Revenue Canada officials to try to rewrite those contracts which had been arrived at competitively.

The farmer goes to where he can get the best deal. After the fact Revenue Canada says: "Oh, no, that was too good a deal. Your trade-in was not worth that much", and then begins to reassess the farmer for more taxes.

Now that the Minister has had a chance to review this practice, has he stopped it?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, as the Hon. Member knows, this is a responsibility of my colleague, the Minister of National Revenue. He is the more appropriate individual to whom the Hon. Member should put his question.

I have not reviewed the particular question since the Hon. Member put it to me because that has been done by my hon. friend, the Minister of National Revenue.

COMPUTATION OF TAXES

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, in the absence of the Minister of National Revenue would the Minister tell the House just why the Government chose to permit the redrafting of the procedures that are to be used in computing these taxes and the liability that the farmer has to pay in tax on these kinds of contracts? Why was it that this procedure was not made clear until last December on contracts that were written in 1984 and 1985?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I would be happy to bring that particular question to the attention of my colleague. However, I think the Hon. Member is aware of the approach that the Government has taken here whereby the Department of National Revenue has reviewed those cases in which there has been some suggestion of an excessive write-up in the value of the particular asset being traded in. It is those particular transactions which are under review. I am sure that the Hon. Member will understand the reason why.

Oral Questions

HOUSING

METROPOLITAN TORONTO—USE OF FEDERAL LANDS

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the Minister responsible for housing. While the crisis of affordable housing in Metropolitan Toronto is reaching alarming proportions, the federal Government has refused to offer any leadership or action with a view toward easing the housing burden facing average and middle-class Canadians in Metro.

I would therefore like to ask the Minister this question. Given that the federal Government is an extensive owner of real estate property in Metro—some 25,000 acres in all—why does the Government continue to refuse to utilize its surplus federal properties for the construction of affordable housing units on a first priority basis so that we can attempt collectively to put on the brakes to a city that is speeding toward becoming an exclusive backyard for only the well-to-do?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, we know that the McLaughlin report identified certain federal lands that might be made surplus for certain purposes in the Toronto area. We have been examining that report in some detail. I am happy to advise the Hon. Member that I think in the next reasonable period of time we will be able to indicate what position we might take.

I know that there is pressure on housing in Toronto. We are aware of it. Many representations have been made by members of the Conservative caucus to the Government. We are taking them very seriously.

GOVERNMENT PROGRAMS

Mr. Sergio Marchi (York West): Mr. Speaker, not only has the federal Government failed to use its real estate arm to try to ease the pressures but, in addition, it has also failed to introduce any new or innovative programs in the housing area that might help Canadians.

Given that the dream of young Canadian couples to own their own home is quickly evaporating and, indeed, becoming a nightmare, why has the Government not re-established a RHOSP-like program, which it cut several years ago, or a mortgage deductibility program or initiative so that first-time home buyers can have an opportunity of making Toronto their home rather than Toronto only becoming their place of work and forcing them to become commuters from longer and longer distances away? Will the Government at least initiate programs, financially speaking, so that young Canadian couples can stay in Toronto to live rather than forcing them to leave the city of their choice?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I am able to advise the Hon. Member that one-fifth of the social housing units in Canada, that is, 100,000, are situated in Toronto. Last year, Toronto received 18 per cent of the housing portfolio. Pursuant to a very substantial consultative process undertaken by the Government three years ago, the decision, on the advice of all concerned, was to dedicate all our funds to those most in need. That is what is being done in co-operation with the provinces so that more people than ever before are receiving assistance in Canada.

* * *

CANADA ELECTIONS ACT

DEFINITION OF ELECTION EXPENSES

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the Deputy Prime Minister. Earlier in Question Period he said that if the Government tried to move now to provide a definition of election expenses that it cannot do it because it would take three or months before it could come into force. My question is this. Since it was over six months ago that the all-Party Standing Committee on Elections, Privileges and Procedure, after investigating the affairs of the Minister of Energy, Mines and Resources, said that that loophole with regard to election expenses must be closed, why has the Government not acted?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, we have always been prepared to deal with this particular issue. Just because the NDP does not get its way all the time does not mean to say that there are other people in this Chamber who do not have some ideas that are legitimate and workable. The NDP considers itself to be dead right on every issue.

Mr. Angus: Let's see your ideas.

Mr. Mazankowski: We are prepared to put forward—

Mr. Broadbent: You haven't put forward anything.

Mr. Mazankowski: Yes, Mr. Speaker, we have. The legislation has been introduced in the House. I have written about three or four letters to Members opposite indicating the changes that we are prepared to make. We have indicated our willingness to deal with the election expenses issue. I do not know what more we can do.

GOVERNMENT POSITION

Mr. Rod Murphy (Churchill): Mr. Speaker, the Minister knows full well, and I am asking him to confirm this, that he has not made one proposal, given one definition or one procedure with which to resolve the issue of election expenses. He has not made one proposal. We have. We have asked him any number of times for a definite definition of election expenses. It is not a matter of wanting our way. We want him to make at least one offer.

• (1500)

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, in an exchange of letters we have even gone so far, because we want this piece of legislation to move forward, to suggest, if we could not agree on a definition before hand, to move the legislation ahead and debate this issue at the committee stage. There has been an exchange of correspondence on a number of occasions where we have outlined the intended areas with which we were prepared to deal, which were in addition to what is contained in the Bill at the present time.

Mr. Broadbent: But not election expenses.

Mr. Mazankowski: In a letter that I sent to the Leaders on May 3, I went through the whole list of changes that we were prepared to advance, including No. 8, "a new definition of election expenses which would be incorporated". I have the letter here and I would be prepared to table it.

Mr. Broadbent: Where is the definition? It is not there. Classic hypocrites. Union Nationale rides again in the Tory Party. Give me the PQ any day; at least they were honest.

* * *

INDUSTRIAL AND REGIONAL DEVELOPMENT PROGRAM

SITUATION IN ONTARIO AREA

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is directed to the Deputy Prime Minister in the absence of the Minister of Industry and Science. The Industrial and Regional Development Program expired on June 30. The Government has proposed replacement programs for every part of Canada except for the Province of Ontario south of Parry Sound. This means that communities in eastern Ontario that qualified for relatively high levels of industrial development assistance have no program available to them, and communities such as Windsor that want assistance for economic diversification also have no equivalent program to the IRDP.

Why has the Government not proposed a program to replace the IRDP for the Province of Ontario south of Parry Sound? Does the Government intend to do so? If so, when will it bring forward this type of program?

Hon. Bernard Valcourt (Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the Minister has already indicated in the House that the new programming under the Department of Science and Technology would be announced as soon as it is approved at all levels of government.

In regard to that area of Ontario, the Member seems to imply that there are no government programs.

Mr. Boudria: No, there are not any.

Mr. Valcourt: That is completely false. There are programs still applicable in that part of Ontario. We have received applications under IRDP up to June 30. They are in the process of being evaluated.

Mr. Boudria: It's expired.

Mr. Valcourt: The Defence Industry Productivity Program is in full swing in that part of Ontario. As a matter of fact, tens of millions of dollars—

Mr. Boudria: Name one program in my riding.

Mr. Valcourt: —are given to companies in that part of Ontario. As for the general programming of the Department of Science and Technology, as soon as they are ready to be announced, they will be announced.

REQUEST FOR REPLACEMENT PROGRAM

Hon. Herb Gray (Windsor West): Mr. Speaker, I want to ask the Minister of State (Small Business and Tourism) is it not true that the only applications that can be considered under the IRDP are those that were received before June 30, and it is impossible to submit new applications for assistance for establishing new plants, modernization of existing plants, and for studies of diversification that were possible under IRDP before June 30?

If that is true, why has the Government not proposed a replacement program for all of Ontario south of Parry Sound, as the Government has done for every other part of Canada? Why this neglect?

Hon. Bernard Valcourt (Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the Hon. Member should speak to his colleagues. His colleagues from Quebec are complaining that all of Quebec has no program as of today. Even though the program expired June 30, the answer is the same. As soon as the programming is ready under the new Department of Industry Science and Technology, they will be announced.

Mr. Speaker: That concludes Question Period. The Hon. Member for Etobicoke North on a point of order.

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POINT OF ORDER

CLARIFICATION OF REMARKS

Mr. Bob Pennock (Etobicoke North): Mr. Speaker, I would like to attempt to correct an improper impression left by the Hon. Member for Hamilton East (Ms. Copps) related to an issue I raised in the House last Wednesday concerning a potential health hazard to all Canadians. Canadians have a

right to know that a health hazard exists because of a waste disposal problem at Pearson International Airport.

In her statement to the House on Thursday, August 18, the Hon. Member for Hamilton East jumped to the conclusion that I had accused the City of Hamilton of creating a potential health hazard at Pearson International Airport. An examination of my comments in *Hansard* will prove otherwise.

The Hon. Member for Hamilton East attempted to turn this into a "we versus they" or a "Toronto versus Hamilton" issue, which it is not. The Hon. Member for Hamilton East attempted to turn it into a garbage issue, which it is not. It is a health issue. We are dealing with a potentially serious health hazard which could have ramifications for the people of Canada and animals, particularly cattle, if it is not dealt with expeditiously.

I would like to state for the record that Pearson International Airport is not within the boundaries of the City of Toronto, as the Hon. Member suggested. It is an international airport in the great city of Mississauga and one, if not the major, gateway to Canada.

I have concern when an issue involving public health and safety in Canada is attempted to be brought down to the level of partisan politics. International garbage is coming into Canada from countries where foot and mouth disease is a very serious concern. In 1952, a foot and mouth epidemic was started by a single piece of sausage. Today a sea-gull could pick up a similarly tainted piece of meat and fly to the City of Hamilton.

Unlike the Hon. Member, I have taken the time to research the background and—

Mr. Speaker: The Hon. Member asked for a point of order to clarify some comment that he made at some other time. I do not think that it can trespass into an attack on another Hon. Member, even though it may only be by implication. The Hon. Member has probably corrected the record, and I will hear him very briefly.

Mr. Pennock: May I say that at no time did I suggest that Hamilton takes Toronto's garbage but recommended that, on a short-term basis, Hamilton could play a major role in alleviating a temporary crisis. I would encourage the Hon. Member to research this issue, and after she has done so, she will find that a very serious health condition exists in Canada that we could all work together and help to alleviate. If Hamilton would take the garbage on a temporary basis, I would be first to rise in the House and congratulate it.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee; and the amendment of Mr. Axworthy (p. 18609)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, first I would like to indicate our strong support for these two amendments. I would like to focus on one of the questions which is stressed in the last part of the motion, the suggestion that the Canadian import tribunal would have the power to monitor subsidies to U.S. industries to see the effect of those subsidies on Canadian competitiveness.

One of the most ridiculous things about the discussions between the United States and Canada has been the suggestion from the United States that Canada massively subsidizes its industry, while the United States is completely guiltless with respect to that type of support. I want to put on the record some realities as opposed to some myths put forward by the United States. I start with an article quoting Robert Reich, a prominent American economist who has looked very carefully at this question of subsidization. He said, with respect to the United States:

> When you add in all the (U.S.) government subsidized loans, loan guarantees, tax rebates and other subsidies, you get total government aid to the private sector that makes Canadians look like pikers by comparison—even as a percentage of GNP (gross national product).

The article continues:

> Reich noted that in the U.S., 35 per cent of all research and development undertaken by the private sector "is, in fact, financed by the federal government. So when the U.S. points a finger at Canadians and says you unfairly subsidize your economy, why not point to that figure?"

Why not especially do that when, over the next five to seven years, this Government is going to have to face the fact of its failure in this negotiation so far? It went into this negotiation committed—and we have heard this from Minister after Minister—to see to it that a common subsidy code would be agreed between the two countries. We got the agreement back and I looked carefully through it to find the common subsidy code which would establish the level playing field between the two countries, and it was not achieved. This Government failed to achieve what it set out to do. It failed to establish that common subsidy code.

• (1510)

What does this mean for Canadians and for Canadian workers? It means, for instance, if we take just the auto industry as an example, that the Mazda plant which has been built in the United States received $184 million U.S. in terms

of subsidies. Most of it was in tax abatement, some of it in infrastructure, some of it in training. It means that Chrysler and its Mitsubishi plants in the United States and of which it has an interest, received $175 million in subsidies. It means that the Honda plant in Ohio received $130 million in subsidies, of which $124 million was in terms of infrastructure. In the case of Toyota in Kentucky, there is a further example of this Government's failure, with $269 million received, and this Government did not even achieve a common code of subsidies for our two countries. In the case of the Chrysler plant on Jefferson Avenue in Detroit, right across from my constituency, $366 million in subsidies were received.

Much of this comes from state and local Governments in the United States, so it does not appear when we look at federal grants and subsidies. Much of the rest comes from the Pentagon, in the form of support from defence contracts.

I will give you another quote from the careful analysis of prominent United States economist Robert Reich:

> —the Pentagon and its sister agencies have become the source of America's high-technology industrial policy—a policy that is more costly, complex and intrusive upon the private sector than any ever imagined by our trading partners. The problem is not that they do it and we don't. The real problem for us is that we do it under the aegis of national defense.

Yet, what do we find when we look at the free trade agreement? We find that the United States can do anything in the name of national defence, and we cannot do anything about it. Even with subsidies with respect to national defence that come from the Pentagon, it will not be part of this five years to seven years of negotiation. They certainly should be if this deal ever goes through, but the United States has already won an exemption in this trade deal for that crucial part of its support to industry.

It is not just big plants. I could take us through dozens of subsidies to small Japanese parts producers from different states, from different communities. In virtually every case Japanese supplier satellite plants, which are shaping themselves up around most of the Japanese auto parts producers in the United States, are receiving massive amounts of support from local and state Governments. I predict that, having lost once in trying to get at the subsidy question through this trade deal, we are not going to be able to succeed, if this thing ever did go through, in the next five years to seven years.

It is not just industry. There are subsidies to fishermen in the United States. They get tax deferrals under the fishing vessel capital construction fund. The Fishermen's Protective Act provides funds for fishing vessel and gear damage. The Nicholson Act forbids foreign vessels from landing directly in U.S. ports, thus forcing Canadian boats to land in Canada and ship overland by truck, thereby increasing Canadians costs and making the Canadian fish less fresh than U.S. product. We also failed to get that changed as part of this trade deal. We let shipping and all associated connections slip away from us, as the United States shipping lobbies got themselves into high gear and stopped us from being able to get fairness in that area.

We can deal with agriculture. There are huge subsidies in the United States to agriculture. There are preferential procurements to small business. There are state subsidies right across the board in coal producing states to coal producers, so much so that I wrote earlier this year to the then Minister for International Trade, the Hon. Member for Vancouver Centre (Miss Carney), and suggested that if we were ever going to get western coal brought to eastern Canada on a fair basis we would have to attack those massive state subsidies to coal producers.

In 1986 the U.S. lumber industry received $1 billion in government assistance through special capital gains treatment, below cost sales of some federally owned timberlands, reforestation, and forest management assistance. All that shows that the United States has been the country which has put its Government behind every sector of its economy, subsidized it across the board, and that we failed to tackle, that we failed to win, and that is part of the biggest hole in this trade agreement.

• (1520)

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I will try to reply to both my colleagues, the critics in the opposition Parties. First, my hon. friend, the Hon. Member for Essex—Windsor (Mr. Langdon), in his remarks which I was pleased to hear, spoke about American subsidies. All we hear normally from the Opposition is that we cannot subsidize any more in Canada; we cannot provide regional disparities any more; we cannot have health care any more; and we cannot have unemployment insurance any more.

When speaking about subsidy programs, the Americans said: "You guys up there in Canada, in the wild and woolly North, subsidize quite a bit." With that, Ambassador Reisman brought out a lot of the information my colleague mentioned today and much more. Had my friend from Essex—Windsor had two hours, he could have probably filled them very easily speaking about the subsidization that goes on in the United States. The Americans fast came to reality after the Canadian negotiators said: "Wait a minute. You subsidize down here as well. Let us sit down and talk about this." The Americans said: "We didn't know you had all that information. Let us sit down over a period of time and try to come to a conclusion about what a subsidy is, when a subsidy is a subsidy, when does it become an unfair trade practice, and when is a regional development, just that", and so on.

Both sides have agreed to sit down for a five-year period and, if they have not reached a conclusion at that time, they will sit down for a further two years to discuss the subsidy programs of both countries, including state subsidies and municipal subsidies about which the Hon. Member spoke about and all subsidies within our respective Governments in Canada and the United States. There are certain items, as was the case in the negotiations on the free trade agreement, that will be the policy of this Government not to negotiate away.

There is a wish list from the United States that my colleague, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) and his Leader like to read around the country as if it were gospel. One minute they are knocking the Americans, and the next minute they are quoting the Americans as being gospel and saying "this is what will happen to us". It is a wish list and it takes two to negotiate. I think people understand that.

The Hon. Member spoke about the defence programs in the United States as being a form of regional development and subsidy. That is true. It is in Canada as well. It was treated that way by the Liberal Government. It is treated that way with the frigate programs.

Mr. Langdon: Smaller, much smaller.

Mr. McDermid: The Hon. Member refers to a smaller size. It certainly is. We are dealing with the largest country in the world that is, on many fronts, protecting the rights of shipping in the Persian Gulf and so on in which Canada does not participate. To compare the two defence initiatives is like comparing David and Goliath. It is not the same thing at all. I agree.

I want now to get on to the first amendment about which my friend from Winnipeg—Fort Garry spoke. This is the Baucus-Danforth amendment that everybody speaks about as being such a terrible thing. I will provide evidence today, Mr. Speaker, that the Baucus-Danforth amendment is nothing but puffery. It is smoke and mirrors, I believe. The U.S. Government already had the powers which Baucus-Danforth gave. This was more for the folks back home than it was to do anything effective. I will also read into the record why we believe we have the answer. This is what I said in committee when giving testimony:

> The Baucus-Danforth amendment does not extend new powers to the United States administration; it only spells out a process for gathering of information on subsidies and the possible use of this information in the context of existing United States trade law.

Canada currently has the ability to gather information on subsidy practices, to examine the competitive position of an industry, and to take countervail or other trade actions as appropriate. Let me quote the section to which I am referring in the Trade Act of 1974 in the United States. This is found on page 23:85 of the testimony as found in the Minutes of Proceedings and Evidence of the Legislative Committee on Bill C-130, dated August 4, 1988. I was speaking at that time to my friend from Essex—Windsor. Here is what section 305 of the U.S. Trade Act says:

> The Trade Representative is required to make certain information available to any person requesting it. If information is not available from the Trade Representative or other federal agencies, the Trade Representative must, within 30 days, collect the information.

That was section 305 from 1974. The power was already there to collect the information and to do with it what one would. The Baucus-Danforth amendment is really puffery. It does not do anything new within the Act. It has different wording, but the Americans have always been allowed to do the same thing.

In Canada the process is as follows, as I stated in committee:

> If a Canadian producer is facing increased competition from subsidized imports and that competition is likely to cause deterioration in its competitive position, it can raise its concerns with the Minister of Finance.

In the United States it is raised with the trade representative. I went on to say:

> He will talk to the Minister of International Trade.

In the United States it is with the Secretary of Commerce. The Minister of Finance, following consultations with the Minister for International Trade, will forward all reasonable requests to the Canadian Import Tribunal for an inquiry. Let me read some more of what I said:

> Any decision by the Minister of Finance in forwarding the request does not prejudice or substitute for any action subsequently taken under the Special Import Measures Act or other trade legislation.

Here is the important part, Mr. Speaker:

> The tribunal's reports will be available to the industry—

Free of charge. It will be collected by the Department and provided to the industry. It continues:

> —and the industry will be able to request annual updates.

We have a comparable situation in Canada to this Baucus-Danforth amendment to the legislation in the United States. For the Hon. Member for Winnipeg—Fort Garry to stand up, again twisting the facts on this situation and saying that we have nothing comparable in Canada for our producers, is totally wrong. When he says that this Baucus-Danforth amendment kind of corners Canada and that we are the only one to be treated this way, it is total nonsense and the Hon. Member knows that. He fails to mention all this evidence that was presented at committee. He might not have been there at the particular time when it was presented. I do not know, but he could have read it afterward.

Mr. Axworthy: It was my amendment that was being debated.

Mr. McDermid: Those are the facts on this instance. These two amendments that have been brought forward by the Liberal Party are totally unnecessary in this legislation because we already have them in our Canadian import tribunal legislation which protects Canadian producers from subsidized imports that are adversely affecting their industry. I will recommend to my colleagues that these two amendments be defeated.

Hon. Chas. L. Caccia (Davenport): That is sad news, Mr. Speaker. If the Parliamentary Secretary had understood the point being made on this side of the House, he would have recommended support. He missed the point entirely in his exposé this afternoon. He did not inform the House about how the United States will proceed in its legislation when it comes to a report on Canadian practices.

• (1530)

Within 60 days after the date of the enactment of the Act the U.S. is now advancing, but not later than December 18, 1988, the United States trade representative shall submit to Congress a report identifying, to the maximum extent practicable, major current Canadian practices and the legal authority for such practices that, in the opinion of the United States trade representatives, are not in conformity with the agreement and require a change of Canadian law and regulation, policy, or practice to enable Canada to conform with its international obligations under the agreement. This is sufficient not only to make us worried but to have us see the absolute necessity of taking an action to provide a balance to what the United States legislation is developing. This is why, when the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) spoke this morning about counterbalancing the U.S. legislation, he put forward a very convincing case.

We see something developing on two fronts. The United States domestic trade legislation developing in 1988 is stronger than any legislation it has ever had before. Second, U.S. legislation is becoming much stronger in relation to Canadian legislation.

For instance—and I regret very much that the Parliamentary Secretary had to leave—the United States legislation contains paragraph 409(b)(3) which requests annual reports on Canadian practices in any particular sector. It is quite true that this matter was debated in committee on August 4, 1988. The Hon. Member for Essex—Windsor (Mr. Langdon) raised it with the Parliamentary Secretary, and the discussion established the fact that the legislation available to the United States would permit it to offer information and valuable information to American industry.

This point was made on the same day by the Hon. Member for Winnipeg—Fort Garry when he put to the committee the fact that the investigation will be carried out in the United States upon the request of the industry affected, at the expense of the administration and not at the expense of the industry. It will no longer be required that injury be proven, as apparently was the case until now, but simply that deterioration in the competitive position of the United States is proven. I do not need to explain the difference between injury and deterioration. We in Canada must prove serious injury caused by imports.

If the United States petition were unsuccessful in this procedure, then the U.S. industry could go through any other trade remedy or law on the same issue because we do not have the same guarantees in Bill C-130. Very clearly, industry in the U.S. can petition the United States trade representative to do its work for it. This means the representative will do all the investigation into Canadian imports and whether they are subsidized. That provides an enormous opportunity for possible harassment because it will be cost-free to U.S. industry. It does not have to spend the money developing the research or putting together the information. It gets the Government to do it for it.

The purpose of Motion No. 39, as proposed by the Hon. Member for Winnipeg—Fort Garry, is in a way to reply to this piece of U.S. law. It provides that we in Canada would have an arrangement that would be similar and would put our industry in a position that would be parallel or at least comparative to the position the American industry will be in as a result of that legislation.

With respect to any Act, policy, or practice in Canada that is identified in the annual report submitted under this section in U.S. law, the United States representative has the power to include a number of measures, all related to information, it is true, though we know how important information is in trade matters and in competition. For instance, information with respect to the action taken regarding such Act, policy, or practice including but not limited to any action under Section 301 of the Trade Act of 1974, any action under Section 307 of the Trade and Tariff Act of 1984 and negotiations or consultations, whether on a bilateral or multilateral basis, can be included.

The combined effect of these two amendments would be to give us a chance to compete with the legislation south of the border which will give American competitors a very strong position with respect to knowledge about us. I would be very surprised to see government Members not taking into account the importance of these two amendments. I fail to understand why the Parliamentary Secretary, with his rather superficial analysis of the amendments, would simply slough it off as though it were something of secondary importance. It is of basic importance, in the light of legislative momentum that is being developed south of the border, that we equip ourselves with the legislative teeth that are essential in order to function.

Let me give some examples of what the legislation south of the border will provide the U.S. industry. There will be a working group to write a report within two years on the nature of the subsidies in Canada. Hon. Members will recall that the Parliamentary Secretary informed us that subsidies will be the subject of discussion in the next five years. There is a provision for a working group to write these kinds of reports on Canadian subsidies. In the Canadian legislation, there is nothing on this subject. There are no such provisions.

On the American side, industry can petition the United States trade representatives to carry out investigations on Canadian industry. On the Canadian side, all we have is Cabinet petitioning a tribunal. In other words, industry in Canada will have to undertake a political action rather than administrative action. It will have to initiate political pressures which, as we know, are time consuming and not as speedy as the petitioners may like them to be. Again, there is another advantage on the U.S. side.

Third, the U.S. industry would not have to prove injury, as we have already heard from the intervention of the Hon. Member for Winnipeg—Fort Garry. I see you are giving me a signal that my time is up, Mr. Speaker, and I thank you for your indulgence.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, since the proposal for this so-called free trade agreement was brought forward, Members of Parliament and the people of Canada have been deluged with a barrage of so-called factual information from the Prime Minister (Mr. Mulroney), from cabinet Ministers, from that great negotiator, Mr. Simon Reisman, and from innumerable editorials in newspapers like *The Globe and Mail* of Toronto. The information was, first of all, about all the advantages that will accrue to the people of this country if we go ahead and complete the deal. Second, they warned us of all the things we Canadians will have to do to get our act together to get rid of practices incompatible with the way we will be required to do things after this agreement is signed. No mention is made by Mr. Reisman or cabinet Ministers or editorial writers about the things we are being lectured on, things we will have to do, ways we will have to change with respect to our economic life, things which are going on and will continue to go on in the U.S.

• (1540)

For example, we have had meetings of provincial premiers to discuss what we need to do to eliminate some of the ways in which provincial Governments, particularly some of the "have not" provinces, give advantage to companies in their own province doing business with the provincial Government or any of its agencies. Yet we find, according to information supplied to us by our own Department of International Trade, that 48 of the 50 states in the U.S. have legislation which ensures that when the State is making a purchase of goods or services, an advantage of up to 5 per cent will be given to any company located in the state making the purchase. If they impose a 5 per cent penalty against every other state in the U.S., can anyone really believe that they will not impose the same kind of penalty on Canadian companies wanting to do business with those states, regardless of this agreement? Of course there is nothing in this agreement to prevent that.

How many times have we been told that many, if not all our regional development programs, will have to be set aside when we finalize this trade agreement? The Hon. Member across the way shakes his head. I remember not so long ago when the Government of Canada and the Government of Quebec, through some very substantial financing, helped with the modernization of the GM plant in Quebec. We were told that once we had this free trade agreement we could not do that kind of thing because it would constitute an unfair practice. I am sure that if the Government of Canada and the Government of Nova Scotia were to propose to help financially in the opening of a new coal mine in Nova Scotia, the coal mining interests in the U.S. would say that was illegal and improper because it would be contrary to the provisions of the free trade agreement. There is talk now about major investment by the Government of Canada and the Government of Manitoba in upgrading and modernizing the pulp and paper plant at The Pas in that province.

This country, particularly the "have not" areas, have been helped immeasurably by regional development programs which will be endangered if and when this agreement is passed. The reason I raise this is that we have not heard a word publicly from our negotiators, from the editorial writers, from Mr. Reisman, or anyone else about the fact that the Americans do exactly the same thing. I have here a document entitled "U.S. Incentives for Construction of Foreign-Owned Vehicle and Satellite Parts Plants", prepared in the Department of International Trade. It was prepared by Mr. J. D. Miller, Planning and Analysis Division, Automotive, Marine and Rail Section, dated April 25, 1986. In the few minutes I have I am going to put on the record not my version of the facts but the facts contained in this document prepared by a senior public servant working for the Government of Canada. Let me try to summarize some of what he reports.

U.S. incentives for construction of foreign owned vehicle and satellite parts plants have included the Honda plant in Ohio and the Japanese supplier plants to Honda. For the motorcycle plant, incentives such as state grant number one, $5.2 million; state grant number two, $11.1 million. Union country tax abatement, present value of $1.004 million.

For their car engine plant, Shelby County tax abatement, $850,000. State training grant arrangements not yet made. For the car assembly plant, state grants, $74 million. City waste treatment plant, $7.5 million. Union County tax abatement, present value $4.259 million.

I do not have the time to go on with all the details, but let me turn now to what they have done for the Volkswagen plant in Pennsylvania. Loan from the State of Pennsylvania, present value of $25 million based on an interest rate of 8.5 per cent, a very favourable rate. Road construction, $20 million federal exempt tax bond. Railway construction, $10 million bond, likely federal tax exempt. Employee training grants, $3.8 million.

We can turn to the Mazda plant in Flatrock, Michigan. Tax abatement worth $101 million. To upgrade the roads, sewers, and water lines, $25 million. For the Nissan plant in Tennessee, according to a study done by the University of Tennessee, the estimated value of the subsidy, $70 million. Assistance for building the natural gas line, sewer improvements, water improvements, $20 million.

In the State of Illinois, the Diamond Star motor plant, a joint Mitsubishi-Chrysler project, the state acquired the land for $11 million. Pollution control state subsidy just less than $10 million. They classified it as a foreign trade sub-zone facility which will mean a subsidy of between $29 million and $60 million over the next ten years. Job training paid for by the state, $40 million over the next three to five years; most of that, incidentally, coming from the federal Government of the United States.

Toyota Motor Company in Georgetown, Kentucky: the state paid $30 million to acquire and prepare the site. Again they

classed it as a foreign trade sub-zone facility and that is worth $35 million to $70 million over the next ten years.

A very valid question could be asked of the people of Canada or the people of the U.S: Why is it necessary for the people, through their federal, state, provincial, or local Governments, to subsidize automobile companies which are among the most profitable corporations in the world? That is a very legitimate question.

• (1550)

Of course these multinational corporations have no loyalty to any particular country. They are interested in maximizing their profits as best they can and playing one country off against the other. If Canada or the United States will not help the construction of new plants through subsidies, the plants will not be built in Canada or the United States but rather in Taiwan, Brazil, the Philippines, or anywhere where the wages are lower and the taxes paid by the corporations are lower. One cannot blame the companies. Their main purpose is to make as big a profit on their investment as possible.

The Acting Speaker (Mr. Penner): Order, please. I regret to interrupt the Hon. Member, but I must advise him that his time has expired.

Mr. William C. Winegard (Guelph): Mr. Speaker, I have listened with great interest to the debate this afternoon and particularly to the remarks of the Hon. Member for Essex—Windsor (Mr. Langdon). It seems to me that my colleague has done a lot of hard work in this area. As far as subsidies are concerned, he is really catching on to the real situation. I congratulate him. He has given us figures this afternoon which should ease the fear of all those people who have been saying that Canadian subsidies are going to be attacked by the United States and we are going to be in great difficulty.

A few months ago the House of Commons Standing Committee on External Affairs and International Trade travelled across Canada to hear the concerns of people about the preliminary agreement. As it turned out, the final agreement was very little different. It was certainly not different in any major way from the preliminary agreement which the committee studied.

As we travelled the country we heard that we would not be able to subsidize any more and that our regional development programs would have to go, that those things would not be allowed under the free trade agreement. We heard that the Americans would challenge us and destroy Canada. It mattered not that the numbers involved did not in any way bear that out.

The committee took a quick look—quick because some members of the committee were not interested in studying it in depth—at the fishing case. You will remember, Mr. Speaker, that the American industry challenged us on 52 to 57 federal-provincial and provincial programs which they charged were subsidies. Unemployment insurance was among those. Everyone made a big fuss about that. It did not take long for the Americans to throw that out. They knew that that was not a subsidy in the sense that anyone has used it.

Of the 57 some 5.6 per cent might have been charged to offset that subsidy. Of course, none of the 57 were in any way a subsidy because, as the Hon. Member for Essex—Windsor said, the Americans subsidize far more than do we. At last we are getting some perspective in this debate. It is about time.

We heard that our social programs would be challenged because of these subsidies. As we travelled across the country we heard that we would lose our industry because we would not be able to have these subsidies and would not be able to have regional development. That was spreading fear, as much of this debate has been. I am delighted that the Hon. Member for Essex—Windsor is now beginning to put proper things on the record. He has said that the Americans subsidize far more than do we. We tried in vein for weeks to tell the people the real truth but were not getting very far. At last, the Member has said that it is the Americans who subsidize. Canada does too, of course.

The Member who spoke before me said that we would not be able to subsidize certain things in the Maritimes. I want to remind all Members of this House that the value of the subsidy that would be charged is based on the total life of the subsidy, the total life of the plant, and the total amount of production over that period. When we consider those figures we will find that the subsidy is very small and would probably run at 1 per cent or 2 per cent. The Americans, of course, subsidize far more extensively than that.

We have no concerns about regional development programs because, as we heard the Hon. Member for Essex—Windsor say today, the Americans do it in a different way. They make no bones about the fact that they subsidize. Why then are we Canadians so fearful? Why are we backing away from a real study over a five to seven year period of what subsidies really are? I have heard opposition Members say that when these definitions are complete Canada would be the loser. At last today we heard who the loser may well be. It is likely, Sir, to be the United States of America rather than Canada.

Why would the United States want to challenge us any more extensively after the free trade agreement is in operation than they do now? They have the right to challenge us now and they do challenge us now. We have the right to challenge them and we do challenge them now. The free trade agreement does not change the right to challenge. It changes the rules of the challenge and what comes out of it. We have nothing to fear from that.

I would like to conclude by emphasizing that the last two speakers have done us a great service in this House by resolving some of the fear which has been spread in the debate over the last few months. The standing committee heard it and tried to put it down. Perhaps now we can set it to rest.

The Americans subsidize more than do we. Canada is on the good end of this. If we look at the numbers we will see that we have nothing to fear. The free trade agreement makes it better for us because at least the rules of the challenge will be clearer. Sometimes debate in this House indeed clarifies things. Again I congratulate my colleague from Essex—Windsor for at last getting it straight.

• (1600)

Mr. Sergio Marchi (York West): Mr. Speaker, the Hon. Member for Guelph (Mr. Winegard) has just concluded his remarks by saying there is nothing to fear on the part of Canada and Canadians in entering into the agreement which was recently signed by the Prime Minister (Mr. Mulroney) and the President of the United States. Yet there is an extraordinary amount of fear in the communities and on the streets across this country. One of the reasons for that fear is being tested today.

Motions Nos. 39 and 93, standing in the name of the Liberal trade critic, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy), are important amendments. The failure of this Government and this administration to embrace these amendments is a classic example of why Canadians are very leery about the negotiating stance taken with the Americans by our Canadian officials.

If one was to check every public poll which has been taken in the last number of years, particularly public opinion surveys which asked Canadians who received the best end of the deal, the results would unfortunately show overwhelmingly that the United States is the winner and Canadians are the losers. Motions Nos. 39 and 93 recognize whose interests we should be protecting and promoting. Clearly, we in this Parliament should be defending and promoting the interests of our own society first. When it comes to economics, we should advance the cause of our own Canadian industries in any talks we have, whether it be with the Americans or with other members of the international community.

Therefore, when we see in the American enabling legislation with respect to this trade agreement that the United States requires the U.S. trade representative to submit a report to Congress outlining the major practices in Canada which are not in conformity with the agreement, when we see Section 303 which creates the authority on the American side to have this done on an ongoing and permanent basis, and when we see that Section 303 in fact provides for regular and annual reporting and in addition requires the U.S. trade representative to undertake corrective countervailing action, we say that if the Canadian Government wants to proceed with this agreement, we either have to match the American clauses within the FDA or, if we are not going to allow the same protection to our own Canadian interests, we must negotiate with the Americans to remove it. What we are saying is that not to do either would be very irresponsible. We should not sit back while the Americans protect themselves, while the Americans try to provide that window with respect to looking at Canadian exports and harassing Canadian exports because they are a detriment to American industry.

Do Canadians not have the right to expect their Government to include in our enabling legislation the same vehicles by which American industry can trigger their elected representatives? Of course, every Canadian expects his or her own Government to stand up for our national interests and concerns, but this Government does not. This Government is prepared to yield to the Americans. It is prepared to stand idly by while the American elected representatives put in place a mechanism whereby safeguards will be offered to their American industries which we will not have.

The Government is not willing to enter into these like-minded clauses on our own side of the trade agreement. It does not have the fortitude of its convictions to try to sit down with the Americans and make it that equal playing field to which so many government members allude.

What we are talking about is giving Canadian industries the same rights, the same mechanisms, the same opportunities that American industries were granted by the foresight of their negotiators around the negotiating table some months ago. The Hon. Member for Winnipeg—Fort Garry moved Motions Nos. 39 and 93, to create those very like-minded clauses in our enabling legislation which would allow Canadian officials to monitor regularly U.S. policies and practices with a view to determining whether they deny benefits that should accrue to Canada and to report these findings to the Parliament of Canada. It would also permit Canadian businesses and workers to petition the trade tribunal in investigating U.S. policies and practices and allow us to get into the countervailing positions the Americans will no doubt, without any hesitation, exercise if they believe their interests are being underminded by some aspect of the trade agreement.

We are saying that the *status quo* as written in the trade agreement surrounding these particular issues is not good enough. We are asking, as we have asked repeatedly and repeatedly it has been denied for the Government to sit down again with the Americans and negotiate those areas which appear to us to be very lopsided in favour of the Americans. If the Government does not have the fortitude to sit down at the table with the American negotiators, then at the very least let us try to equalize the balance. We are not saying to tilt it in favour of Canadians.

We are not suggesting that we take the Americans to the cleaners or to be anti-American. All we are saying is that we are one of two negotiators, and the other negotiating side has seen fit to offer some safeguard whereby their American interests can be maximized in the face of their opinion about Canadian exports. What is so wrong in asking for reciprocal legislation on our side in order to equalize the balance and to send a message to the Americans that we are not going to take their aggression on any Canadian exports lying down. They have the vehicle, they have the ammunition, but so should we.

I believe that is very important in negotiating any treaty or any agreement with any international partner to send them a clear message that we are prepared to act and that we have the means with which to act. That is to what Motions Nos. 39 and 93 are speaking. I believe they are fundamentally important. I also believe that the principle at stake is that we should be protecting our territory and our country just as well as the Americans have protected theirs. That is a principle about which all Canadians, I believe, will be completely unanimous. In fact, it is an expectation and demand that Canadian citizens place on their Government when negotiating treaties, that Canada gets a fair shake and that we are not put in the position of being subservient to any other country.

• (1610)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, we just heard a rather impassioned and eloquent statement about the need for protection. We have been told that these two amendments deal with protection and equity. I have a different explanation.

I think the two amendments are on the table today for what that Party believes to be good political reason. The definition of good political reason seems to me to be simply the utilization of propaganda techniques. Propaganda somehow or other to the Liberal Party and the NDP as it concerns the free trade arrangement seems to be their definition of good.

What is the essence of propaganda? It is to create fear, to create a smear. Disinformation lies at its heart. The reason the two amendments are on the table is to create a climate and an opportunity in the House to create disinformation. To stand up to say that these amendments provide protection which does not already exist is disinformation. It is simply not true. The first amendment is totally unnecessary. In a few minutes I think I can explain why. The second amendment runs against the agreement itself. It has nothing to do with protection.

The second amendment, Motion No. 93, simply violates the agreement. Then we hear: "We do not stand up for the national interest. Therefore we should do exactly what the Americans have done. We do not have the courage to stand in this Chamber. We as a Government do not represent Canadian interests. Therefore, we should do what the Americans do".

This is a different country. This is Canada. This is not the United States of America. We have a different system of governing. We have a different Constitution. We have a different set-up for our courts. We do not elect our judges. We appoint our judges, either for life or until the age of 75. We do that because we separate our judiciary in a different way. This is Canada. The legislation should be Canadian legislation to implement an international agreement, an agreement that we have reached with another country. We should inspect the agreement. If we do not like it, then we should vote against it, but we should not unilaterally violate it.

I lived in the City of Calgary when a federal Government unilaterally changed the policies that affected my city and my province, throwing people out of work. It created suicides and turmoil because a federal Government broke agreements that existed over a long period of time, without negotiation.

What the second amendment invites us to do is to break an agreement, part of a whole, part of a package that was arrived at. How was it arrived at? It was with the use of sectoral advisory groups. The most knowledgeable people in the country advised the Government every step of the way. If the area dealt with manufacturing, we had manufacturing advice. The same was true with respect to agriculture. They advised what would be good for Canada, what would be acceptable, and what would not be good for Canada.

To propose in the House that we violate the agreement is insanity. We worked hard at arranging an agreement that would be good for Canada. It will also be good for the United States of America, otherwise it would not have entered into it. Both countries see it as good, but it is a step into some unknown territory in some ways. We had the wisdom to insist on mechanisms that allow the agreement to evolve and develop, to be changed. We have processes in place such as the Canada-U.S. Trade Tribunal. On a daily basis it looks at how the agreement is evolving. Is it good for Canada? Is it good for the United States of America? Is there some little glitch in it that should be changed?

What we have done is put a process in place—and the Opposition never speaks about this. We have a six-month cancellation clause. If it is bad for Canada, we can get out of it unilaterally on six months notice. Members of the Opposition do not talk about that.

What they do is bring forward an amendment and do not tell Canadians that Chapter 18 in the agreement puts in place a Canada-U.S. Trade Commission to supervise on a daily basis the implementation of the agreement. If there are problems, they will surface and be worked out. That is the over-all sense of what is going on here.

Let us come to the next piece of legislation which already exists in Canada. We have a Special Imports Measures Act. We are not dealing with that today because it already exists. Section 48 of that Act gives inquiry powers to the Canadian Import Tribunal.

The NDP Member who spoke a few moments ago spoke about subsidies in the United States to automobile plants and whatever. This Government is so far ahead of the Opposition. If that is happening today, it can be complained about today. The tribunal can inquire into it today. The same will be true tomorrow. The same will be true the minute the new legislation is put in place. That does not change as a consequence of the legislation before us today. This Government has in place an inquiry mechanism, the Canadian Import Tribunal, to look into complaints about subsidies and unfair practices. It does not need an amendment. It is there.

I bring to the attention of the House the Tariff Board Act which is in place today. It is the law of the land. It has broad inquiry powers related to tariffs and tariff imposition. I refer in particular to Section 4 of that Act.

Before the House is Bill C-110 which has been on our plate for quite some time now. It has been filibustered by the Opposition. What does it do? It provides an even better mechanism than the Canadian Import Tribunal. That is what it does. We are trying to improve and we are out ahead. We started months ahead of time. With a little co-operation from the Opposition, getting away from propaganda, Canadians will understand. They go across the line and on many items in many places prices are lower.

A senior citizen can exist in comfort on a fixed income with a higher standard of living because prices are lower. This agreement and the enabling legislation is about lower prices in Canada, less costs to raise a child, less costs for a single mother, less costs for a senior citizen. That is what we are trying to do for Canadians—trying to reduce their costs.

At the same time reputable economic groups in the country tell us that there will be more jobs. The Government has created a million and a quarter jobs in four years. Here is another chunk with 100,000, 200,000, 300,000. No one knows for sure. But we know for sure that prices will be lower. We know for sure that there will be more jobs.

If we look at the history of all smaller nations which have entered into arrangements with larger nations, arrangements of this kind since the Second World War, we see that in every single case there are lower prices, more jobs, better paying jobs for the smaller nation. It is good for a less populous nation to enter into a trading arrangement with a larger nation.

If Canadians care about Canada, if Canadians are worried about dependence on the United States, then they should look at history. Today approximately 80 per cent of what we export, representing approximately three million jobs in this country, goes to the United States of America. If it sneezes, gets a cold, or rolls over, we feel it.

• (1620)

By entering into this trading arrangement we are doing something that other countries did, for example, the European Economic Community. That is what we are engaged in. What happens is that the trading dependence on the larger nation goes down. We will not end up more dependent on that larger nation; we will end up less dependent. Why, Mr. Speaker? When we can sell what it is we produce into a market that is ten times as large as the one available today, on a guaranteed basis, the cost of production in Canada goes down. The things we make and use go down, and they become more competitive on the international market-place. We can sell to Europe, to South America, and to Japan, because we can make enough of something, whatever it is, to get the cost per unit down and increase the market. In 20 years from today, instead of being dependent upon the U.S. for 80 per cent of our exports, perhaps it will be 70 per cent or 65 per cent. Our ability to trade and to sell in world markets gets better because our costs are lower.

I urge Members of the Chamber to defeat these amendments. They are here on our table for propaganda reasons, not protection reasons. In the case of the first amendment, it is not necessary. In the case of the second amendment, it breaks the agreement. This Chamber should not pass an amendment which breaks the agreement.

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I appreciate the opportunity to join again in the debate on some of the motions. As the Hon. Member for Guelph (Mr. Winegard) pointed out a few moments ago, a debate in the House serves to clarify things. It is important that it be a full and open debate. In response to the comments of the Parliamentary Secretary a few moments ago, opening great hopes for Canadians, there should be some close consideration of the industrial history of this country, and recognition of what is happening these days in the pre-trade deal climate with more and more consolidation of control of advertising companies, admittedly not manufacturing companies, but this deal opens the door to trade and services. At a time when that is happening, what can one say about having two great Canadian advertising agencies, ironically enough with political connections, one to the Liberal Party and the other to the Conservative Party, falling into close alignment with American companies.

In the globalization of business, one does not have stronger Canadian activities and enterprises being created in this context, instead one has companies being taken captive by American companies so that they will presumably never do anything outside Canada's borders and will recognize very clearly what is their territory.

The Parliamentary Secretary did not think carefully about the history of far too much of the manufacturing that has been carried on in this country over the years by subsidiaries of American companies. The fact is that these companies have been restricted in their trade policies so that they deal only with a parent or sell in Canada and are deliberately prevented from involving themselves in any other export trade. Surely that is a good part of the problem with Canadian industry. The closer tie to the United States represented by the trade deal will not bring us any gains at all.

The most important considerations this afternoon are a recognition of the Canadian situation in North America and in the world, what Americans do, what Canadians do, what Canadian and American industries do, how Governments deal with industries, and how our Government should have dealt with the situation that faced it over the last three years in arriving at this deal.

The motions before us, particularly Motion No. 39, will provide, if passed, for evidence on the subsidization of American industries to be made available to the Canadian

tribunal that deals with these matters. On both sides of the House it has been suggested that there is a great deal of subsidization of economic activity in the United States. Over the past three years that has not always been clear in the activities of the Conservative Government.

There has been a failure to recognize the extent to which American industry is driven by U.S. Government activities, particularly by what President Eisenhower called almost 30 years go "the military industrial complex", spending on research and development which strengthens American industry and which we all recognize spills into various areas of production, and recognition that that is as important as any element in the American industrial setting was surely necessary for any Canadian Government that wanted to deal with American activities. I mention that point very deliberately because if anything drove the Government on it was fear about American protectionism, and the particular actions undertaken by American Governments against Canadian industry.

We all know, some more keenly than others, and we in northern Ontario are keenly aware of American attacks twice in this decade on softwood lumber exports. Those in other parts of northern and southern Ontario are keenly aware of American attacks on Canadian steel exports to the United States. What did we have a Canadian Government do, the previous Minister for International Trade when the U.S. industry focused on softwood lumber? We did not see the Canadian Government fight the battle for Canadian producers all the way through, focusing on the realities of the Canadian industry and making it very clear to Americans that there was absolutely no basis for subsidies to be charged against the Canadian industry and for Canadian industry to be found to be unfairly subsidized against American producers. It would have been well worth saying to Americans that their crazy policy on driving the U.S. dollar up to very high levels against other currencies might make U.S. lumber producers uneconomic in comparison to Canadians. However, the Government did not fight the battle in 1986-87 through the U.S. courts and through the mechanisms that existed. Now, having created other mechanisms that are supposed to do the job, does one believe that is the case? I am not convinced that it will work.

The Government did not fight it through those means. Instead, it turned to the negotiations that led to a 15 per cent export tax on softwood lumber.

Whatever may be true in some other jurisdictions, we in Ontario have never regarded the timber that goes into the mills which is cut into lumber and exported to the United States as subsidized in the way the Americans charged us. In turning to the negotiations that produced this trade deal, this sell-out of Canadian interests on which the Government is now trying to put the best coloration with the paint that the Parliamentary Secretary was applying a few moments ago, he was not talking about U.S. subsidies at the time. In recognition of the importance of softwood lumber as a Canadian resource industry, the Government could have recognized that one area where there is massive subsidies of American production in the American southwest is in the use of water at very low rates of cost. That water is charged to the growers at something under one fifth of what the water should actually be valued at.

I mention that advisedly, as I have before in the House, because if the American growers of vegetables, and particularly fruit, were charged a fair price for the water that they used, they would be much more careful in using it. If they were more careful in using water, they would be less tempted to turn to the possibility of getting water from Canada, and we in northern Ontario would not feel the same concern we do now about a massive sell-out of water resources through the deal, a sell-out which has been controversial in the House for months past and for which the Government has recognized there may be some danger and has responded to it.

In focusing on these particular instances of a failure on the part of the Government to fight the battle fairly for Canadian industry, by pointing out to the Americans where they subsidize, and by demonstrating in the American courts that we do not subsidize the Government in those particular instances demonstrated its failure to defend Canadian interests properly. So, recognizing those failures, we have every reason for supporting amendments of this sort. I am speaking now about my colleagues in the New Democratic caucus. We have every reason for supporting these amendments, particularly Motion No. 39, which would ensure that the evidence for subsidization is available to the board and provides a fair basis for determining what kinds of adjustment policies shall be followed. It may not be easy for those in an industry or for individuals even in a business association or a union to gather this evidence, but government could dedicate the resources to finding it.

• (1630)

In relating to subsidies for adjustment policies, I will deal with one of the most difficult points of this whole matter. The Government recognizes that there will be massive dislocations resulting from the trade deal. There are various estimates. One of the Government's own estimates has been a dislocation of 800,000 persons from jobs. As far as justifying that, we have been given a net gain of 125,000 jobs over 10 years as the amount of new jobs that we would have over and above all of those lost. Eight hundred thousand jobs involves a lot of people. These are full-time jobs. When these are good jobs that Canadians have lost, what is the Government going to do to ensure that those who lose their jobs have some kind of assistance in obtaining the new jobs that are wanted?

It is very nice, and the easiest thing in the world is to denigrate some of these jobs, to depreciate them, and to say that the people who are doing this work will be able to find new and exciting jobs in that high-tech future that the trade deal involves. Will that sort of thing read very well in the Spadina riding of downtown Toronto five years from now? What about the people who have lost their jobs in the clothing industry and are not able to get in on this high-tech future that

has been promised? It is without any provision for adjustments, with no promises made, with a very real danger because of mishandling of the subsidy issue, that any kind of action that the federal Government takes, that conceivably a provincial Government takes, is going to be regarded as one more unfair subsidy. What do Canadian workers have to look forward to in that kind of situation but a disaster that has been brought to them by the Mulroney Government?

So, recognizing the depths of disaster that could strike us, there is good reason to support this amendment, particularly Motion No. 39, get it into the Bill, as long as the Act is going to survive, and someone has noted the six-month termination clause. The Parliamentary Secretary was quite right. That is one that, at worst, we expect to see used. Let us get rid of the thing, if it ever passes, and get ourselves back to focusing on Canadian interests, building up Canadian strengths, as the Parliamentary Secretary has suggested we should do. He thinks that the deal will do it. I do not think that it will, but a Canadian Government certainly should be about those objectives. A New Democratic Government would do so.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am happy to have a chance to speak on Motion No. 39, because I think it is the report of the joint Senate and House of Representatives committee which first alerted us to what was being planned for the surveillance and monitoring of Canadian industry. This ultimately resulted with the United States legislation passed as the Baucus-Danforth amendment, which provides for a whole new regime to intimidate and to monitor Canadian industry. This is a very significant development because there has always been that situation where we had to have a coalition of groups and companies and so on to petition against an industry in Canada and to be willing to put up the money to do it. Certainly, in the free trade deal and the Baucus-Danforth amendment that whole situation changes.

In the softwood lumber case, for instance, we had the American Coalition for Fair Lumber Pricing that had to hire lawyers and assemble a group to petition the United States Government and to carry that petition through the Department of International Trade Commission to the Department of Commerce and so on. On the Canadian side, we had to do the same thing. The Canadian Forestry Association spent as high as $5 million or $6 million on reports to fight it through the courts, under this United States amendment, the Baucus-Danforth amendment. Now they will not have to go to all that expense, and it is very expensive. They will simply have an industry petition the United States trade representative to carry out an investigation, so there will be constant harassment regardless of how much injury there is or how much difficulty there is for the Canadian industry concerned. This is really the problem with the free trade deal. It is a bad deal as far as Canadian exporters are concerned.

At the present time with the GATT provisions, if an industry is going to be assaulted with a countervail or a dumping duty, if the case is strong against it, two weeks after the petition has been filed one can go to the GATT and get a ruling, sometimes within four or five months. Many of our petitions have been very successful to the GATT over the last few years. Yet, with the free trade deal, we sort of set that option aside. I know that the Government will argue that it is still possible to go to the GATT. In the instances of the GATT ever hearing a case where there are two consenting partners in a free trade deal hearing a case, it just does not happen, and it will never happen. The difference for the Canadian industry is that when one goes to the GATT, the Government pays the shot.

When one fights it through the United States International Trade Commission, the Department of Commerce, to the International Trade Court, one pays the shot. It is any forest product that operates in my riding or the softwood lumber companies that operate in your riding, Mr. Speaker, that paid the shot in 1985 and 1986 on the softwood lumber case. They were shot down by their own Government about a month before the deal was consummated, by withdrawing the petition and the complaint to GATT. That is the way that the deal is going to be in the future.

If a Canadian industry has a countervail or dumping duty against it, what it has to do is get all other sectors of the industry to put together the money to fight it through the United States trade dispute mechanism and ultimately to the binational commission, which will have no power to rule on the law itself but just to see if the law was applied regularly and whether they were in conformity with the precedents and the practices in the case.

Members of the Reagan administration, which practically privatized the whole system of government in Washington by increasing the number of lawyers from something like 20,000 to 45,000, are just rubbing their hands in glee. They know that never again will a Canadian group be taking something to the GATT, paid for by the Government and Canada and accompanied by its lawyers. They will be going through the whole legal rigmarole in Washington at tremendous expense, for a longer period of time. Besides going through all the steps of the International Trade Commission and the Department of Commerce, there is up to a year beyond that for the binational commission.

• (1640)

What the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) is attempting to do is say: "Look, if you guys in the United States are going to set up a deal where any industry can just petition the U.S. Trade Representative's office and start a harassment of the Canadian industry, if that is sauce for the goose then it is sauce for the gander, and we will have the same thing for Canada." That is what the amendment before us today does.

I cannot imagine why the Government would not want to give our industries in Canada the same powers. They would not be used very often because most of the harassment is by

the United States. It was an historical event when we got a countervail duty on corn. We need to have the power so that if the softwood lumber industry, the raspberry industry, the steel industry, or the fishing industry started an investigation of Canada, we would have the power to do the same thing and doing it without costing our industry a lot of money. The Parliamentary Secretary argued that the powers are already there.

Let us do a comparison. Under the Baucus-Danforth amendment the U.S. industry can petition the United States Trade Representative for an investigation of the Canadian industry. Under the existing Canadian legislation only Cabinet can petition the tribunal. Governments do not do this often, but clearly industry likes to. If this U.S. legislation is implemented, and if we think we have had a lot of harassment in the past, we will have to face the fact that we will have an infinite amount in the future. What happened with the dumping duty on potash? Canadian potash producers did not appeal to the International Trade Court in Washington or New York. They did not take the matter to the GATT. They just sawed off a deal with the Department of Commerce in Washington or the International Trade Commission. Now potash which normally used to sell for $50 or $60 a tonne goes into the United States, but it goes in only if it is above $92 a tonne, which is a percentage of the dumping duty applied in that decision by the ITC in the United States. We should give our Canadian industry the same powers to ask for an investigation of a U.S. industry; in other words, level the playing field.

As well, the U.S. industry does not have to prove injury, only deterioration in its competitive position. Under Canadian legislation the industry must prove serious injury caused specifically by the imports.

Surely this is a reasonable amendment to be a mirror image or an approximate mirror image of the legislation which has already been agreed to in Washington for their side of the deal.

Hon. Herb Gray (Windsor West): Mr. Speaker, I believe the amendments in Motions Nos. 39 and 93 deserve the support of this House. These amendments would add new authority, especially Motion No. 39, to the Special Import Measures Act. This Motion is key because it would mirror the type of authority that exists in both the United States free trade agreement implementing legislation and the omnibus trade Bill. If the Conservatives are not willing to accept the amendments that put into place the type of authority envisaged in these amendments, they are admitting, in effect, that they are unwilling to stand up to the United States by employing the same strategy the United States has and will employ if the Government's trade deal with the United States should ever go into effect.

What is the strategy, Mr. Speaker? It seems very clear if we look at Section 101 and Section 303 of the American implementing legislation. Section 101 requires the U.S. Trade Representative to submit a report to Congress outlining major Canadian practices which are not in conformity with the free trade agreement by no later than December 15, 1988. Section 303 of the U.S. legislation creates authority to continue this monitoring and reporting function permanently, so there is a continuous surveillance, subtle and perhaps not so subtle form of harassment of Canadian exports to the United States that would be in effect if the trade legislation implementing the trade deal ever becomes law.

We have to look at Section 409 of the American legislation, the Baucus-Danforth amendment also. It is clear looking at Section 409 of the American trade legislation that the United States has developed a whole new process of trade harassment for Canadian exporters. Under Section 409, American industries may petition the U.S. Trade Representative to investigate any Canadian industry and retaliate against that industry or any other Canadian exports if the U.S. industry deteriorates in its competitive position. I use the words "deteriorate" and "competitive position" because these are exact quotes from the Baucus-Danforth amendment. The Canadian industry is defined by the U.S. administration as being "subsidized".

In other words, any American industry which is not competitive for whatever reason with a Canadian industry, and which is considered subsidized by the American administration according to its definition, can be identified under the Baucus-Danforth amendment, Section 409 of the U.S. implementing legislation and, therefore, apply for retaliation against Canadian industry. By the way, Mr. Speaker, there is no injury test. It is not necessary for the complaining American industry to demonstrate that it has in any way been injured by Canadian competition. Moreover, even if the American industry is unsuccessful in its petition under this amendment, it can still harass Canadian exporters through all the current American trade laws.

Canadian legislation in this Bill C-130 does not mirror in any way the American legislation. This Conservative Government has, as a result, put Canadian industry at a great disadvantage, *vis-à-vis* the Americans, assuming this trade deal should ever go into effect. Once again the Government is willing to put into effect a trade deal which is tilted toward the United States and against the interests of Canada.

The amendments we are proposing would mirror and match what the Americans are intending to do by their legislation. Motion No. 39 would create two basic types of Canadian legislative authority. The first would have Canadian officials regularly monitor American policies and practices with a view to determining whether they deny benefits that should accrue to Canada and to report regularly these findings to Parliament so that they can receive a public airing. This motion would go further by requiring Canadian officials to initiate countervailing action should they determine that Canadian benefits are in fact being denied by American policies and practices.

• (1650)

Motion No. 39 would also permit Canadian businesses and workers to petition our trade tribunal into investigating American policies and practices which are unfairly causing a deterioration in Canadian business. Should investigation determine that the American policies and practices are in fact creating unfair trading conditions, then our Government would be required to take corrective action.

Surely the Government should be willing to accept an amendment giving Canadian authorities these kinds of powers if it is sincere in saying that it wants a balance in benefits and responsibilities between Canada and the United States under this trade deal. If it is not willing to accept this amendment, it is admitting that it is quite ready to sell out Canadian interests in a desperate desire to get this trade Bill through and the deal connected with it put into law and implemented, even though it means allowing the United States to pass laws giving American businesses and exporters to Canada the authority to compel the American Government to harass Canadian exports for which there is no counterpart on the Canadian side.

Motion No. 39 would also allow Canada to introduce adjustment assistance for those workers and firms dislocated as a result of the free trade agreement. Every time we have said that if the Government is to go ahead with this deal which we think is bad for Canada, it should at least put into place measures which would help workers, firms, and communities that are dislocated as a result of this deal, the Government has backed away and said: "No, these measures are not necessary". Just last week, however, the provincial premiers met for their annual meeting and they unanimously said that Canada had to have an adjustment program for its workers before the free trade deal went into effect.

Even the Conservative premiers who are most committed to this deal said that there had to be an adjustment program. They do not agree with the Government when it claims that existing programs under unemployment insurance and retraining are enough. In this, the premiers are obviously correct. Even those premiers who are strong supporters of the deal see that there is bound to be very substantial dislocation if this deal goes into effect.

The Government has said that the Economic Council has forecast an additional 250,000 jobs. However, this is the net result over 10 years. The Economic Council also confirms that tens of thousands of workers will either lose their jobs completely or will lose their jobs if they do not get training to do jobs which will be very different or totally new. There is also the prospect that because of this deal, there will be no alternative jobs whatsoever in the regions where thousands of workers are now employed.

Premier Getty and Premier Devine have joined with all the other leaders of the provincial Governments in saying unanimously that the Government is wrong when it says that no adjustment program is required to account for the dislocation, the harm, and the damage that will be done to tens of thousands of workers when the Government's trade deal is implemented. We want to make sure that the deal and the legislation implementing it would allow Canada to introduce adjustment assistance for workers or firms dislocated as a result of the Government's agreement with the United States. There has been no satisfactory explanation from the Government as to why, in a heartless and blind way, it is refusing to bring forward measures of adjustment to add to the programs already in place to help workers who, even in the opinion of the most committed supporters of the deal, will be dislocated and harmed if this deal goes into effect.

I also want to say a word about Motion No. 93 which would add to Motion No. 39—

The Acting Speaker (Mr. Penner): Order, please. I regret to interrupt the Hon. Member, but his time has expired and there will not be any time for discussion of Motion No. 93.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to participate in this debate on Motions Nos. 39 and 93. I would like to begin by congratulating my colleague from Winnipeg—Fort Garry for bringing forward these motions. I am sure that any reasonable Member of Parliament would want to have this kind of change made to the Bill.

If the Government refuses to entertain this type of change, I think that would constitute an admission on the part of the Government that it is unwilling to stand up to the United States and is unwilling to avail itself of the same tools the United States has in dealing with issues involving trade disputes.

We should remember that the Prime Minister (Mr. Mulroney) said that the key objective of this trade deal we are talking about, as bad as it is, was to secure access to the United States market. I remind Hon. Members of the March 16, 1987 statement of the Prime Minister in which he said:

> Our highest priority is to have an agreement that ends the threat to Canadian industry from U.S. protectionists who harass and restrict our exports through the misuse of trade remedy laws. Let me leave no doubt that first, a new regime on trade remedy laws must be part of the agreement.

Did you hear that, Mr. Speaker? He said that it must be part of the agreement. On April 2, 1987, the Prime Minister said to *The Wall Street Journal*:

> (U.S.) trade remedy laws can't apply to Canada. Period.

That seems pretty definite. If one did not know better, one would almost believe that the Prime Minister meant what he said on that day.

Mr. Foster: Oh, no.

Mr. Boudria: Well, maybe not quite that far, but almost. The Prime Minister made that commitment to the people of Canada. He said that the trade remedy laws with the United States could not apply to this country, that we had to be protected from that.

My colleague from Winnipeg—Fort Garry, the other Liberal Members of Parliament, and I are trying to ensure that Canada has tools available to it that will not go as far as what the Prime Minister has suggested, but will at least go a fair distance toward having an agreement which is even on both sides, or to use the American expression, will create a level playing field.

I know you are far too knowledgeable, Mr. Speaker, to be so naive as to believe that we did get guaranteed access to the U.S. market. Even if you did believe that, let me tell you what Clayton Yeutter, President Reagan's U.S. Trade Representative, said. He said:

> The U.S. countervailing duty and anti-dumping laws, defined as U.S. statutes, legislative history, regulations, administrative practice, and court decisions—will remain intact and unchanged.

That is quite a bit different from what the Prime Minister told us in this House. He went on to say:

> Hence U.S. petitioners will retain all their rights under existing U.S. laws as Canadian industries will keep their rights under Canadian law.

When we do not have the same remedies to start with, it does not matter that we both keep what we had when we started. The fact is that one party is far bigger and stronger than the other and has far stronger trade remedy laws in any event. What we gained is little more than nothing. We say that even with this amendment the deal would be objectionable, but at least it would be somewhat improved. If the Government listened to us in this House and adopted a number of the amendments we are proposing, at least we would have better legislation, and then the deal would not be as offensive to Canadians as it otherwise is.

• (1700)

I know the time given to me is somewhat limited as Private Members' Hour will be starting shortly. I want to say in conclusion that all of my colleagues in this House should be supporting Amendment No. No 39 proposed by my colleague from Winnipeg—Fort Garry. With that, I will end my remarks and continue after Private Members' Hour is finished.

The Acting Speaker (Mr. McKinnon): It being five o'clock p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's *Order Paper*.

PRIVATE MEMBERS' BUSINESS--BILLS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Mr. Bob Horner (Mississauga North) moved that Bill C-264, an Act to amend the Criminal Code (instruments and literature for illicit drug use) be read the third time and passed.

He said: Mr. Speaker, I am very pleased to rise in debate on third reading of this Bill. You know from your experience that Private Members' Bills do not very often pass through this House. As a matter of fact, I believe that of about 300 Private Members' Bills submitted in this Parliament, probably only three have passed third reading.

I do not know what more can be said about this Bill. It is very small in content but extremely large and important in what it does for the youth of our nation. I have been working on it for approximately two and a half years. I have had assistance from the Association of Chiefs of Police, the RCMP, Parents Against Drugs, PRIDE, indeed all the organizations that feel this legislation is necessary.

The present situation is a contradiction in terms. We have outlawed cocaine, and rightly so. Yet in a thousand stores across Canada you can walk in and buy a cocaine free-basing system to make crack. This sends a contradictory message to the youth of this continent. Heroin, hashish and marijuana are all outlawed but you can walk in and buy a pipe to smoke them in any of those stores.

In dealing with the literature part of the Bill some Hon. Members of the Opposition have said that *Alice in Wonderland* would have to be banned because Alice was on a trip. Sherlock Holmes would have to be banned because he used cocaine or something like that. What we are talking about are magazines like *High Times* which promote drug use and tell young people life will be better if they use drugs. I have seen on store shelves books which tell you how to cheat your drug dealer, how to grow marijuana in your home, how to make money selling drugs.

People who sell drug paraphernalia and magazines are not all criminals. A lot of them are merchants who sell clothing, posters, souvenirs and many other different things. However, because there is a space in their store and there is a demand for this type of product, they have put in a supply. Assistant Commissioner Heaton of the RCMP, when he appeared before the Standing Committee on Health and Welfare, stated that if we really want to attack illicit drug use in Canada today, we should stop the sale of this drug paraphernalia.

I was in Washington recently speaking to the ombudsman involved with their program and she told me that 40 states have passed drug paraphernalia legislation. Some 400 American youths have come across to Canada on a visit, purchased drug paraphernalia and because of the American's zero tolerance program at the border, those young people have returned home with criminal records.

I have heard the horror stories that every Member of this House has heard. I have had constituents come up to me and say their daughter is 18 years old and she is in jail for a drug offence. I had a father come to me the other day and say he is worried about sending his son to camp, a ten-year-old boy, in case he was given drugs. The Peel Board of Education in my riding, the largest board of education in Ontario, did a survey which showed that 35 per cent of all young people over the age

of 14 have tried drugs. I do not think we are going to stop illicit drugs by the passage of this Bill. I do not think we are going to get the kingpins. I do not think we are going to see any significant effect. However, I would urge every Member of this House who is thinking about himself and his family, as well as his country, to stand and vote in favour of passage of this legislation. It can do nothing but good, and the people of Canada want it.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to participate in this debate this afternoon. This is the second time in two weeks that I have had that opportunity. I must say that had things gone my way and the way, presumably, of the Hon. Member for Mississauga North (Mr. Horner), this Bill would have been completely dealt with two weeks ago when it was debated in the House. On April 12, 1988, I remember asking for unanimous consent to move immediately to third reading and pass the Bill that day. Unfortunately, the NDP decided not to give that unanimous consent and they also chose to speak against the Bill we have before us. I regret that very much and I hope they have had a change of heart over recent days.

Before going any further I want to congratulate the Hon. Member for proposing this Bill to us in this House. It is not often that we can deal with issues that cross party lines, good constructive issues involving our young people, and do so in a way which will benefit Canadians, all that without the partisan tone we have in this House from time to time. This is one of those happy occasions, and I am pleased to offer my support to the Bill.

I had the opportunity to meet earlier today with Professor Peter Appleton and his associate, Mr. Jacques Perras, of Carleton University. They spoke to me about some of this drug paraphernalia. Like many other Members in this House, I had heard of some of these products but was not too familiar with how so-called head shops operate.

• (1710)

Believe it or not, at a head shop within a 10-minute walk of this building one can actually buy baking soda with a little kit which explains how to free-base cocaine. Within a 10-minute walk of the Parliament Buildings here in Ottawa one can buy books and manuals on how to grow your own marijuana, how to use cocaine, how to use heroin, and how to use LSD.

This is not happening only in some out-of-the-way area, some rough and tough neighborhood of certain cities of the United States such as Detroit, Chicago, or downtown Miami. I am talking about Ottawa.

[*Translation*]

Mr. Speaker, as I said earlier, I met some experts today who came to tell me more about the subject. They confirmed a number of things I knew already, but I must say they also made me realize even more the importance of the Bill tabled by the Hon. Member for Mississauga North (Mr. Horner).

A Carleton University study tells us, Mr. Speaker, that 2 to 2.5 million Canadians use drugs on a regular basis, and that of this number, between 300,000 and 500,000 Canadians could be described as drug addicts. These statistics are very disturbing to all of us as parliamentarians and to the entire Canadian population.

[*English*]

I hope and trust that we will pass this Bill today. I hope that we will do that with the unanimous support of the House, with a change of heart of some Hon. Members who did not feel that they could support this Bill the other day. If we do that collectively, we will have made a small contribution to the war against drugs. We will not win the war this afternoon by passing this Bill. It would be nothing short of naive to believe that. However, we will at least have sent out a message that as citizens and a legislative body we parliamentarians believe that something wrong is happening and that we can assist our young people and other citizens by making a statement and passing this Bill.

As I was saying a while ago, we are not the only Canadians who are concerned. Carleton University is establishing a Council for Drug Awareness. A number of corporate entities will be participating in it. This is a group completely outside government establishing a Council for Drug Awareness. The membership list includes some very distinguished Canadians such as Mr. James J. Leto, President of AT&T Canada; Sharon Paul, Vice-President, Corporate and Public Affairs of Abitibi Price; William Lomax of the Bank of Nova Scotia; David Clark of Bristol-Myers, and General P. D. Manson, Chief of the Defence Staff of the Canadian Armed Forces. Many distinguished Canadians will be participating in this endeavour of Carleton University.

I want to congratulate Professor Appleton, Mr. Perras, and the others who are working so hard to assist our young people. We ask today that Members of this House do likewise.

[*Translation*]

Mr. Speaker, what we as parliamentarians should do is make this positive gesture. It is not impressive as gestures go, but it will have an impact, and it will help show our fellow Canadians that we want a drug-free society, and I hope that some day we will achieve that goal.

Meanwhile, I would ask all Members of the House to support Bill C-264, as tabled by our colleague, the Hon. Member for Mississauga North.

[*English*]

Mr. John Oostrom (Willowdale): Mr. Speaker, I appreciate the opportunity to rise to second the motion for third reading of Bill C-264 and to say a few brief words on this very important piece of legislation.

Bill C-264 is very important because it will close an important loophole in our fight against drug abuse. In addition, it shows that once again, as has been the case in the

last four years, private Members can and do contribute with legislation and motions which can be passed.

At the moment it is legal for head shops and drug paraphernalia outlets to sell their wares to the public. In fact, this activity serves to encourage drug usage in our society. We cannot have laws against the usage of illegal drugs while, on the other hand, allowing the sale of utensils which are used in their consumption.

Drug abuse among our citizens is a national tragedy which must be brought under control and eliminated before any more of our citizens are affected. Just recently in Toronto an inquest was held into the death of a young boy who attended a rock concert and, after indulging in drugs, committed suicide. His death was a tragedy.

I believe that we, as parliamentarians, have a responsibility to do whatever is necessary to eradicate the use of illicit drugs. Those responsible for trafficking should be shown no mercy. All assets which have been amassed by profits of illicit drugs or the sale of drug paraphernalia should be frozen by the estate whenever these individuals are charged and they should be seized if they are convicted. The message must be clear to all that those who participate in bringing human misery will be severely punished.

In addition, we must ensure that our law enforcement agencies are given every legal means by which to bring these individuals to justice. The RCMP believes that this legislation will stop the promotion of the usage of illicit drugs in Canada.

We owe an enormous vote of thanks to the Member for Mississauga North (Mr. Horner) for bringing this Bill before the House. I urge all Members of the House to support Bill C-264, a piece of legislation that I hope will contribute to sparing some lives from the usage of illicit drugs.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I want to say a few words in connection with this Bill and to congratulate the Hon. Member for Mississauga North (Mr. Horner).

We all feel sad when we see people on crutches and we try to help them. Many times those who are on crutches are so as a result of something which happened beyond their control. However I remember speaking to a coal miner in the Drumheller Valley who told me that a particular fellow on crutches deserved every sympathy in the world and every help available to him. He asked that I go to the compensation board on his behalf. He said, however, that he had a son who was using a crutch thinking it would bring him happiness. I asked what he meant. He told me that his son was on drugs and thought that using that crutch would bring happiness to his life.

When I was the Minister of Youth in the Province of Alberta I attended a conference in Vancouver. We were tied up all day in meetings but about nine o'clock at night we were through and I put on a windbreaker and went out to stand beside the fountain which used to be beside the Hotel Vancouver. A young man about 17 or 18 came up to me and asked if he could sell me some grass. I was on the verge of saying "No" and asked instead: "Why are you selling grass?" He told me that he had been kicked out of his home in Saskatchewan, had not had a decent place to sleep for the last several nights and had not had anything to eat that day. He said: "I will give you a special bargain on grass". I replied: "For my information, how much would a special bargain be?" He said: "I will give it to you for $14".

• (1720)

I told him I did not use grass and I do not use drugs, but I would take him over to the hotel and buy him a dinner. I told him he could order anything he liked. He asked me if I was serious and I said yes, I was serious, so he said all right. We went to the hotel across the street from the fountain and he very reasonably ordered a bacon and tomato sandwich. I asked him if that was all he wanted and he said he did not want to take advantage of my kindness. However, I told him to order anything he liked and he ordered a cup of coffee and later on he had a piece of pie. I could see he was hungry because he was taking big bites out of that sandwich, and I felt sorry for the young man. He had a nice appearance.

I asked him how he got into a mess like this. He told me he started to use drugs when he was in high school. He said his father kicked him out of the house and he came to Vancouver. He said he had taken drugs here and had a wonderful trip. I asked him what it was like and he said: "Well, it just seemed like the whole world opened in beauty, a type of sunshine, a beauty beyond description. It was so wonderful it just made me feel like a different person". That was about a month ago, he said. A couple of weeks later, he said, he had another trip and almost died. They took him to the hospital and he did not think he was going to live. He said he was okay now and trying to make a living. I said to him: "I guess you are through with drugs now, are you? He replied: "Oh, no, no". I asked: "You are going to take more drugs now after you had that terrible experience?" He answered: "Yes, because the next one might be a beautiful trip". I said "Young man, the next one might mean your death, but whether it does or not, you are using a crutch". I told him he had no need to use a crutch, that he had a good brain and a good body. I asked him why he wanted to abuse himself with drugs. I do not think I persuaded the young man.

I heard about a young man in Vancouver two or three weeks later. I do not know whether he was the same young man or not. A lad who had been sleeping in doorways and eating wherever he could was found dead. I do not know if it was the same boy or not. I wish the young people of today could just see some of those people who thought they had to have a crutch to be happy. After the period in San Francisco when drugs were very, very prominent, I was down visiting a friend from Edmonton and decided to spend part of the afternoon visiting a hospital which was still full of many people in their twenties and early thirties.

The visit to that hospital, if it did not do anything else, made a person feel that they would never want drugs again. Fine young men were now worn out just like old, old men. Girls who once were beautiful girls were dilapidated with weariness and bad living. I wish the young people of today could see that picture. I wish they could realize that they do not need that kind of crutch to be happy and that by using that kind of crutch they are imitating someone with poor legs who must use a crutch and for whom we should have every pity and to whom we should give all our help.

There is one other thing I would like to say. I wish we could find the kingpins. I wish we could find the people who go out on the streets and persuade young people to use drugs, these people who are making a fortune by destroying young lives. I congratulate the Hon. Member for Mississauga North because he is trying to save human lives. I hope this Bill will pass unanimously. I want to tell the youth of Canada that they do not have to use drugs to be happy and if they use drugs as a crutch, they may well destroy a life that could be beautiful.

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

Some Hon. Members: Agreed.

Motion agreed to, Bill read the third time and passed.

Mr. McDermid: Mr. Speaker, since my colleague, the Hon. Member from Mississauga North, has just received third reading on his Private Member's Bill—and the House congratulates him on the fine work he did—and the hour being 27 minutes past the hour of five o'clock, we are now prepared to carry on with the debate on the report stage of Bill C-130, an Act to implement the free trade Bill.

We have heard complaints from members of the Opposition that they do not have enough time to debate this Bill and here we are offering them an extra 35 minutes to debate this very excellent piece of legislation the Government has brought before the House.

I am seeking unanimous consent that this House do now move to Orders of the Day with respect to Bill C-130.

Mr. Riis: Mr. Speaker, as the Parliamentary Secretary has indicated, this is important legislation in terms of changing the course of Canada's future. As the Parliamentary Secretary will recall, the New Democrats felt that approximately two more years of debate would probably be sufficient to cover all the implications this Bill means for Canada's future, so I do not believe 30 minutes will make much of a dent in the two-year request.

Mr. McDermid: You couldn't fill the speaking engagements. You do not have enough Members.

Mr. Riis: I would ask that the hyenas just shut down for a moment and the sloths and armadillos just hold off for a second. Our critic on this issue was anticipating that Private Members' Hour would go until six o'clock and that we would probably have a standing vote. Since things have moved more expeditiously than we had thought, and our critic will be back in his place at six o'clock, I suggest that we recess until six o'clock and then resume debate on Bill C-130.

Mr. Boudria: Mr. Speaker, on behalf of my colleagues, I must decline the Government's offer as well. However, I do accept the offer for an extra 30 minutes. If the Government wants to give us an extra 30 minutes for debate, it can tack it on to the end of the day. Our critic is scheduled to be back for the debate at six o'clock. So if there is an offer to extend time to give us more debating time on the part of the Government, I would gladly accept that offer starting at ten o'clock tonight.

Mr. McDermid: Mr. Speaker, the Opposition requested an agreement from the Government on this debate about which the public should be aware, that is that the Government would not call extension of hours.

SITTING SUSPENDED

The Acting Speaker (Mr. McKinnon): As there is obviously not unanimous consent, we will suspend the sitting until six o'clock.

At 5.31 p.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 6 p.m.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee; and the amendments of Mr. Axworthy (p. 18609).

The Acting Speaker (Mr. McKinnon): Continuing debate with the Hon. Member for Glengarry—Prescott—Russell.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, just before Private Members' Hour I explained to my colleagues in the House all the good reasons why they should support Motions Nos. 39 and 93 as proposed to us by my colleague, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). You will recall, Mr. Speaker, that I went briefly over the fact that the Prime Minister had made a promise to us and that he has not lived up to it. That may surprise you, Mr. Speaker, but I suspect that it does not. Your Honour is a very knowledgeable person and non-partisan as Speakers always

are. Thus Your Honour would know that the Prime Minister has let Canadians down before.

Notwithstanding that the Prime Minister made a promise here to Canadians that it was his priority to have an agreement that would end the threat of U.S. protectionism. Right after the deal was signed Clayton Yeutter said that that did not happen. He said that this deal in no way stops Americans from retaliating against Canadian policies if they felt in their view that they were protectionist.

We have to remember in the few moments that are left to me that the binational panels which we have under the trade deal will not be insulated from political pressure in the United States, or in Canada for that matter. Of course, we have more to lose because of our relative size. I see that the Minister responsible for the trade deal is across the way. I want to say to him that we are not pleased at all with his performance in defending the trade deal. He was at committee a few weeks ago. I must say he went on in a partisan diatribe accusing opposition Members of everything under the sun. He accused my distinguished and learned colleague from Winnipeg—Fort Garry of a number of things. He accused him of trying to manipulate people and of saying things which were not true. I cannot repeat the exact words he said because it would not be parliamentary. He accused me of being a Nazi, and so on. Those were the comments that were made right in parliamentary committee by the Minister responsible for the trade deal.

Be that as it may, perhaps the Minister responsible for the trade deal can listen to our remarks in the lobby, or perhaps he could read *Hansard* or have somebody read it to him. That would even be better. He could have someone read it to him tomorrow and then be apprised of our views regarding Motions Nos. 39 and 93.

We have to remember as well—and I go back to the binational panels—that the anti-dumping and countervail panels will only have judicial review powers. That is to say that the panels will be limited to ensuring that the final anti-dumping and countervailing orders are made fairly. They will have no authority to hear new evidence.

The binational panels will also be based only on domestic law, which leaves Canada open to future protectionist sentiments on the part of the Americans. The United States can change its laws to Canada's disadvantage. One good instance of that is the U.S. omnibus Trade Bill which threatens to do just that.

The Government has said that the previous procedures that we had to solve trade disputes with the United States were ineffective. In other words, according to the Tories, GATT mechanisms were not effective. I disagree with that. We won most cases when we brought issues before the GATT.

What they say is that this new procedure will be really quick—really quick. First, we know that the binational panels cannot be struck before final order is made. That, of course, has an appellant paying the high cost of litigation in the interim. The entire process, including appeals, could take several years to complete, so what we may end up having is a system that is even slower than the one we have now.

Finally, the panel decisions are not even binding. With the exception of the safeguards, decisions will not be binding unless both parties agree beforehand to comply with the decision. In other words, if the United States figures that it will not win in a particular issue, all it has to do is say beforehand that it will not agree with the decision once it is rendered and that seemingly absolves it of everything.

With that I think I have given enough information to convince my colleagues across the way that they should be supporting Motions Nos. 39 and 93. I hope that all the Conservative Members have had time over the last hour or so to have a change of heart and to see things in a new and fresh way, and that they will vote the proper way, the way of my colleague, the Hon. Member for Winnipeg—Fort Garry.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. Taylor): The question is on Motion No. 39, standing in the name of the Hon. Member for Winnipeg—Fort Garry. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Taylor): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 45

That Bill C-130 be amended by deleting Clause 44.

Motion No. 46

That Bill C-130 be amended by deleting Clause 45.

Motion No. 47

That Bill C-130 be amended by deleting Clause 46.

Motion No. 48

That Bill C-130 be amended by deleting Clause 47.

He said: Mr. Speaker, when the Government first proposed negotiating with the United States on the trade agreement, there were two basis objectives set. One was to gain substantial economic benefits, and the other was to gain so-called security of access. We know how minimal the economic benefits are. The Government's own agencies, the Department of Finance, the Economic Council, and others have measured that the maximum, the best possible scenario might be a quarter of 1 per cent growth per year. That is hardly the type of expansion and acceleration in the economy that one would suggest would require this enormous change in Canadian life to achieve.

• (1810)

Mr. McDermid: What change in Canadian life?

Mr. Axworthy: In fact, someone pointed out that we could achieve a much higher level of growth if interest rates were reduced by half of 1 per cent. The so-called economic bonanza time has simply not been borne out or carried through, and therefore the whole rationale and *raison d'être* of the trade negotiation rests on the argument that somehow it will give more secure access for Canadian exports into the United States, based on the fact that it is our largest market, that businesses are concerned, and that the spectre of U.S. protectionism has been raised.

If that security of access is not there, then obviously the rationale, the *raison d'être*, and the reason for all this disappears. I would suggest to you, Mr. Speaker, that it does not exist. I challenge all those Conservative spokespersons who have been running around the country saying "let's deal with all the distortions", to show that they have achieved their objective in getting any further security of access than what they had before.

For example, let me put in front of the House the omnibus Trade Bill that the Government is now acting weak-kneed on and has backed away from. On March 1, the Canadian Ambassador to Washington stated that this was diametrically opposed to the international trade rules, and that it was going to damage Canada-U.S. relations. Those articles mentioned by Ambassador Gotlieb have not been changed. The definition of subsidy still exists. It is still there. The type of reorganization and redefinition of subsidy is still in the U.S. Bill. Section 301 of the U.S. Trade Act on unfair trade practices that Ambassador Gotlieb said was contrary to GATT is still there. Section 201 on import relief is still there. In other words, all the items that Ambassador Gotlieb put forward are still there. Did we get an exemption? No, we did not. Yet a Commons committee composed of a majority of Tory members unanimously reported that unless we received an exemption the Government of Canada should not go ahead with the U.S. Trade Bill.

Mr. McDermid: That's not what the report says at all.

Mr. Axworthy: That is exactly what the report said. I was on the committee.

Mr. McDermid: Quote from it.

Mr. Axworthy: Did we get an exemption? No, Mr. Speaker, we did not get an exemption. The omnibus Trade Bill will still apply to Canada. We will still be subject to those much tougher, much stronger trade rules than we had before. Did we gain that security of access? I do not think so. That omnibus Trade Bill will become part of the U.S. trade law that we will have to apply under the trade agreement. That becomes a catch-22. One of the clear changes in trade policy that we will face is that we will now have to rely upon a review mechanism based upon a bilateral system, as opposed to being able to use the GATT system.

In its own statement GATT clearly states that where there is a bilateral dispute settlement mechanism, it will not interfere, and it has not since 1948. By putting in the bilateral system we forgo the protection that Canadians used to receive under GATT. There we could challenge the U.S. law itself. We could say that this new definition of a subsidy is wrong. We could say that the Americans are contradicting their international obligations. However, under the system that the Government is introducing, we cannot challenge those assertions. We cannot even begin to say that the U.S. Congress has gone too far, that it is over-exceeding its rights under GATT, under the international trade rules. All we can adjudicate is whether or not American law was fairly applied. That is all. We are stuck. We are giving up a recourse that Canadians have successfully used over the years to challenge U.S. actions, as well as those of others. Now we are putting ourselves in the position where we cannot challenge the law itself. All we can challenge is whether it is fairly applied.

Let us go to the next question. Is a bilateral review mechanism a better way of doing that? First, it will take longer. It will cost more money. Under existing systems, one could ask for a GATT panel immediately after a preliminary decision in 20 days. There could be a ruling in five or six months, and before one knows it there is the ability to respond or retaliate that we had before. Under this proposed scheme for dispute settlement mechanism we must wait for a final decision. We must wait until it is gone from the International Trade Commission to the Department of Commerce and back to the International Trade Commission for a final ruling. Then there are 365 days to wait for a final review. All the time our Canadian businesses are spending money for high priced Washington lawyers and lobbyists. They have stated that the lumber industry costs $2.5 million.

Because of the other Acts written into the U.S. implementing legislation, U.S. industries will have their bills paid for them by the Government. Their work will be done for them by the U.S. trade office. We have put ourselves in an incredibly strong *cul de sac* that we cannot escape from. We have agreed to stronger U.S. trade law. We have a dispute settlement

mechanism which is weaker and less effective than what we have been able to utilize in the past. And, to what end?

We say that we think we may get an impartial reading, an impartial adjudication. It is not on the trade law itself. It is on whether it has been fairly applied. According to Clayton Yeutter of the U.S. trade offices, it is not only a law but it is the practices, the precedents, the rules and regulations, and the procedures. All those are legitimate grounds for making a decision.

Under this dispute settlement mechanism all we are doing is replacing one review system with another. In addition to going to GATT to challenge U.S. law, we can also take it to the International Court of Trade in New York. Government spokesmen say that that is all influenced by political buys and interference. That is not what Gordon Ritchie has stated. That is not what was stated by the Canadian Ambassador in the trade negotiations. In front of the committee he stated quite clearly that the International Court of Trade is impartial and does give a fair rendering of decisions based upon the law.

What did we achieve? We gave up recourse to other forms of solution for Canadian industry, and what did we get? We replaced one review mechanism with another review mechanism. We replaced the International Court of Trade with the so-called binational panel which will be composed of an equal number of Canadians and Americans. I am not so sure that that will be any more impartial.

If one looks at the history of the IJC, one can quickly find out that it is subject to political influence and that from time to time it is subject to the influence of Governments, as we saw on the Columbia River Treaty settlement decision. I would submit to the House that not only are we replacing one review system with another, but in fact we are getting a review system which itself is more vulnerable and susceptible to governmental influence. If it comes to the crunch, one knows which government has the biggest muscle and will push the hardest.

The reason that we moved these amendments was to say that there is no security of access. Any time the Prime Minister (Mr. Mulroney), the Minister for International Trade (Mr. Crosbie), or members of the Cabinet rise and say that, they are not telling the truth. They are fooling the Canadian people because it is simply not the case. They have not achieved what the Prime Minister said was the reason for negotiating in the first place. He stated that it was for a new regime of trade remedy laws. There may be a new regime, but the new regime is tougher on us. It cuts off recourse to the international trade tribunals. It would be more costly for Canadian business, and we will end up with a decision that may be more biased politically than what we have at the present time.

• (1820)

Is that what we call a successful negotiation? Is that why we are going to give up control of our energy resources? Is that why we are going to give up control of our investment? Is that why we are going to give up control of our service industry, to get this? This is the crown jewel in the trade agreement, the dispute settlement mechanism for which we have surrendered all these other rights of decision by Canadians, and we have this? Surely there must be some shame and embarrassment on the other side if they say that this is what they are going to present as being the ultimate great accomplishment of the Canada-U.S. Free Trade Agreement when in fact it is a machine that is weak, reduced, and, in fact I submit to you, far less effective and far less capable of protecting Canadian trade interests than what we have up to now. I am not saying that we cannot approve upon the system. I think that we can improve upon the existing international system. We have already presented a number of proposals on how we would want to see things negotiated in the GATT. I see again that you are on your feet, Mr. Speaker—

The Acting Speaker (Mr. Taylor): I regret to advise that the Hon. Member's time has expired. Is the House ready for the question? The Hon Parliamentary Secretary.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, just before we take a vote on this, I cannot let the Hon. Member get away with the nonsense that he just talked about. It is Mr. Hon. Huff and Puff. He gets up and tells us that we no longer have the GATT available to us. What nonsense! The free trade agreement was negotiated under the GATT rules, for heaven's sake, and the GATT rules still pertain.

Mr. Axworthy: Read 1801. You better read the agreement yourself.

Mr. McDermid: That is what the agreement is all about. For the Hon. Member to stand up here and say that GATT is not available, what absolute nonsense. He asked that question at committee and he got an answer at committee.

Mr. Axworthy: Yes, and it was the wrong answer.

Mr. McDermid: GATT is available.

Mr. Axworthy: No, it isn't.

Mr. McDermid: That was the evidence that was given by the experts. The Hon. Member tells us about the dispute settlement mechanism. By the way, these four amendments that he brings abolish the dispute settlement mechanism. That is what he wants to do. He wants to abolish one of the best achievements that Canada got in this agreement.

That is what he wants to do. Evidence was presented at committee by those people who have been harassed, who have been taken to commerce, who have appealed through their court systems in the United States. I read some of their evidence into the record earlier today. What did Mr. Pinard from Domtar, who is also with the Canadian Manufacturers' Association, say about it? He said: Thank goodness, tariff reduction is important. That probably would have come later on under the GATT negotiations, but the crowning glory of

this agreement is the binational dispute settlement". That is what he said. That was his evidence. That Hon. Member has the nerve to stand up, he is such an expert in manufacturing; he has been out there in the workforce and knows how it works and everything. These are the people who are out there. These are the people who are putting their money on the line.

These are the people who are creating the jobs. These are the people who have been harassed by unfair protectionist attitudes in the United States. These are the people who are supporting this agreement and supporting the binational dispute settlement mechanism. The Hon. Member stands up and says with four amendments "wipe it out". What nonsense! Then he stands up and he says—and he was very careful not to quote—that the report of the House of Commons Standing Committee on External Affairs and International Trade said that the committee is very concerned that the passage of the omnibus trade Bill, prior to the date in which the proposed agreement would become effective, would impair benefits to Canada under the free trade agreement. Well, it does not impair the benefits to Canada under the free trade agreement, not at all.

Mr. Axworthy: Your nose is growing, John. Your nose is growing.

Mr. McDermid: The Hon. Member stands up and says that there are parts of the omnibus Trade Bill that go against GATT. That is absolutely right. We said that right from the beginning. Our trading partners have also said that right from the beginning. Do you know what? We can go and complain to GATT about that. We have not given that up in the free trade agreement, not one iota. We are still under GATT. We still play by the rules of GATT. This trade negotiation was under the rules of GATT. It says that the rules of GATT apply. The Hon. Member knows that. For him to stand up in this House and say it that does not is imitating his Leader who is going around the country misrepresenting the agreement. In his local paper in Manitoba—it is not the only paper that we are noticing by the editorials that are coming in these days on the Right Hon. Gentleman's representations around this country—

Mr. Axworthy: The people agree with them.

Mr. McDermid: —they are saying "Tell the truth". That is what they are saying to the Leader of the Opposition: "Tell the truth". I am not sure if the Right Hon. Gentleman is coaching my hon. friend from Winnipeg—Fort Garry or vice versa. I have a sneaking suspicion that it is vice versa. I have a sneaking suspicion that it is Mr. Fudge-It over there, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy), giving advice to the Right Hon. Gentleman, who is going around this country quoting the Americans and saying, "This is what is going to happen to Canada. We are going to disappear. We are going to become the fifty-first state". What nonsense. There is not a person in here, there is not a person in this country, that wants us to become American, and we are not going to become American.

Mr. Axworthy: There he is, right there. Since 1949 he wanted to become American. The Minister of trade.

The Acting Speaker (Mr. Taylor): I regret to advise that the time allotted to the Hon. Parliamentary Secretary has expired. The Hon. Member for Essex—Windsor.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, it is remarkable to see the level of rhetoric start to escalate just as the Minister appears in the House. I am not sure if this is a special performance put on for him or if his very presence here somehow heightens the sense of outrage that those of us on the opposition side see when we look at this agreement. These four amendments, as the Parliamentary Secretary has made clear, pass a judgment, and it is a harsh judgment with respect to this so-called great achievement which the trade deal is supposed to have brought us.

I always think, when I think of this deal, of the days when my younger child used to be 15 or 16 years old and I would send him to the store for milk. I would give him some change. If I did not have change, I would give him $10 to go and you would tell him to be sure to bring change back. He would go to the store, he would forget the milk, he would come back with chocolate bars, and he would have lost $5 on the way. Because of the fact that he was a kid that I loved a lot, I forgave him, but one does not forgive a Government that goes off to Washington and says: "We want to get, above all, exemption from countervail and anti-dumping systems that the United States is running".

An Hon. Member: Are you prepared to exempt the Americans?

Mr. Langdon: I do not want this deal.

Mr. Crosbie: What is your alternative, you turkey?

• (1830)

Mr. Langdon: The Government said what it wanted was an exemption from countervail and anti-dumping. So clear was its message to the manufacturing community across this country that Mr. Phillips from Ipsco testified, after the original details of the arrangement were announced, that we were not exempted from the anti-dumping provisions—

Mr. McDermid: What does he say now, Steven?

Mr. Langdon: And the basis of that, he said this is not a deal which has achieved its objectives.

Mr. McDermid: What does he say now?

Mr. Langdon: That is the basic truth, Mr. Speaker.

Mr. McDermid: He supports it.

Mr. Langdon: This is a deal which has not achieved its objectives. It has not achieved its fundamental objectives. If it had achieved, say, 90 per cent of a set of objectives which it had laid out at the start of negotiation, we might possibly be able to say: "Well, you have managed to blow a few but you have done a reasonably good job".

With its typical hyperbole and exaggeration, the Government set itself two objectives above all at the heart of the negotiations. As the Secretary of State for External Affairs (Mr. Clark) said in this House, we have got to get an exemption from countervail and anti-dumping, and we have to get a subsidy code which both countries agree to. If we get those two objectives, we will have succeeded in getting fair access for Canadian companies to the United States. The fact is—and it is sad to have to say that the Government has so completely failed to obtain both of those objectives—that it is now in a position where instead of using logic and argument it has to use blatant advertising to try to propagandize the benefits of this deal.

As the Minister for International Trade (Mr. Crosbie) said in 1980, the purpose of advertising is to obscure the truth. That is the purpose of the advertising which this Government has done in newspapers and on the radio over the last few weeks. What we find as a consequence is that we have in front of us a deal which does not even come close to achieving the two basic goals which the Government set out to get. Not only that, the Government gives away a tremendous amount in the process of failing to achieve its goals, but we will talk about that later on. At this stage I think these amendments, which would strike out the mythology that we have actually managed to achieve anything with this dispute settlement mechanism so far as countervail and anti-dumping is concerned, put truth into this Bill instead of pretending that these clauses actually achieve anything for us and are something that we have to prefer.

When we look at the details of Chapter 19, it is clear that there is no exemption from countervail and anti-dumping. That is clear to the hog farmers in my constituency who are still paying countervail duty. It is clear to machinists in my constituency who have had to fight fights in Washington with no government help against countervail.

Mr. McDermid: That is not true.

Mr. Langdon: That is absolutely true. The mouldmakers of Canada have had to do precisely that. They have, as a consequence of this deal, absolutely no better position than they had before this deal was dreamed up as the public relations gesture it is.

I think this House should pass judgment on this dispute settlement mechanism. It is true that it may cut down somewhat the time span through which appeals have to be dealt, but it is also possible because of the extra challenge provisions within it that it will take longer. It is also possible that the United States courts will find that it is unconstitutional to prevent an American corporation from going to the courts in the United States, saying that it wants to appeal anything which this dispute settlement mechanism does.

The Acting Speaker (Mr. Taylor): I regret that the time for the Hon. Member's time has expired. The Hon. Member for Edmonton South.

Mr. Langdon: I rise on a point of order, Mr. Speaker. It has been usual for a final sentence to be permitted for an Hon. Member to wind up his remarks. I think it might make sense to follow that precedent which throughout this debate has been applied both to the Government and to the Opposition.

The Acting Speaker (Mr. Taylor): That is hardly a point of order. I did indicate to the Hon. Member that he had one minute left. The Hon. Member for Edmonton South.

Mr. Jim Edwards (Edmonton South): Mr. Speaker, I have some sympathy for the Chair because I too had thought that the Hon. Member had consummated his peroration.

I appreciate the opportunity to address some of the issues that have been raised during this debate and particularly to deal with the difficulties presented by those who embrace fantasy, fear, and fabrication when participating in the free trade debate. The Hon. Member for Essex-Windsor (Mr. Langdon) referred a few moments ago to mythology. Listening to him in this debate reminds me of the 15th Century cartographers who, when they were at some doubt as to what was contained in *terra incognita*, simply wrote in "Here be dragons". I think that, Sir, is what is happening tonight. This canard—I understand that *canard à l'orange* is available not far from here—here tonight of the unconstitutionality of submitting the trade agreement to the tribunal is something new. I honour the Member for his creativity, but the record shows that we have in the arbitration decision process a great many good resources at our disposal now. The legislation is there in both countries on anti-dumping and on countervail and is approximately identical. It is not precisely mirror legislation, but it is approximately the same.

• (1840)

What we have objected to as a nation over the last few years is that frequently the process is perversely delayed in the U.S., and the process frustrates implementation. Under the free trade agreement and the attendant legislation, that of course will be remedied in the sense that appeals will be dealt with expeditiously by a panel composed of an appointee from our country, an appointee from the U.S., and a neutral chair.

Mr. Langdon: Two and two.

Mr. Edwards: Yes, the Hon. Member is correct. I appreciate the correction. Two and two and one. I was thinking of equilibrium. He is an economist and he does point out that two and two counterbalances as readily as one and one. I thank him for the help.

I would like to point out to Hon. Members that of the last ten anti-dumping cases we won eight. I do not believe that we should get rid of that kind of law. I believe it appropriate that we have a proper avenue of appeal to which we can go.

Members opposite are demanding that there be an election before this legislation is passed through both Houses of Parliament and proclaimed as the law of the land. The only assurance I can give, since these matters are out of my hands, is that there will be indeed some day an election with free trade among the issues. I welcome that, because the soundings I have done in my own area show approximately 69 per cent approval of this free trade deal. I know that support is very high in many other parts of the country, particularly in Québec where I have spoken a few times lately and consulted with the population, rural and urban. Indeed, from Doyles, Newfoundland, to Old Crow, Yukon, I find that people in this country are looking forward with great anticipation to implementation of this agreement.

They also crave information. They do not crave fear, fantasy, and fabrication. I believe we have shipped out of my own constituency office, in response to constituent inquiries and demands, something in excess of half a tonne of information on free trade.

Mr. Langdon: Propaganda.

Mr. Edwards: Propaganda? If the text of the free trade agreement is propaganda, then it is propaganda, Sir. What is propaganda? It is that which is disseminated, that which is propagated. Those of us who do our duty, Sir, do disseminate information as well and as efficiently as we can.

I have had many demands for information from ridings held by opposition Members in other parts of the country because people say they are getting only opinion rather than solid information from those opposition Members. They appeal to me and other colleagues of mine on this side for solid information: The text of the agreement; the tariff schedules; the text of the Bill. We supply those, Sir. When people ask my opinion, I give it. Otherwise, we are honest seekers after truth.

The Hon. Member who is doing the interjecting on the other side served very faithfully as a member of the Legislative Committee on Bill C-130. I listened with great care to his interventions and questioning of witnesses. I must say that he shows a good knowledge of the text of the agreement and the Bill, but I find Members opposite tend to let their ideology conflict with the practical facts of the case.

As I said a few moments ago, there will be a vote and it is my belief that the people of Canada, when they vote on this issue and others, will try to decide before they go behind the curtain which side served them with the facts, which side strove to do the better thing for Canada. I think for those of us looking for better economic opportunity for our country, and this is nothing more or less than that opportunity, this Bill and the agreement it puts into force is neither a panacea, nor a disaster. It is an opportunity which, if we take proper advantage of it, will benefit our country in some measure.

The Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) referred to a 1 per cent decline in the interest rate being legislated. I believe that is the policy of the NDP. It was interesting to see the Hon. Member so readily embrace the policies of the NDP, but it did not surprise me in the least. I wonder if members of the Liberal Party or the NDP have consulted any reputable individuals in the field of economics, other than themselves, about to the effect upon the fiscal system of that kind of arbitrary intervention. Have they considered the confusion and confused signals that would send to the international community? Have they considered the flight of investment capital that it would cause? I think not. They are not concerned about that because they are the gang that want to close down investment. They are the gang that want to have a little Canada, an isolated Canada, an Albania of the Americas. That is what they advocate.

We have been advised that the omnibus Bill has changed the entire atmosphere under which this agreement will be implemented. There have been a number of statements about the danger of the omnibus Bill to our trading relationship to the U.S. There are two Bills involved. The first was the original Bill and then the so-called son of omnibus, which is now before the President for his consideration. I would urge Hon. Members opposite to go back and look at that Bill in the context of the testimony given to the Legislative Committee on Bill C-130, particularly that of Ambassador Ritchie having to do with implementation of the omnibus Bill *vis-à-vis* the current agreement before us and the Bill to implement it. If they are truly seekers after truth they will see the danger is minimized and put to rest.

The Acting Speaker (Mr. Taylor): I regret that the Hon. Member's time has expired.

Hon. Chas. L. Caccia (Davenport): I wish I could quickly put my fingers on Ambassador Ritchie's testimony before the committee in order to rebut what the Hon. Member for Edmonton South (Mr. Edwards) just said, Mr. Speaker.

There is an interesting theology emerging here tonight on the Conservative side of the House. I am sure the Hon. Member does not want to offend Canadians of Albanian origin with his speech, but I found it very revealing that he would inform the House that we would be having an election one day. That is a recognition of the democratic system which is at our base, which is very revealing. However, more revealing than that was the fact that all of a sudden the debate on why this deal is necessary seemed to be shifting from what the Prime Minister (Mr. Mulroney) has been saying over the past four years to the notion that the U.S. process was too slow and frustrating and, therefore, Canada saw the necessity to pursue this agreement in Washington in order to accelerate it or make it less cumbersome and less difficult.

• (1850)

If that is going to be the official position of the Conservative Party during the next election campaign, it will be quite a revelation of the difficulties the Conservatives have had in defending the deal because it was never launched as an initiative to improve on the process.

We heard from the government benches about substance. The Prime Minister of Canada launched this initiative with Washington on substance. It is interesting to notice that in this debate the Parliamentary Secretary and the Minister for International Trade (Mr. Crosbie) very carefully avoid the question of whether or not Canada obtained an exemption from the U.S. trade remedy laws as a result of this agreement.

The fact is that after all this debate, all the negotiations, and all the claims by the government benches, it is clear that the main objective which the Government set out to achieve, mainly to secure access to the U.S. market, was not achieved. Despite the claims, promises, and attempts that were made, U.S. trade laws still apply to Canada. That is why we are here struggling with these two amendments.

As recently as 18 months ago, in the spring of 1987, in an interview with *The Wall Street Journal*, the Prime Minister of Canada said that "U.S. trade remedy laws can't apply to Canada, period." The Prime Minister made quite a commitment when speaking in Washington on behalf of Canadians. However, this objective was not achieved. The laws of the United States do apply to Canada. Through our amendment we are saying that there is a better system of dispute settlement, that is, the GATT system which will not be applied as a result of a very elaborate mechanism.

Mr. McDermid: It's in place. Obviously you haven't read the agreement.

Mr. Caccia: The Parliamentary Secretary doesn't seem to know that there is a dispute settlement mechanism in the agreement which consists of a variety of steps. Before the Parliamentary Secretary interjects he should know what he is talking about. There is going to be a binational panel to monitor changes, a binational panel to replace judicial review, and a Canada-U.S. trade commission to supervise. That is not GATT material; that is the stuff which comes out of this particular agreement.

Mr. McDermid: It was negotiated under GATT.

Mr. Caccia: You will remember, Mr. Speaker, that when the Government suddenly came up with the idea that we should have a trade deal with the Americans, the most compelling reason the Prime Minister had for entering the trade negotiations was that we needed to obtain secure access to the U.S. market. That was the main reason. We hear nothing from the government benches as to what extent we secured free access to the United States market for Canadian exports. The initial position of the Prime Minister was that any agreement which did not contain a binding dispute settlement mechanism and would exempt Canada from harassment from U.S. trade remedy laws or legislation would not be worth the paper it was written on.

Mr. McDermid: No, no.

Mr. Caccia: Not even the Parliamentary Secretary can deny that. That was the basic motive for entering these negotiations, and we did not achieve it. We are not hearing a peep on this, as other speakers have already indicated, because we are at the mercy of a dispute settlement mechanism in which the laws of the U.S. will apply. The Canadian legislation will attempt to apply too, of course, but you know which of the two will prevail at the end of the day.

Mr. McDermid: What nonsense.

Mr. Caccia: It may annoy the Parliamentary Secretary to hear the truth and that is why he is getting upset. No one likes to hear of having failed a mission.

Mr. McDermid: I only get upset when you don't tell the truth.

Mr. Caccia: The mission was not accomplished and that is why the Tory benches do not like to hear about this.

United States countervailing duty and United States anti-dumping laws, defined as United States statutes, legislative history or regulations, or administrative practices and court decisions, will remain intact and unchanged. I challenge the Parliamentary Secretary to dispute that point.

Mr. McDermid: No, you're right.

Mr. Caccia: Exactly, that is the whole point. The Government set out to obtain a situation in which Canada would get an exemption from U.S. trade remedy laws, and it did not get it. Having not obtained it, the Government is now asking us to approve a piece of legislation which does not contain the assurance that Canada will have secure access to the United States market and does not contain an exemption for Canada from United States trade remedy law. That is quite clear. That is a fact and, if the Minister for International Trade does not agree with what I said, I urge him to get up and repudiate these two points which politically, economically, and in the interests of Canadians are extremely important.

These are the points which we will be debating during the election campaign, not the phoney point advanced by the Hon. Member for Edmonton South that we were unhappy about and frustrated by a slow U.S. process. That is a phoney issue.

Mr. Simon de Jong (Regina East): Mr. Speaker, I, too, wish to join in this debate. This is my first opportunity to speak on the trade Bill which is before the House. This evening we are dealing with those amendments pertaining the dispute settlement mechanism.

Most of my constituents feel quite uncomfortable about the process which the Government has initiated. I believe that is

true for most Canadians. They are still very confused about this issue. They know that it is important. They know that the nature of what Canada is and what Canada will become is at stake in these debates. Yet they are confused because they still do not know what it all means. To be fair, most Members of Parliament here today are really not quite certain what it all means. There are many parts that will not be defined until future negotiations. Other parts will not be defined until decisions are made and the shape and form of future U.S.-Canada relations have become effected. What my constituents are concerned about, and what they feel extremely uncomfortable with, is how the Government has handled the debate.

• (1900)

To begin with, we know, and the Canadian public knows, that the Prime Minister (Mr. Mulroney), the Secretary of State for External Affairs (Mr. Clark) and the Minister of Finance (Mr. Wilson) were some of the leading spokespersons for the Government who, in the past, have denounced a free trade agreement with the United States. The Prime Minister on June 2, 1983, stated: "It affects Canadian sovereignty and we will have none of it, not during the leadership campaign or at any other time". So the Prime Minister was concerned in 1983 that a free trade agreement between Canada and the United States would affect Canadian sovereignty. Those are the concerns we in the Opposition have. When we express those concerns, we are denounced as being Fascists, small minded and misguided. Yet those are the very concerns the Prime Minister expressed in 1983.

As we enter into this historic debate, we find the Government's initiative in this area has surely not been one of enlightened debate. Rather, one of the first things this Government did after signing the agreement was to appoint the Hon. Member for St. John's West (Mr. Crosbie) to stickhandle it through the House of Commons and to the nation, and all we get from the Minister is a thick blanket of fog without any real intelligence or any statements which would lend some understanding to this debate.

It is not a funny matter. It is very important to the Canadian people and to our future. What kind of country are we and what kind of country will we become? That is really what is at stake here. To have a Government that deals with this crucial issue the way in which this Government does is to do a disservice to the Canadian people. I, for one, am not against increasing trade with the United States or with many of our other neighbours. In fact, I welcome all initiatives which would allow more global trade to occur. However, what is involved in this agreement is much more than trade.

What is involved in this agreement, which bothers me the most, and I know it bothers most of my colleagues, are those items that really do not deal directly with trade at all. The concern I have is that what this agreement between our Prime Minister and President Reagan does is cast into stone a certain economic philosophy that is in vogue with this Government and with the Reagan Government of the United States. It attempts to shut the door on another vision of Canada, a vision that sees that the public sector and the co-operative sector have roles to play as well as the private sector.

What this agreement does is cast into stone the market force economy, the notions of Margaret Thatcher, Ronald Reagan and the neo-Conservatives across the way. They are attempting to fool the Canadian people with the performances of the Minister in handling the debate so far.

As other Members, especially those of the Opposition, have pointed out, the justification for this agreement in the end was to ensure that Canadian products would have special treatment in the United States, that we would have some protection against the countervail and anti-dumping actions that were becoming prevalent in the United States. There was a fear that the Americans were losing their position as a global trader, that there would be a stronger incentive toward protectionist policies and that Canada needed to negotiate a special agreement with them in order to protect our exporters.

I remember the Premier of Saskatchewan stating on numerous occasions that if Canada did not achieve an exemption from the countervail and the anti-dumping provisions, there was no sense in signing an agreement with the United States. All those who were in favour of this agreement went up and down the breadth of this country stating we needed this special protection. That was the justification for signing the agreement. Yet we could not achieve that special protection. We did not achieve the protection from the countervail and the anti-dumping. There are hog producers in my constituency who will still have to deal with the countervail duties of the United States in attempting to get their products into the United States, and this agreement will not give them that protection. It will not allow the hog producers of my district unlimited and free access into the United States.

Mr. McDermid: Why are they supporting it then?

Mr. de Jong: The Parliamentary Secretary, ever so anxious to have his voice heard in this House, is asking me why they are supporting it. Let me inform him that the people in my constituency are not in favour of it. In fact, well over 65 per cent are against this agreement. I would suggest as well that the vast majority of the people in the Province of Saskatchewan are against this agreement.

Mr. McDermid: Ask your pork producers.

Mr. de Jong: If the Hon. Member continues to ask his dumb questions, the answers he will get will continue to embarrass him. The polls across this country, not just in Regina East and not just in Saskatchewan, clearly show that the Canadian public is not happy with this agreement. Support for this agreement continues to decline. The more the Canadian people begin to understand the implications of this agreement, the more they are against it. The more they hear the answers from the Parliamentary Secretary and the Minister for International Trade the more scared they become and the more they insist

that an election be held on this issue so that the people of Canada can decide and not the fools across the way. That is the sentiment, not just in my district or in my province, but across this country.

The people want to decide on this issue and not the fools across the way because they do not trust them. The people do not trust this Government. They do not trust the Prime Minister who in 1983, and during the last election campaign—

Mr. McDermid: Wrong, wrong. Be honest.

Mr. de Jong; On June 2, 1983, the Prime Minister stated, and I will quote again: "It affects Canadian sovereignty and we will have none of it, not during the leadership campaign or at any other time". When the Prime Minister can change his mind so radically on such a basic fundamental issue as this agreement that will shape the future and destiny of our country, when a person leading the Government can change his position so radically, the Canadian public can only come to one conclusion, and that is they do not trust him and they do not trust his Minister.

• (1910)

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, as you know, we are presently debating four amendments which would strike out four clauses of Bill C-130, the Bill to implement the Canada-U.S. Free Trade Agreement. Those clauses that we wish to delete from the legislation are clauses dealing with the dispute settlement mechanism. The reason we want to delete those clauses from the Bill is because they are totally inadequate. They fall far short of what was pursued by the Government when it started its negotiations with the United States.

As a matter of fact, not only are they inadequate, but in some respects they give Canada less than we had under the GATT arrangements. Under the GATT arrangements in certain instances we were able to challenge the fairness of U.S. trade laws such as certain types of anti-dumping and countervailing laws. We were able to challenge the very fairness of those laws.

However, under this agreement and this dispute settlement mechanism we cannot challenge the fairness of those American trade laws. We can only challenge whether or not those laws are being administered fairly, whether the administration has been done correctly and whether the correct procedures have been followed. The laws themselves cannot be challenged.

When the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) was discussing this, he provoked a response from the Parliamentary Secretary who attempted to contradict him and said that we were not prevented from using GATT remedies under the agreement and under the legislation. That is not so.

Article 1801.2 of Chapter 18 states:

> Disputes arising under both this Agreement and the General Agreement on Tariffs and Trade, and agreements negotiated thereunder, may be settled in either forum, according to the rules of that forum—

Article 1801.1 states:

> Except for the matters covered in Chapter Seventeen (Financial Services) and Chapter Nineteen (Binational Dispute Settlement in Antidumping and Countervailing Duty Cases), the provisions of this Part shall apply—

This part should only apply to those matters which do not fall under Chapter Seventeen and Chapter Nineteen. Chapter Nineteen deals with countervail and anti-dumping.

If we look at Chapter Nineteen we see that it states:

> Each Party reserves the right to apply its antidumping law and countervailing duty law to goods imported from the territory of the other Party.

It then goes on to state that the review of final anti-dumping and countervailing duty determination shall be determined by the process as set out in Chapter Nineteen.

With respect to countervail and anti-dumping, we cannot use the dispute settlement mechanism under GATT. That is exempted by Article 1 of 1801. The Parliamentary Secretary should pay close attention to that.

In addition, and more important, there was a GATT decision in 1949 which stated: "The determination of rights and obligations between Governments arising under a bilateral agreement is not a matter within the competence of the contracting parties", meaning under GATT. During the intervening 39 years since that decision, a dispute arising from a bilateral agreement has not been heard.

By adopting these dispute settlement procedures we lose our right to question countervailing laws and anti-dumping laws under the GATT. With respect to the fairness of those laws under GATT, we are restricted to the dispute settlement mechanism in this legislation. The dispute settlement mechanism under this legislation only deals with how the laws are administered, not with the fairness of the laws themselves.

Mr. McDermid: Read Article 1902.2.

Mr. Allmand: Read the decision of the GATT in 1949 and see what the result of that was. I would be pleased to hear a further response from the Parliamentary Secretary. He refers to his experts. We refer to ours. The Canadian people will decide on this. This is an important point.

The goal of the Government when it started negotiating this trade agreement with the United States was to obtain an exemption for Canada from the countervail and anti-dumping laws of the United States. That was the principal goal. Let us hear what the Prime Minister (Mr. Mulroney) said on March 16, 1987. He said: "Our highest priority is to have an agreement that ends the threat to Canadian industry from U.S. protectionists who harass and restrict our exports through the misuse of trade remedy laws. Let me leave no doubt that, first, a new regime on trade remedy laws must be part of the agreement".

Later, the Prime Minister in an interview with *The Wall Street Journal* on April 2, 1987 stated: "U.S. trade remedy laws can't apply to Canada, period". That was the attitude of the Government when it started the negotiations. But it did not get the Americans to agree to eliminate the application of trade remedy laws to Canada. As a matter of fact, and I just quoted the article a few minutes ago, American countervail and anti-dumping laws apply fully to Canada. Those are the barriers to the United States which have really been troubling Canadian business.

All Canadians are familiar with the softwood lumber case, the shakes and shingles case, the East Coast fish case, the potash case and the steel case. All those were cases of countervail and anti-dumping. They were not cases of tariff duties.

Since 1979 until the beginning of this year there have been 300 countervail cases in the United States directed at Canadian business. In 70 per cent of those cases the American tribunals found injury against Canadian businesses. This means that a countervail duty was added in 70 per cent of those 300 cases.

That is the principal problem with trade between Canada and the United States. It is a non-tariff barrier. It has not been dealt with in this agreement. These dispute settlement mechanisms do not provide the sort of relief from those laws that we would like and that the Canadian people would like. As a matter of fact, that is what the Prime Minister wanted when he started the whole business.

I was amused when the Hon. Member from Edmonton—and I forget what part of Edmonton he is from—spoke just a few moments ago. He made fun of the point that we were trying to strike out this inadequate dispute settlement mechanism. He said: "Well, it is obvious that the Opposition Parties want to make Canada a sort of Albania. They want to isolate Canada from the rest of the world". What utter nonsense. Anybody who has lived in Canada for the last 20 or 30 years knows that the Liberal Party has pursued a policy of freer trade. As a matter of fact, at this very moment 80 per cent of all trade in goods and services in Canada and the United States are without tariff. That is brought down from a point after the Second World War when a high percentage of the goods and services exchanged between Canada and the United States were subject to tariff. Not only have we eliminated tariffs on 80 per cent of all goods and services, but the average rate of tariff has come down from about 30 per cent to about 5 per cent on that remaining 20 per cent.

• (1920)

Because we are opposing this agreement, and because we are opposing this dispute settlement mechanism, it does not mean that we are opposed to freer trade. We are saying that the system that was in place before this agreement was a better system, and we did not give up our independence, our identity, and our sovereignty to get a few trifles thrown at us by the United States Government.

Mr. William C. Winegard (Guelph): Mr. Speaker, sitting here again this evening, one comes to the conclusion that the myth-makers are at it again. One of the comments that we have heard is that there has not been an adequate debate on this issue. I do not know where some Members have been. There certainly has been a lot of debate. Two parliamentary committees have looked at this issue. There have been a countless number of hours spent in debate in the House, and of course across the country. To say that there has not been debate is stretching the case just a little.

In terms of the debate, and in terms of getting information out, how many hundreds of copies of the agreement itself have each of us distributed to our constituents? I tell people: "Read the agreement. Don't take anybody else's word for it. Don't take mine. Don't take theirs. Read the agreement and you will be satisfied that there are too many myths floating around here".

What we have is a case, once again, where the talkers do not like it, but the traders do. Those people who make their living trading, and those people who make their living manufacturing are reasonably satisfied with the agreement. They are the ones who are producing the jobs that drives the economy of this country forward. The opposition Parties do not like the fact that the people of Canada themselves have created almost 1.3 million jobs in the last four years—

Mr. Rodriguez: Without free trade.

Mr. Winegard: —because we got rid of the protectionist, government-oriented policies that were heretofore.

Thomas d'Aquino, President and Chief Executive Officer of the Business Council on National Issues, stated on August 8, 1988: "The pact is worthless without trade law exemptions". This was one of the myths that he was trying to destroy.

> Of all the myths, perhaps this one has been the source of greatest confusion. It is true that Canadian negotiators would have wished to enter into much more substantial reciprocal commitments on the application of trade law remedies, and that the United States balked at the prospect. The result was a qualified success with dispute settlement provisions that can be resorted to where there are alleged changes in the law and in the application of existing laws. While these provisions provide greater security and predictability in the conduct of bilateral business, it is left to future negotiation to establish a common set of rules to deal with cross-border price discrimination and countervail procedures.
>
> Many critics of the Agreement argue that this is unacceptable and that without a clear exemption from the application of United States trade law, the Agreement "is not worth the paper it is written on". Their arguments make little sense. First, they apparently do not realize that it is normal for sovereign—

We have heard a lot about sovereignty. Yet the two opposition Parties would have us give it up.

> —powers to possess trade remedy laws aimed at preventing foreign exporters from dumping their products or resorting to subsidies to undercut their prices. Such laws are sanctioned by the GATT, are commonplace in Canada, and are considered essential by Canadian producers. An exemption—

Here is the point, Sir, and one that we have repeated over and over:

—from United States laws would require, of course, a reciprocal lifting of Canadian laws.

If we had dared to suggest that in this agreement Canada was going to give up its trade laws and its right to countervail and dump, can you imagine, Mr. Speaker, the huff and the puff that would have come from members of the two protectionist Parties? They would have said, and this time rightly, that we had sold Canada out. We did not. The Canadian manufacturers did not want us to do that. The Canadian farmers did not want us to do that. The Canadian traders did not want us to do that. They wanted us to keep our ability to countervail and dump, because that is important to the progress of exports in Canada. Therefore, another myth. If we had done what they are suggesting here today, Mr. Speaker, you would have heard the cries all the way from St. John's, Newfoundland, to Victoria.

While I am here let me explode another myth. We are told that we went into this and we sought an exemption. We sought a complete—

Mr. Langdon: That's what the Prime Minister (Mr. Mulroney) said.

Mr. Winegard: Just a moment. We sought a complete and total exemption from the United States trade law. That is wrong.

Mr. Langdon: From countervail.

Mr. Winegard: At no time did we seek a complete exemption because that would have implied exactly what I have said previously here this evening. That would have implied that we would have no trade remedy laws available to offset those of the United States. We wanted to put an end to the fact that the United States could take unilateral action against us, and we had no comeback whatsoever.

Mr. Rodriguez: You haven't.

Mr. Winegard: We have. We have the dispute settlement mechanism, which the Opposition is attempting to put down in the course of these amendments. Is it not interesting. The Opposition wants to throw out the dispute settlement mechanisms.

Mr. McDermid: They would rather go to the American courts.

Mr. Winegard: They want to do everything with the courts of the United States of America.

Mr. McDermid: That's right.

Mr. Winegard: Those people who worry about Canadian sovereignty now want to say to the Americans: "We will follow your laws only, and you can do what you want. We will have no appeal from those whatsoever".

While I am at it, let me also take up the point made by my Liberal friend a moment ago. The Hon. Member mentioned Article 1902 in the agreement which is "Retention of Domestic Antidumping Law and Countervailing Duty Law." I believe that the Hon. Member's words were: "We had given up our GATT rights". Perhaps the Hon. Member and others should read the agreement again. Perhaps it is worth while putting it on the record. Sometimes I think that we should read the whole thing into the record and then people might know what it is all about. It states:

> Each Party reserves the right to apply its antidumping law and countervailing duty law to goods imported from the territory of the other Party . . .

Article 1902, paragraph 2 states:

> Each Party reserves the right to change or modify its antidumping law or countervailing duty law, provided that in the case of an amendment to a Party's antidumping or countervailing duty statute . . .

I will not read all the paragraphs, Mr. Speaker. However, I do wish to read the paragraph that really matters and puts the boots to what has been stated here today, which states:

> d) such amendment, as applicable to the other Party, is not inconsistent with
>
> i) the General Agreement on Tariffs and Trade (GATT) . . .

It seems to me that people had better start reading the agreement instead of *The Toronto Star*. It would do the whole country a lot of good.

In closing, if we had dared to put into this agreement that we had given up all our rights for countervail, anti-dumping in terms of Canadian law, Mr. Speaker, you would have heard the squealing from one end of the country to the other. We did not do that because we respect the desires of Canadian manufacturers, exporters, and those who make this country go and provide the wealth to give them some protection against anti-dumping against us at any time. I think it would be worth while, Mr. Speaker, for some of our colleagues to actually read the agreement and avoid the myths that have become so common in Canada over the last two or three months.

• (1930)

Some Hon. Members: Hear, hear!

Mr. Crosbie: There is another myth getting on his feet now.

An Hon. Member: There is another purveyor of myth.

Mr. Crosbie: Yes. Myth Rodriguez.

The Acting Speaker (Mr. Taylor): The Hon. Member for Nickel Belt, followed by the Parliamentary Secretary.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I want to participate in this debate—

Mr. Crosbie: Why?

Mr. Rodriguez: —on these amendments. Well, the Minister for International Trade (Mr. Crosbie), the great promoter of economic union with the United States from Newfoundland, is at least consistent on this question of free trade. In the great

debate as to whether Newfoundland should enter into economic union with the United States or whether should join Canada, the man who is now the Minister for International Trade was promoting this deal. At least he was consistent then. During the leadership race, where he failed in his attempt to become the Leader of the Conservative Party, he supported free trade with the United States. He is at least consistent. He is about the only one over there who is consistent.

I want to raise a very important question about this whole debate. It is surrealistic to really understand what is going on here. Here is a Government that has lost favour with the Canadian people. The majority of Canadians have no confidence in this Government.

An Hon. Member: Hear, hear!

Mr. Rodriguez: They would not trust this Government to negotiate the care and welfare of their pet animals. Here is a Government that according to all of the polls the sampling of Canadian public opinion, has lost credibility. We cannot believe this Government. We cannot believe this Prime Minister (Mr. Mulroney). In terms of honesty and integrity, he is way down the scale. He is only exceeded in the depths of honesty and integrity by the Leader of the Liberal Party. This Government in literally the dying hours of this Parliament, when an election is expected, is ramming through this House of Commons a Bill which has been described by the Prime Minister as the most important Bill in the history of this country and probably, he says, of the world. One knows that he is given to hyperbole.

Given that, how did ordinary Canadians have an opportunity to express an opinion about this Bill which is more than about trade, which goes beyond trade, which deals away in the minds of many, many Canadians, myself included, the heritage of Canadians. That alone ought to require that the Government go to the people of Canada and let them decide.

An Hon. Member: They will.

Mr. Rodriguez: If Canadians feel that this is the greatest deal and it is a benefit to Canada, they will return this Government with a majority.

Mr. McDermid: They will have the opportunity.

Mr. Rodriguez: Obviously, if they agree with the Opposition that in fact this deal is wrong and is a bad deal for Canada, they will obliterate them and put them into the opposition benches where they can join the Liberals in being a rump.

We have a trade deal that was worked out by a lame duck President and a Prime Minister who is issuing a swan song. We have a lame duck and a swan song. What is happening here is that they are selling off the birthright of Canadians.

An Hon. Member: Come on.

Mr. Rodriguez: That is exactly what is happening. When we look at those who are opposed to the deal it is not just New Democrats. The President of the Bank of Nova Scotia is supposed to be one of those boys over there—

Mr. Crosbie: He is a real pal of yours.

Mr. Rodriguez: —but obviously he has moved away from that. He is hardly a pal of mine.

Mr. Crosbie: Yes. You are in bed with him.

Mr. Rodriguez: Secondly, we have the printers of this country who are gravely concerned about this deal. Gravely concerned. We have farm groups right across this country which are gravely concerned about this deal. We had a Government that was so intent on ramming this Bill through that it sequestered itself here in Ottawa to hold hearings in a committee. At what point do we invite ordinary Canadians to participate in the democratic process? There were 350 witnesses when it would not allow.

An Hon. Member: Why did Bob White not show up?

Mr. Rodriguez: National groups were grouped on the same day. There were four or five of them. I am talking about ordinary Canadians. The Regional Municipality of Sudbury passed a resolution, sent it to the Government and said: "Why doesn't the committee come here?" In that community they want to speak on the free trade deal—

Mr. McDermid: The CLC walked away.

Mr. Rodriguez: The Parliamentary Secretary said that they walked away. The Government apportioned an hour for each group to speak. It is the most important deal in the century for this country and it limits national groups like the Canadian Labour Congress, the CAW, to an hour, an hour and a half.

Mr. McDermid: They all walked away. They did not even speak.

Mr. Rodriguez: It was in protest of what this Government was doing.

An Hon. Member: It was a farce.

Mr. McDermid: They could not handle the tough questions.

Mr. Rodriguez: It was a farce. It was a charade. That is exactly what they were protesting. I ask the Government that talks about a new wave, a new era of democracy. "Where would ordinary Canadians be able to go to express their opinions; to the committee? Where?" In fact, this Government was fast-tracked by the Congress. They were fast-tracked. They want to get it sealed, signed and delivered and out of the way. That is not another myth. I say to the Government in all honesty: "Why don't you go to the people?" Let us do that.

An Hon. Member: Yes. They are afraid.

Mr. Rodriguez: Let's put an end to this process, to this charade. Let's go to the country and present the positions fairly and squarely.

An Hon. Member: You never presented anything fairly and squarely.

Mr. Rodriguez: If you think you have better rhetoric, present your rhetoric. If you think it is such a good deal, surely you can sell it.

An Hon. Member: You bet.

Mr. Langdon: Let them have their propaganda—

Mr. Rodriguez: Yes. They are taking millions upon millions of tax dollars and pumping out their position, their propaganda. They are pumping it out with taxpayers' money when this Bill has not even been passed. The Government is promoting this Bill, spending money on it. Why don't you spend your own money, the money that you have collected from all of the corporations, that you have in your kitty? Let's have an election, spend your money out of your electoral funds and have the election based on that.

Mr. McDermid: Please bring home a quart of milk.

Mr. Rodriguez: It says here that the Prime Minister is afraid. It says that Brian Mulroney is afraid to face the Canadian people, an ordinary Canadian in the gallery. I want to say to you, ordinary Canadians have spoken. This Government is running for cover. One only has to see what happened during the last weekend.

Now, when they are starting to shoot themselves in their foot, their head and their arms, they are not prepared to face the Canadian people. They are talking now about an election possibly next year.

Mr. Langdon: They will pay for it.

• (1940)

Mr. Rodriguez: Mr. Speaker, I would not be at all surprised if they trying to work a deal with the American Congress to somehow or other put off this arrangement and the passing of this Bill so they can get it done in the new year, 1989. I say to this Government in all honesty: "Look, you owe it to the Canadian people to present this matter in an election to them. Get a mandate before it is passed because I think that Canadians have to speak on this issue." I think the whole process should be stopped right now and an election called. The Prime Minister can go to the Governor General, dissolve Parliament and off we can go. It is as simple as that. If the Government wins a majority, fine, then the Tories can have it. Until that is done, the Government has no right to have this deal. If the Government wins a majority, it will have the will of the people for something that has been put to the people. But if the Government has not taken the issue to the people—

The Acting Speaker (Mr. McKinnon): I regret that the Hon. Member's time has expired. I see the Parliamentary Secretary to the Secretary of State for External Affairs.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, if we consider all the attacks on the free trade agreement, it is clear that ignorance, not understanding, is gaining ground, and that is why we have to get involved in this debate because of the way the facts are being misrepresented.

Basically, the FTA is a deal. A deal is an agreement signed by two consenting parties, and it is often a comprehensive whole. The various components, what we call the package, are all part of the deal or agreement. It's like going to a store, Mr. Speaker, and buying a dozen eggs. We don't buy a dozen yolks one day, a dozen whites the next and the shells the day after. They are all part of the same package!

A deal is exactly the same, but let me explain. As a Government, we have every right to stop letting our neighbours push us around and to establish—because basically, the FTA is mainly that—a tribunal to arbitrate any trade disputes that may exist between our two countries, because already 85 per cent of our goods cross our borders unrestricted. There is thus the remaining 15 per cent. What we are doing, Mr. Speaker, is establish an impartial tribunal.

What was the situation like before? We had our problems with cedar shakes, softwood lumber, pork, mustard seed and lobster, all goods that were protected by our neighbours to the south. When we went before the courts, we sent a battery of lawyers to Washington to defend our interests before U.S. tribunals under U.S. law. Mr. Speaker, we will have an impartial tribunal that will hand down decisions, that will have its own rules and conduct its own investigations, and that is what sovereignty and autonomy are all about.

I was talking to one of my colleagues on the weekend about acid rain, and this person said: Sure, but we can force the Americans to do something about acid rain. So I said: Aren't you satisfied with what the Prime Minister (Mr. Mulroney) told the U.S. Congress? He was the first Prime Minister to do that. He said: Sure, but that doesn't help! So I said: It will help eventually, and what are we supposed to do when our neighbours to the south who are individualists and have their own parliamentary system and their own political and intellectual way of doing things, what do we do if they won't budge? Do we shoot down one of their planes? Do we shoot down the first plane that crosses the border? No. This is a democratic country, and so we pass legislation that will enable both countries to reach an agreement.

I repeat, 85 per cent of our goods cross the border without any customs interference because . . . Now look at the free trade agreement. I explained about the tribunal. The agreement is concerned with four specific points in particular. It concerns tariffs on about 15 per cent of the goods that now

cross our borders; it concerns export and import quotas; it concerns laws, so-called malicious laws that while ostensibly protecting one product, prevent others from entering the country; and it concerns incentives. But basically, how much trade is there between Canada and the United States? Our trade is worth $169 billion annually, and 80 to 85 per cent is with our neighbours to the south.

So we set up a free trade agreement, and all of a sudden some people get terribly upset. That's it, we will have to start exporting. Not any more than we used to. We are an exporting country. We were before the free trade agreement. Mr. Speaker, we export 33 to 34 per cent of our Gross National Product. For instance, the Japanese export about 10 per cent of their GNP. We have to export because we have a small population, 25, 26 or 27 million. But we always had a problem because our markets were not stable.

Remember in 1984 or early 1985, when hog producers in the riding of Beauharnois—Salaberry came to my office because the United States had levied a tariff on pork carcases which were exported by the pound, 5 cents a pound, I think it was $1 per head? So what was the result? It meant that hog producers were stuck with their pigs, and they couldn't sell them anymore. Why? For the simple reason that producers in the U.S. went to see their lobbyists, their politicians and they said: Listen, Canadian pork producers with their Canadian laws and their provincial legislation can produce more cheaply. So you have to stop this, it doesn't make sense. So we had another outburst! There was a problem with lobster and with softwood lumber. It took so long with the softwood lumber dispute, Mr. Speaker—every time we had to go to the United States and defend our case before the U. S. courts. The free trade agreement will establish an international court, and we have every right to do that.

Earlier, some people said we were "shafted" by U.S. protectionist legislation. Certainly not! That particular legislation does not abolish the tribunal set up under the FTA. We are talking about leadership, Mr. Speaker. Just now they were saying, "Call an election and you will see. Campaign on it!" Talk about leadership. We will talk about leadership right now with the NDP.

Mr. Speaker, a by-election was held about a month ago in Lac-Saint-Jean. The NDP had great figures—they are perfect, so perfect they are almost unassailable—but they did not even get 9 per cent of the vote in a riding where normally they should have had more, according to the opinion polls. So let's have an election! The president of the Quebec wing of the NDP did not even get 2 per cent of the vote in the riding of Johnson. They were not even able to put up with Toupin besides, and now they want to go to the people, Mr. Speaker! Let us have an election. We will call an election on that, because the Prime Minister of Canada, Mr. Speaker, has shown leadership with the Free Trade Agreement, the Meech Lake Agreement and the various tough issues he has had to negotiate! And that is what people will have to judge, leadership and nothing else!

I remember the day after . . . Where does the Free Trade Agreement come from? You remember that the Liberal Party set up a Royal Commission chaired by Mr. Macdonald; the President of the Liberal Party of Canada, lawyer Michel Robert, was on it. They presented a report. I remember the journalists' reaction when this report was tabled in the House. Do you know what they said? They said that Mr. Mulroney would have to stop eating Big Macs and have a real meal. My God, here is a Government that has had a real meal . . . For once a Royal Commission report was not shelved, $20 million was not spent for nothing . . . ! The Prime Minister digested it and moved the negotiations forward, because he asserted the leadership he should as Prime Minister of Canada.

Mr. Speaker, in the next election campaign, despite all the trickery, half-truths and ignorance which are having an impact, as I said at the beginning, Canadians will still believe that Canada was built on trade, because we already export 32 or 33 per cent of our gross national product. That is important! We built on that and now we will have an agreement to stabilize it. People who want to attack free trade wrap themselves in the flag and masquerade as true nationalists. Mr. Speaker, they say our culture is at risk. Our culture is not at risk because of free trade. Our culture is at risk because of what we see on television every day. Every day we see American culture, and that is much worse than the free trade agreement. We don't care about that. Of course I don't want to stop magazines and journals at the border. But those are the vehicles of cultural change, not the changes in our trade rules. Certainly not! In fact, those rules may enhance our culture because we are going to be able to defend ourselves under Canadian law before a tribunal that will be recognized by both countries. That may do a lot more to enhance our Canadian identity, our Canadian culture and our Canadian heritage.

Mr. Speaker, the short tempers of our friends opposite have often led to stormy debates here in the House. I will always remember when we had the softwood lumber affair and the pork exports. So what did the Government do? Instead of taking to our guns and settling accounts with our neighbours, we introduced legislation that would provide for economic and trade stability. Mr. Speaker, that is FTA. It is no more than that because when it comes down to it, 85 per cent of our goods already cross the border free of customs duty.

• (1950)

[*English*]

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to rise again in my place to debate the amendments in group nine put forward by our trade critic, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). In this group of amendments we are addressing the question of the settlement dispute mechanism.

In 1983, when the Prime Minister (Mr. Mulroney) ran for the Tory leadership, he put aside any fears that a party led by him would enter free trade negotiations with the U.S. That was very clear and categorical. In 1984, during the last federal

election, there was no national debate on a bilateral trade agreement with the U.S. Notwithstanding those facts, the Prime Minister's most compelling reason for entering into these negotiations with the U.S. was the need to obtain secure access to the American market for Canadian goods.

Then it was the Prime Minister who suggested that an agreement that would not have a binding dispute settlement mechanism, one which would exempt Canada from harassment by American trade remedy laws, would not be worth the paper it was written on. Those are the Prime Minister's words. That is not something the Opposition is saying. It was an undertaking to this country by the Prime Minister of Canada. In fact, on March 16, 1987, the Prime Minister said in this House, and I quote:

> Our highest priority is to have an agreement that ends the threat to Canadian industry from U.S. protectionists who harass and restrict our exports through the misuse of trade remedy laws. Let me leave no doubt that first, a new regime on trade remedy laws must be part of the agreement.

Later, in an interview with *The Wall Street Journal* on April 2, he said:

> The U.S. trade remedy laws cannot apply to Canada.

What have we got now? It seems very clear to one and all that after months and months of discussions the Canadian negotiators were not able to secure access to American markets for Canadian goods. Second, Canada did not obtain an exemption from U.S. trade remedy laws. If one needs to have that point made clearly, one does not have to go beyond the words of the U.S. trade representative, Clayton Yeutter, who, in reviewing the so-called free trade agreement, had this to say:

> The United States countervailing duty and anti-dumping laws, defined as U.S. statutes, legislative history, regulation, administrative practice and court decisions, will remain intact and unchanged. Hence, U.S. petitioners will retain all their rights under existing U.S. laws as Canadian industries will keep their rights under Canadian law.

What did Canada obtain after months of negotiations and jetting back and forth between the two capitals? The Government said the priority was a binding dispute settlement mechanism. Yet what we have come up with is a mechanism void of any real protection for Canadian interests. First, we have a panel that can arbitrate and simply determine whether the process was followed, without looking at the fact that the process is very seriously and rigidly flawed. The panels will not be insulated from political pressure. There will be two representatives from both the U.S. and Canada and a fifth member chosen by some unknown procedure. That will not produce an objective result such as we see in GATT where most if not all of the members on the various panels who have to render dispute decisions are taken from countries not involved in the dispute.

Second, the national panels involved in anti-dumping and countervailing duty cases will have only judicial review power. They will have to look at whether the process was followed as opposed to looking at the facts underlying the dispute in the first place.

Third, anti-dumping and countervailing duty decisions by national panels will be based only on domestic law. That again leaves Canada open to future protectionist sentiments in the U.S.

Fourth, the panel procedures will be long and costly.

Fifth, panel decisions will not be binding and therefore, with the exception of safeguards, decisions will not be binding unless both parties agree beforehand to comply with the decision.

Canada's retaliatory capacity against the U.S. is weakened in the face of overwhelming harassment from a country that is much larger than ours, much more powerful economically. Who would win that war is quite obvious from the outset.

Perhaps the most important point is that our ability to dispute arrangements in trade with the Americans *vis-à-vis* GATT will in effect be closed off because GATT will not get into a position of rendering a decision taken between countries in a bilateral agreement. A number of government Members suggested that we are still living under GATT rules and we will be able to access GATT with respect to any harassment by the U.S. Yet a 1949 GATT decision held that the determination of rights and obligations between Governments arising under a bilateral agreement, such as the one we have now, is a matter within the competence of the contracting parties.

Therefore, we have the various components of the Canadian economy added to the cultural and communications industries which are under pressure in this agreement on the one hand.

• (2000)

On the other hand, we do not have a dispute settlement mechanism which can enforce and defend our own interests. Canadians are obviously worried about entering into an arrangement which seems to be lopsided, one way, and doomed in terms of advancing and enhancing our trade numbers *vis-à-vis* the Americans.

We have moved these two amendments in order to draw the attention of Canadians to the ills of this dispute settling system which has been put in place by the negotiators of the Canadian Government. They have not realized the first objective of the Prime Minister and are trying to cover that up with various other aspects and colourful language. However, when you remove the rhetoric, you are left with a fragile agreement and a dispute settlement mechanism which certainly does not build the confidence which our industries and our country and its people require and deserve.

It is with that interest in mind that we are trying to get the Government to focus honestly and competently on trying to provide a dispute settlement mechanism which will not only talk about equity and defence but will deliver on both those fronts.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I want to enter the debate at this time in light of

some of the comments which have been put on the record by Members opposite, specifically as they relate to Canada's social programs and the reporting which must be done to Parliament.

The Economic Council of Canada has called the agreement "a timely, historic and mutually beneficial treaty that goes a long way towards achieving Canada's major objectives". The council stated that it was an extension, not an alternative, to Canada's multilateral commitments, an agreement that provides a valuable example for the current global negotiations.

More specific to my responsibilities, the council could find "no reason to think that free trade can be used to alter or undermine Canada's unemployment insurance system, medicare or other programs fundamental to the social safety net". On the contrary, the council believed that "by strengthening economic growth and employment the agreement will increase government revenues and improve the ability of governments to address social issues".

Regrettably, in this debate there has been more heat than light. Opponents have been ignoring the facts and independent analyses. In fact, if one were to believe the recent speech of the Leader of the NDP, you would think that this agreement would lead Canada to a Rambo-like, dog-eat-dog society of street crime, pornography, and sweat shops, that widows and orphans will be out on the street, that our resources will be raped and plundered, and that only the fittest will survive. I think even Members opposite would know that that rhetoric defies both logic and belief.

Where does the Opposition stand? Are we too competitive, which we hear from them, or are we not competitive enough, which argument we hear as well? The Opposition would have us believe that certain very specific provisions of the agreement are the thin edge of the wedge toward the commercialization of our health care system.

Mr. Langdon: Mr. Speaker, I rise on a point of order. I am not certain but perhaps the Minister has chosen the wrong clauses to speak on. These clauses deal with the dispute settlement procedures and so far nothing that the Minister has talked about would seem to be relevant to those particular amendments. Given the time constraints, I request the Speaker, if possible, to suggest to the Minister that it would be best to make a speech which deals with the dispute settlement issue.

The Acting Speaker (Mr. McKinnon): I thank the Member for his interjection. I am sure the Minister for National Health and Welfare was about to get to the meat of the amendments.

Mr. Epp (Provencher): Mr. Speaker, I was speaking to the amendments. I know that you like to invoke the rule of relevancy. I noticed that the same kind of thing was happening when the Hon. Member for Nickel Belt (Mr. Rodriguez) was speaking. If I am pulling the Hon. Member's chain, I am sorry, but he has been doing some pretty desperate things around here.

There have been comments made in this House that Canadian blood will be for sale. Canadian blood is not for sale and will not be for sale.

Mr. Langdon: It is.

Mr. Epp (Provencher): I will try to enlighten the Hon. Member for Essex—Windsor (Mr. Langdon). The only reason I am pleased that he is in this House is that he is not teaching at the University of Windsor polluting kids' minds with the kinds of things he has been saying here.

We do buy blood products because we are not self-sufficient. If the Member looks at what the agreement says rather than what he thinks the agreement says, he will find that that is the issue. In fact, in some provinces we buy up to 70 per cent of our blood products from the United States. He should be careful in his use of the wood "blood" as opposed to "blood products".

It is also important that members of the Opposition say that we will "commercialize" our health care system. If you look again at the agreement you will find that if a province so desires it can commercialize the management side but not the health care delivery system. The Canada Health Act received unanimous approval in this House.

It is interesting to note that the Province of Ontario from where the Members come, is the one province which has tried such a management approach. Before Members say that this is going to change health care or that we are going to lose benefits of our health care system, they should look very carefully at what the agreement says and, more important, where that kind of a system has been tried, namely, in one hospital in Hawkesbury.

If you have followed this debate you will know that the Liberals and the NDP have used two totally contradictory arguments to raise doubts about this agreement. First, they have told Canadians that our social programs make us too competitive, that they are subsidies which the Americans will countervail, and that the Americans will somehow force us to change our policies. This argument is simply not true. Why would these programs, developed under GATT rules, now be countervailable subsidies when the free trade agreement does not change the GATT rules on subsidies? The Hon. Member knows that, as does the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). The Hon. Member for Winnipeg—Fort Garry should simply follow the advice of the *Winnipeg Free Press*, that is, that the Leader of the Liberal Party, and the Hon. Member for Winnipeg—Fort Garry should tell the truth.

With regard to competitiveness one can read what the Government of Ontario said in its economic outlook and fiscal review. It said that the costs of production in Canadian manufacturing now compare favourably with the United

States and Japan in terms of total hourly compensation, that is, both money, wages, and fringe benefits. It goes on to say that wage rates in Ontario are generally lower than those in immediately adjacent states in the U.S., i.e., Michigan, and competitive with lower wage states such as Georgia. Ontario companies enjoy other competitive advantages including lower health costs and lower energy costs.

As they say themselves, our social programs are not countervailable subsidies and the relevant rules are not changing. I do not generally follow Mr. David Peterson's logic, but I will accept it for today in order to make the point to Members opposite who may prefer to listen to him than to us.

Additionally, they say that we will not be able to bring in new programs. As an example, we are presently bringing forward child care, a $6.4 billion program which the Liberals say is too small. They say that they are going to bring in an expanded child care program in those years when the deficit goes down. However, from 1969 to 1979, or even to 1984, the deficit went down in only one year, in 1979, after they had been in office for three years. I asked the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) about that issue the other day. He said: "Well, we would have to change that. We would have to rethink it", because the Liberal Party wants a universal program but it is only going to do it when its deficits go down. The point is simply that it is not countervailable. It does not affect health care. It does not affect pensions. It does not affect blood banks. The Hon. Member for Hamilton East (Ms. Copps) said that we are going to start selling babies. What nonsense. What absolute pap those Members raise.

• (2010)

It is time these amendments were dealt with tonight, that they be voted on, and that the free trade agreement gets passed because Canada needs the prosperity so that we can develop the social programs we have in place at present and the social programs we want in the future. That is our agenda and that is what we are going to do.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. McKinnon): The question is on Motion No. 45. The vote on Motion No. 45 will also apply to Motions Nos. 46, 47 and 48. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mr. McKinnon): All those opposed to the motion will please say nay.

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. McKinnon): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next question is on Motion No. 49, which will be voted on separately.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 49

That Bill C-130 be amended by adding immediately after line 8 at page 41 the following:

"48. Notwithstanding all the provisions of this agreement on a bilateral dispute settlement mechanism, Canada reaffirms its commitment to the superior GATT dispute settlement mechanism which allows Canada to challenge the law itself as well as its application.

He said: Mr. Speaker, I am pleased to be able to speak to the amendment and to follow my colleague from Manitoba, the Minister of National Health and Welfare (Mr. Epp), who has just spoken. He is known in Manitoba as the Minister responsible for the CF-18. I am always glad when he provides admonitions that we tell the truth because he is the Minister who sat on the truth for six to eight months while decisions were made that deeply affected our province in a way from which we will never recover. He did not quite have the guts or the courage to tell the truth to the people of Manitoba during that period of time. It is too bad he did not follow his own advice at that time. It is too bad his preachments were not followed by himself. It is too bad he did not at least have the honour to put his own seat on the line in terms of dealing with an honest Government and a dishonest decision that was made during that period of time, and the political interference.

There is only one way the problem of who is really telling the truth can be resolved, and that is to let the people decide. Of course, the Conservatives are afraid of doing that. They prefer to act like kids in a school yard, throwing stones and insults, as opposed to dealing with the debate. They are afraid to get out where it really counts, on the hustings, where the democratic process makes a judgment not based upon editorials in various newspapers which are owned by large corporate concentrations. I think that is the difference.

Mr. McDermid: You hate anyone who has done well, don't you?

Mr. Axworthy: I will tell the Parliamentary Secretary that people who abuse power, and the Member belongs to a Party which is a clear example of that, is what I fight against.

Mr. Crosbie: What about yourself?

Mr. Axworthy: That is why we are against this agreement. Because this agreement will give more power and more influence to those large concentrations—

The Acting Speaker (Mr. McKinnon): I listened carefully to the two gentlemen from Manitoba, and I think they are about even now and perhaps we can get back to the Bill.

Mr. Axworthy: The fact is, Mr. Speaker, the amendment we are bringing forward is an important corollary to those amendments we have just debated. It is a very important amendment because it establishes a very distinct difference in the way in which we view trade policy in this country. It is very simple. The Conservative Party of Canada, the Republican Party of the north, the Party that believes in all those great fond dreams of Ronald Reagan, has a very simple principle. It is going to abandon the time tested and effective procedures we used in the past to protect Canadian trading interests both in negotiating with the GATT and at the same time using the dispute settlement mechanism. We, on the other hand, believe that Canada has prospered, our trade has expanded, and our opportunities abroad have been developed by relying upon the international trading system. It is a very clear difference between the two. It is not a matter of who is for or against more trade. It is a question of how do we do it.

How do we ensure security of access? How do we open access up? How do we diversify trade? The Conservative Party, the Republican Party of the north, has clearly adopted the position that they are going to plight their troth and sign the marriage certificate with the United States. We have heard them talk about it: we have to join a market of 100 million people, we have to get behind these walls because those Europeans are after us and the Japanese are after us, and we have to sort of sign up with Uncle Sam. That was the position taken by the Minister for International Trade (Mr. Crosbie) and his family 30 years ago. I suppose if consistency is a virtue, he has one virtue at least. He has been consistent on that. Unfortunately, it is now an argument that has been adopted by the Conservative Party of Canada.

We are saying that our position is very different. We want to establish a trading vision that has a much broader base than that, one that looks at it on a global basis and recognizes that in negotiating an agreement one never gets oneself in a position as Mr. Reisman, who was the chief negotiator said, where one has to put on the table far more benefits than the other side is prepared to offer because they have a larger market. Mr. Reisman said that. He said that was the reason we had to put water on the table. He said in his famous speech in front of the Ontario Economic Council: "When you are asking for a change and you are negotiating with a power that is 10 times your size and you are trying to get some similarity in trade benefits, you have to put chips on the table that are non-trade chips". So we put on investment, we put on energy, we put on resources, and we put on water, in order to get some changes in the trade area.

Mr. McDermid: Wrong!

Mr. Axworthy: That is exactly what Mr. Reisman said in his speech.

Mr. McDermid: Give us the quote. Where is the speech?

Mr. Axworthy: Mr. Reisman's analysis was right. Unfortunately, the Government carried through.

Some Hon. Members: Where? Where?

Mr. Axworthy: In front of the Ontario Economic Council.

Mr. McDermid: You are putting words in somebody else's mouth. Read us the speech.

Mr. Axworthy: If these illiterates in the Conservative Party would read these things, they might find out what is going on. They might find out in fact what is in place. The fact is that we are faced with a situation where, because we rely on a bilateral negotiation as opposed to a multilateral negotiation, we end up having to give up far more than we get. That is the clear record and the clear history of this negotiation.

• (2020)

Let us talk about another so-called distortion. The Parliamentary Secretary got to his feet in full dudgeon and said: "We can go to GATT. We still have our rights". He stomped his feet and he blew smoke out of his ears and what other kind of aperture he has. He demonstrated that we are going to be loyal and true and blue to the GATT. Except he and his so-called experts on the government side forgot to mention one small item, that is, that the GATT itself in 1949 made a clear decision which stated that when there was a binational dispute settlement mechanism it would not touch the case. It has not ever since then. It has not gotten close to them. That is its rule.

We are now introducing under this agreement an alternative system which, as was pointed out in a previous speech, is weaker, will be more costly, and will provide for less protection for Canadian industry. It is also more political. As a result, because of that type of convention under the GATT, we will not have that access about which the Parliamentary Secretary spoke.

Mr. McDermid: Wrong.

Mr. Axworthy: This is the gentleman who was so insistent that we get the facts straight. Those are the facts.

The GATT decision in 1949 states: "The determination of rights and obligations between Governments arising under a bilateral agreement is not a matter within the competence of the contracting parties," meaning the GATT. What does the Parliamentary Secretary have to say about that?

Mr. McDermid: I will be up.

Mr. Axworthy: Sure, he will be up. Once more we will have the dance of the seven veils. Once more we will have all the gobbledegook. Once again we will have the same kind of thing

that we get in all this propaganda from the Government, that is, they do not tell it straight; they do not tell it as it is.

Let us put the Government to the test. It is simple. We do not have to argue about it any more. If the Government is prepared to accept the principle that the GATT agreement is predominant, superior and provides the basis, then all Members opposite have to do is vote for this amendment. But if they do not vote for the amendment, then we have a clear admission and confession of guilt. They will be saying to the Canadian people, and we will remind them of course, that they voted against a simple clause that establishes a superior precedence to the GATT international system. It is a test. We will find out tomorrow night when we vote. When we come to Motion No. 49 we will see how government Members vote. In Parliament we have one clear way of showing what we mean, that is, we stand up on our feet. We get up on our feet to say yes or no.

The test is here. If the clause does not do damage to the agreement, if it is as the Government says that we will still honour all these GATT obligations, if we are going to overturn the 1949 decision by some miracle, okay, then members of the Government can vote for that motion. That is very simple. But tomorrow night when we see them vote on Motion No. 49 we will mark how they vote. You will see, Mr. Speaker, that what in fact they will be admitting is that this binational panel, this dispute settlement mechanism, this whole system supersedes that clause. It provides an alternative which provides exclusion. It does cut off recourse to those mechanisms. It does weaken our ability. Thereby, it cuts off from Canadians one of the most important and effective measures and remedies that we have had for protecting ourselves not only against the Americans but other very large and powerful trading interests. That is why we are defending it.

We believe that the most important way to defend Canadian trading interests is to have an international rule of law, to have rules apply to large and small. We believe that the same rules should apply whether one is the United States of America or Thailand or Nicaragua. The only way we can get that is if countries like Canada stand up for that international rule of law, whether it is in trade, human rights or disarmament. We will find out tomorrow night just where the Government is prepared to put its commitment, whether it is prepared to put its commitment into this new machinery that it is always talking about, or whether it will be put into one that really works to protect our interests.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I get a very big kick out of listening to the Hon. Member who puts his own interpretation on the agreement that we have signed.

In the overview of the agreement it is laid out very well. It states that the agreement sets a new standard for trade agreements concluded under the General Agreement on Tariffs and Trade. If we were dismissing the GATT would we conclude this agreement under the GATT? Of course we would not. What this agreement does, and it says here, is that it takes various GATT commitments, bilateral arrangements, and *ad hoc* understandings and transforms them into a treaty based relationship between Canada and the United States which should govern the trade and economic relationship for the foreseeable future. The agreement meets the test of fairness and of mutual advantage.

It also states that this accord sends a powerful signal against protectionism and trade liberalization. It reflects the commitment of both Governments to liberalize trade on a global basis through multilateral trade negotiations under the GATT. All the way through this agreement the GATT rules are mentioned in chapter after chapter.

Let us talk about Article 1902 in the agreement which considers anti-dumping and countervail duty law. It considers the right of either party to amend its anti-dumping or countervail law and to bring in amendments to its anti-dumping or countervail duty law provided that in the case of amendment to a party's anti-dumping or countervailing duty statute—and it goes through a list of requirements, one being such amendments shall apply to goods from the other party only if such application is specified in the amending statute. It goes on and on. Under Section 2(d) of Article 1902 it is stated:

> d) such amendment, as applicable to the other Party, is not inconsistent with
>
> i) the General Agreement on Tariffs and Trade—

For the Hon. Member to stand up here to say that this Government has dismissed the GATT, that we have ignored the GATT, that we are not paying any attention to it, is totally wrong. The Hon. Member knows that full well. He knows that the Government has been on a two-track process on trade, both on a bilateral basis with our largest trading partner and on a multilateral basis with the GATT. As a matter of fact, we Canadians can be very proud in the leading role that we have been taking in the negotiations, the Uruguay Round of the GATT negotiations which are ongoing at the present time and which are almost at the half-way point. However, as we know, these negotiations can go on for a number of years. It is interesting to listen to the Hon. Member talk about us not being committed to GATT. Of course we are committed to GATT.

I listened to him say that Manitoba is in such financial bad shape that it will never recover. Manitoba has the second lowest unemployment rate in Canada. The Hon. Member should be proud of that. With this free trade agreement it will accomplish a lot more. There is no question about it. Let me read for the record an editorial from *The Financial Post entitled* "Hardly a sell-out". It reads:

> As Trade Minister John Crosbie noted in the House the other day, it's curious that the Opposition wants to move about 100 amendments to a trade bill they say they will tear up if elected.
>
> Does the effort to improve the bill mean that in an amended form it would be acceptable? We'll never know because the amendments won't make it. But if the Liberals are elected, we'll look for a new Canada-U.S. trade bill incorporating the proposed changes.
>
> (If such a bill didn't materialize under a Liberal government, it would suggest the amendments being proposed now are merely a stalling tactic. but

we know a responsible party wouldn't stoop to wasting Parliament's time in that fashion. Don't we?)

Meanwhile, the general criticism of the Free Trade Agreement continues. The Government "doesn't have a mandate to take this country into the U.S.," the NDP's Steven Langdon says. Liberal Leader John Turner still uses that wonderfully original line about making Canada "the 51st state." (As we have said before, we wish he could accord the whole of Canada more equivalency than Rhode Island, but he's stuck on 51.)

As trade lawyer Christopher Thomas notes on the page opposite, Turner also characterizes the FTA as the "Sale of Canada Act." The problem is, as Thomas says, the agreement offers no evidence of a sellout. The critics give the impression that Canada simply signed away the store, and the Americans committed to nothing. But, as Thomas says, "the vast majority of the agreement's terms are mutually binding."

For the most part, exceptions to the mutually binding terms arise from terms of the General Agreement on Tariffs & Trade, to which both Canada and the U.S. are parties, or from particular legislative or regulatory provisions in each country. For example, under the FTA, obligations affecting wine and spirits apply mainly to Canada.

That's because, of the two parties, only Canada is breaching its GATT obligations by discriminating against foreign alcoholic beverages.

That refers to the discriminatory pricing of the provinces. It continues:

In the area of financial services, different obligations are imposed on the two countries because of the different regulatory regimes and the different paces of deregulation.

If the free trade critics would view the agreement in the light of our GATT obligations and the legislative and regulatory provisions in each country, it becomes a less ominous piece of work. Hardly, in other words, the "bill of sale" Turner thinks it is.

That was an editorial in *The Financial Post* on August 22, 1988. It points out very well that this agreement is GATT consistent, that it was negotiated under the GATT rules, that this Government fully supports GATT, works with it, and as a matter of fact is playing a very leading role in the GATT negotiations that are going on now. This country can be extremely proud of the leadership role that it has taken in the agricultural end of things where there are major problems throughout the world.

• (2030)

It is evident to anyone who understands and who has read the free trade agreement, and it is understood that it is consistent under the GATT regulations. Under that section we can challenge a decision of the United States that it made pursuant to such anti-dumping or countervailing duty law before the binational dispute panel.

Mr. Orlikow: Which would deal with it under American law.

Mr. McDermid: Under Chapter 19 on the basis that the law is being unfairly applied. That is what this is all about.

Mr. Orlikow: It has to be dealt with under American law.

Mr. McDermid: Listen to the Opposition moan and groan.

Mr. Benjamin: Under American law. Why don't you take our your citizenship down there?

Mr. McDermid: And also under Canadian law.

The final point I want to make as I sit here and listen to my friends in opposition is that they talked about wanting to get exempted from American countervail and anti-dumping law.

Mr. Benjamin: There are no exceptions.

Mr. McDermid: Never have they said that they were prepared to exempt the Americans from Canadian countervail or anti-dumping law. They have never said that in all their criticism of this agreement. In Canada what we complain of is the fair application of the law. Generally the anti-dumping and countervail laws on both sides are basically the same. They are done under GATT rules. It is the application of those laws that has caused us the problem. Earlier in one of his previous incarnations the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) mentioned that the application of the law in the United States for the protectionist attitude in the United States was what we were fighting. This binational dispute settlement mechanism will help us with that.

In conclusion, the Government is committed to GATT. This agreement was negotiated under GATT. We will be voting against this frivolous Motion No. 49 not only tonight, but also tomorrow night.

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, as I was pointing out earlier this evening, the most serious trade barrier between the United States and Canada are the American laws on countervail and anti-dumping.

Mr. McDermid: It's the application.

Mr. Allmand: It has not been tariffs for several years now. The most serious and harassing trade barriers have been countervail and anti-dumping. As a matter of fact, I will put the following figures on the record. Since 1979 the Americans have launched 300 countervail cases against Canadians doing business in the United States. In 70 per cent of those 300 cases they found injury against these Canadian business. That means that American tribunals found that the Canadian products being sold in the United States were in some way or another subsidized, according to their laws, and therefore they added a countervail duty on to the price of the Canadian product and set up that type of barrier. The Americans awarded a countervail duty against those Canadian products in 70 per cent of 300 cases.

I also pointed out that when the Prime Minister (Mr. Mulroney) started the free trade negotiations with the United States he stated that his highest priority was to get rid of American trade laws, such as countervail and anti-dumping. That was his highest priority on March 6, 1987. He did not accomplish that because after the negotiations were finished and the agreement was signed, Clayton Yeutter, the President's trade representative in the negotiations stated: "The U.S. countervailing duty and anti-dumping laws, defined as U.S. statutes, legislative history, regulations, administrative

practice, and court decisions—will remain intact and unchanged. Hence U.S. petitioners will retain all their rights under existing U.S. laws as Canadian industries will keep their rights under Canadian law".

The United States laws on countervail and anti-dumping remain, despite the wish of the Prime Minister that this should be done away with in the negotiations.

With respect to the dispute settlement mechanism that was set up to deal with these things, P. W. Slayton, a trade lawyer with the Toronto law firm of Blake, Cassels and Graydon stated: "Anti-dumping and countervailing duty laws remain the same in both countries. This is disappointing. Relief from United States application of its anti-dumping and countervailing duty laws was thought to be one of Canada's objectives".

That did not take place. We have moved that the dispute settlement mechanism set up in the legislation be disposed of, taken out of the legislation, and replaced with the GATT procedures.

Under GATT procedures one is allowed to question the fairness of the laws themselves, whereas under the dispute settlement mechanism that is provided for in the agreement and in the legislation, one can only question the fairness of the application of the law, and whether American law is applied fairly in accordance with its own procedures. One cannot question whether or not the law itself is fair. When I attempted to point out to government Members that this was provided for in the agreement, they attempted to rebut what I said by pointing out that each country is allowed to amend its countervail laws, but any amendment to countervail laws must be consistent with the General Agreement on Tariffs and Trade.

• (2040)

They referred to Article 1902 of the agreement. Well, to establish that you will have a separate dispute settlement mechanism is not inconsistent with the General Agreement on Tariffs and Trade. They tried to imply that it would be inconsistent. Well, it is not inconsistent. As a matter of fact, my hon. colleague and I have both referred to a decision of GATT in 1949. The 1949 GATT decision read: "The determination of rights and obligations between Governments arising under a bilateral agreement is not a matter within the competence of the contracting parties; i.e. to GATT". Since 1949, GATT has not established one panel to examine a dispute arising from a bilateral agreement. Where countries have got together and had a bilateral agreement to deal with disputes between them, GATT says: "From that point on, we do not deal with it".

What is wrong with this agreement is that the dispute settlement mechanism under the bilateral agreement says that you cannot question the fairness of the countervail and anti-dumping law. You can only question the fairness of its application.

It is interesting to note that the Parliamentary Secretary did not answer me nor did he answer the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) with respect to that GATT decision in 1949. We asked him to explain his position with respect to that GATT decision in 1949, but he never mentioned one word with respect to it, and he cannot. There has not been one panel under GATT to deal with countries that have a bilateral dispute mechanism between them since 1949, and that is 39 years now.

Maybe the Parliamentary Secretary is listening to this somewhere else. How is it that in the softwood lumber case, when we had the problem with the United States, they did not refer it to the GATT tribunal for a resolution? They ignored the procedures under GATT. It is possible, if they had gone to GATT, they would have got a much better decision in favour of Canada than they finally worked out with the United States in the agreement they signed with them. They might have been able to get a ruling through GATT which declared the American countervail duty against our softwood lumber to be an unfair ruling. They did not go that way. We just had the Parliamentary Secretary say a few minutes ago that the Conservative Government believes very strongly in GATT. They support GATT all along the line. Well, their actions speak louder than words. When it came time to go to GATT on the softwood lumber case, they did not go to GATT.

I repeat, the dispute settlement mechanism in this agreement is not acceptable. It is not acceptable because it does not allow us to question unfair American laws relating to countervail and anti-dumping. That is why we want the dispute settlement mechanism in this agreement replaced by the GATT procedures which allow us to question not only the application of the unfair laws but the unfair laws themselves.

As my hon. colleague from Winnipeg—Fort Garry said, if the Conservative Government really believes in the provisions of GATT, really believes that we should be able to question the fairness of anti-dumping laws and countervail laws, then let it vote for this amendment tomorrow when the votes take place.

The Acting Speaker (Mr. McKinnon): I recognize the Hon. Member for Essex—Windsor.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, this must be a very confusing debate for people who are watching the debate, people who are listening, because we are dealing with a series of technical issues. There are counter charges and counter interpretations. I want to try to suggest two or three things. I want to say first that contrary to what the Parliamentary Secretary suggested to the House a few minutes ago, it has never been the Opposition which said that we should seek an exemption from United States countervail and anti-dumping law. What we have said is that it is the Prime Minister (Mr. Mulroney) of this country who started on the quest for the great trade agreement which was to emerge. He said that what would be achieved would be an exemption from U.S. countervail law, the law that puts up those special tariffs against our hogs, our fish, our stainless steel, our

various vegetable products. That has been what we have been attacking, because the Government said that it would achieve this goal, and it failed to achieve the goal. It is that failure of the Government which is at the heart of the judgment that we have to make about this deal.

I think that the crucial issues with respect to this debate are not in fact being talked about. Though we support this amendment, I think the present GATT framework of dispute settlement is not really very satisfactory. It takes a great deal of time and it is something which we as a country, for instance, could actually win in a dispute but cannot be certain that the other country will be bound by the decision which is made. There are problems with the GATT dispute system.

The point about GATT is that GATT is and was the superior form in which to try to deal with our problems with the United States. GATT gave us the possibility of being able, through negotiation in the present round in which all the GATT countries are taking part, to have the chance to put in some disciplines on the way that the United States is using its countervail system against smaller countries like Canada to block out the products from this country when they become too competitive, too readily able to out-compete the United States products against which they are being sold.

At the present stage, the Americans have a system of countervail which is totally laughable when one thinks about it. They say that if Canada is guilty of putting a subsidy on a factory when it is established, like the Michelin Tire factory in Nova Scotia, it is possible for the United States to put a countervailing duty against tires coming into the United States. It is possible for the Americans to do so because we have put a subsidy into the building of the factory. They do not look at the question of whether they subsidize their tire factories. They do not look at the question of whether fishermen in the United States are subsidized when there are subsidy and countervail actions taken against our fishermen. Those questions are not looked at because American law says that it does not have to look at those questions.

• (2050)

All the U.S. has to look at is whether there are subsidies used in Canada, in Germany, or in Japan. If that is the case, then the United States using its countervail system can put up a special barrier to block profits from countries being able to get access easily into the United States for their products. That is what has to change, Mr. Speaker.

Mr. McDermid: Only if the Americans win their case.

Mr. Langdon: The only way things will change is if we get a change in GATT whereby the countervail systems of all countries, including our own, have to take into account not just the subsidies that have been put on foreign products coming into the country but the subsidies which go into supporting domestic industry at home. If there is a difference between the two, an unfairness between the two, then a countervail system can fairly and sensibly be applied. For instance, the United States has far higher subsidies on a product than we have provided here in Canada yet still puts countervail duties against our fish or our hogs. As is almost certainly the case support in the United States for hog and fish production is significantly higher than in Canada, yet the Americans still put countervails against our products coming into that country.

Mr. McDermid: We can countervail them.

Mr. Langdon: In this case we have a system whereby we are badly hurt by a pattern of law which is itself in its very basis unfair. That is what has to be changed and can only be changed through GATT. It can only be changed through an agreement among countries throughout the world.

Mr. Shields: That is not true.

Mr. Langdon: That is what has to happen. That is the only way in which it can happen. If it is not agreed upon by GATT, you get a crazy quilt system that simply will not work. Therefore, instead of working our way through these crazy negotiations with the United States that have worked out so badly and have left Canada so unequally used, so unbalanced and unfairly dealt with in the way things have worked out, we should have worked through GATT where we have influence and where we have a say. We should have concentrated on that and not sold out this country through the various energy concessions, the investment concessions, and the concessions in the health area despite the Minister's suggestions about concessions in the Auto Pact area and the concessions on agriculture which have hurt this country so very badly.

Mr. Jack Shields (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, it would be so refreshing if those who oppose free trade for ideological, philosophical, and political reasons would stand up and be frank enough to say that is why they oppose the free trade agreement.

Mr. Caccia: That is what we did.

Mr. Shields: There is nothing wrong with opposing free trade because you are a socialist, you want to socialize Canada, and you realize that this deal will be more difficult if we enter into a free trade agreement with a country that has economic ties which remain committed to competitive enterprise in the market system.

We will hear in this House time after time that they are all opposed on principle and for philosophical reasons if we lump free trade, privatization and de-regulation together because they are socialists. I have no problem with that. It is a logical position to take if you happen to believe in that philosophy. However, let me quote for a moment from a submission that was made to the standing committee by Mr. John Crispo, Professor of Political Economy, Faculty of Management, University of Toronto. He said:

> U.S. laws with respect to countervail and dumping cases have not been the problem—

Mr. Caccia: Mr. Speaker, I rise on a point of order. I might be wrong but I have the impression that the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. Shields), as did the Minister of National Health and Welfare (Mr. Epp) earlier, is conducting a speech for third reading and not addressing the motion before us.

The Acting Speaker (Mr. McKinnon): I thank the Hon. Member for his interjection. The Parliamentary Secretary has the floor.

Mr. Shields: Mr. Speaker, I was polite enough to listen to that Hon. Member and I hope he will give me the same courtesy.

I would like to address countervail, dumping, and the dispute settlement mechanism. I start first with a quote, as I said, of Mr. John Crispo, Professor of Political Economy, Faculty of Management, University of Toronto. He said:

> U.S. laws with respect to countervail and dumping cases have not been the problem since they are about the same as Canada's laws in these areas.

In other words, Professor Crispo is saying that our laws on countervail are generally the same as the laws in the United States on countervail. Let me continue with what he said:

> Rather the problem has arisen from the unfair administration and interpretation of these U.S. laws over the last half dozen years. Exhibit A of this transformation is represented by the softwood lumber case which Canada won on essentially the same evidence only three years before it lost it before the same U.S. tribunal. In the interval the U.S. switched over from basically economic to essentially political criteria in its countervail and dumping decisions.

The Acting Speaker (Mr. McKinnon): If it is necessary to have meetings during the course of the evening, I wish Hon. Members would hold them elsewhere so the debate can go on here. The Parliamentary Secretary is giving an interesting speech and I would like to hear the rest of it.

Mr. Shields: Let me continue with my quote of Professor Crispo:

> Under the free trade dispute settlement mechanism Canada has the means to "objectify" once again the U.S. decision-making processes in these types of cases.
>
> This is because Canada can appeal the U.S. decisions—

As can the United States appeal Canadian decisions. He continued:

> —on the basis of the administrative record in the case involved which includes all the evidence, information and even hearsay introduced in the earlier proceedings in which Canadian representatives participate.
>
> Had Canada been enabled to appeal the softwood lumber case on its merits it probably would have been reversed. Having the ability to do so in the future will avoid other similar cases, compel the applicable U.S. tribunals to be more objective in their future deliberations, and thus, in all likelihood, eliminate all manner of capricious and frivolous cases ever coming forward in the first place.

I would like to refer to Article 1906 which deals with "duration". That provision of the agreement says:

> The provisions of this Chapter shall be in effect for five years pending the development of a substitute system of rules in both countries for anti-dumping and countervailing duties as applied to their bilateral trade. If no such system of rules is agreed and implemented at the end of five years, the provisions of this Chapter shall be extended for a further two years. Failure to agree to implement a new regime at the end of the two-year extension shall allow either party to terminate the Agreement on six month's notice.

I think that makes it very clear that we have addressed anti-dumping and countervailing duties as they exist in both countries. We in Canada can implement countervailing duties just as the U.S. can, but we have a dispute settlement mechanism that now makes it more objective. That is a very clear indication that we have moved in the proper direction.

• (2100)

Why do we constantly hear, as we do from the Hon. Member for Essex—Windsor (Mr. Langdon), the refrain that we have sold out Canada? What he is really saying is that the premiers and governments of eight provinces, not to mention a ninth premier who says he will not put any barriers in the way if a free trade agreement goes through, are traitors to Canada. Is he really accusing them of that? Is he really saying they are not concerned about their country?

Mr. Foster: Yes.

Mr. Benjamin: Yes.

Mr. Shields: I hear an NDP Member saying yes.

Mr. Benjamin: They will do anything for a buck.

Mr. Shields: I was here when the premiers of the western provinces fought long and hard about ownership of resources. Does the Hon. Member seriously believe that those premiers would work so hard to control their resources and then turn around and hand them on a silver platter to the Americans?

Mr. Foster: That is right.

Mr. Shields: We are now hearing this nonsense from both the Liberals and the NDP. We know now that the only people who know the truth are the 70-odd people sitting in opposition. They, along with the labour unions headed by Shirley Carr and Bob White are the only ones who are protecting Canada or who care about this country. I most thoroughly resent that. I resent those people saying to me that because I support the free trade agreement, I am selling out my country. I resent it on behalf of former Premier Lougheed. I resent it on behalf of former Premier Manning. I resent it on behalf of the Premier of British Columbia, Bill Vander Zalm. I resent it on behalf of the Government of Saskatchewan and the Government of Manitoba, and the Government of Quebec. They are now saying that the Premier of Quebec and his Legislative Assembly are traitors to Canada. Is that what you are saying?

Mr. Benjamin: Exactly.

Mr. Shields: That is exactly what the NDP are saying. That is what the Liberals are getting to. Have the courage to stand up and say why you are against this. You are against it for political and ideological reasons and that is all.

Mr. Benjamin: What is wrong with that?

Mr. Shields: You will never be able to implement a National Energy Program against western Canada ever again if this free trade agreement goes through and that is the bug in your ear. That is the problem they have on that side of the House. I resent the fact that about 40 Liberal Members of Parliament and 30-odd members of the socialist party, the NDP—

Mr. McDermid: Well, they are not all odd.

Mr. Shields: —are attempting to hijack this House and the people of Canada, using all sorts of innuendo and misleading statements when they talk to the people. We hear it all the time.

Mr. Foster: Let the people decide, Jack.

Mr. Shields: The people will decide if you tell the truth. That is the key. Tell the truth. The Liberals want power in this country because they have been out of office for four years. They want to get back in and centralize control in Canada. It is as plain as the nose on your face exactly what they want. I most thoroughly resent what they are saying in the Opposition about me selling out Canada. I am working damn hard for Canada, I am proud of it, and will continue to work for Canada. This is one of the best deals we could ever get with the U.S. and it will become better over the years.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, we invite the Government to send in more Parliamentary Secretaries to participate in the debate. They will help our cause enormously, just like the intervention by the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. Shields).

Mr. Shields: Call us all traitors again.

Mr. Caccia: He just gave us a gem of an interpretation of what this place is all about. He seems to believe that we in the House of Commons should not be motivated by ideology and political philosophy. That is exactly what this debate is all about. There is a big difference between that side and this side.

Mr. Benjamin: What is wrong with it being political?

Mr. Caccia: There is nothing wrong with developing debate and disagreeing.

Mr. Shields: Point of order, Mr. Speaker. I hope the Hon. Member will look at the "blues" because I said exactly that. Why do they not stand up and say that they are against the free trade agreement for ideological or political or philosophical reasons? That is the whole point. They are not doing that. They are using all sorts of other tactics.

Mr. Caccia: Mr. Speaker, because we are driven by ideology, we are speaking in this debate on every amendment. That is why we are in it. We profoundly disagree with the things the Parliamentary Secretary and others have said.

The debate on this motion is on the question of fairness in the application of the law versus the fairness of the law itself. In this amendment we are saying it is wrong to pass a Bill that will not address the unfairness of the U.S. law when it comes to the settlement of disputes. We are saying that the law we are passing here should address the unfairness of the law, not just its application. To do otherwise means whenever we disagree we will deal only with the symptoms of the disease.

Mr. McDermid: Read Article 1906.

Mr. Caccia: I am just dealing with what the Parliamentary Secretary said earlier. We will deal with the application of U.S. law, not with the cause of the problem, which is the U.S. law. As a result of the Bill we are passing and the clause we are addressing right now, we will be able to deal only with the application of the law and we will not be able to say what is wrong with it, what is unfair and what ought to be changed, as we have done up until now through the system provided by the organization called GATT.

• (2110)

On the one hand the Prime Minister (Mr. Mulroney) went to New York in April of last year and, in an interview with *The Wall Street Journal*, said that U.S. trade remedy laws cannot apply to Canada. On the other hand Clayton Yeutter, the chief U.S. trade representative, when he revised the summary of the agreement which we are debating here tonight, said that U.S. countervailing duty and anti-dumping law will remain intact and unchanged. This is a complete contradiction of what our Prime Minister said 18 months earlier in New York when interviewed by *The Wall Street Journal*.

Under the proposed Bill we will no longer be able to dispute the fairness of the law, we will only be able to dispute the application of the law. I submit that that is a very serious departure and that it can be very dangerous for future Canadian interest in the legislation.

We have many amendments still to come and only 48 minutes before closure will be imposed on debate on this Bill. I will, therefore, yield the floor to my colleague from Winnipeg—Fort Garry to proceed with the next group of amendments.

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. McKinnon): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

Mr. Axworthy: Mr. Speaker, as my colleague has said, we are under closure rules and will not have time to debate all the amendments. Therefore, as important as the next grouping of four amendments is, I would like to defer moving those particular amendments in order that we can move on to the next grouping.

The Acting Speaker (Mr. McKinnon): That is in order. The next motions are Motion Nos. 52 and 70 which will be grouped for debate. A vote on Motion No. 52 will also apply to Motion No. 70.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 52

That Bill C-130 be amended by adding immediately after line 28 at page 41 the following:

"49. All processed agricultural products containing the sum of 10 percent or more by weight of farm products defined by the (National) Farm Products Marketing Agencies Act shall be placed on the import control list effective January 1, 1989."

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 70.

That Bill C-130 be amended in Clause 112 by adding immediately after line 19 at page 85 the following:

"(3) Where it appears at any time to the satisfaction of the Governor in Council that agricultural processed products entering Canada from the United States contain 10 per cent by weight of supply or price managed ingredients, those products shall be placed on the Import Control List."

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, in examining the very complex and sometimes very technical issues surrounding the trade debate, it is important that at times we bring it back to the basics of people's livelihoods, their jobs, their income, their industry and their commitment across the country. The amendments we have presented focus very clearly on a matter of concern to people in the agricultural community.

If I might, I will quote a statement which appeared in the Portage paper in the riding held by the Minister of State for Grains and Oilseeds (Mr. Mayer). The article reports a statement made by Mr. Archie McLean, Vice-President of McCain Food, the largest Canadian-owned food processing industry. The article reads:

McLean said the agreement, which would eliminate most trade barriers between the two countries over 10 years, is a disaster for Canadian farmers and for workers in factories that process farm produce.

"We're going to survive and thrive as a corporation," he said. "We can pick up our factories and go south, but our farmers cannot do that and our factory workers cannot do that."

Under free trade, processing companies will want to buy cheaper U.S. potatoes, McLean said. And they won't want to pay the shipping costs to move them from American farms to plants in Canada, he added.

"If you look around the world, you will find most french fry factories are near growers."

McLean said about 720,000 Canadians work on farms and in food processing and one-quarter of those jobs could disappear as a result of the trade deal.

He said Canada's geography and climate make it impossible for it to compete with the United States in the food industry and he suggested agriculture be exempt from the agreement.

The article continues with further statements by Mr. McLean. Mr. McLean was a member of the advisory group which we were told was closely consulted. I have in my possession a letter which he wrote to the former Minister for International Trade, the Member for Vancouver Centre (Miss Carney), in which he declared that he was a hard-core Tory. He did not say he was a New Democrat, a Socialist, a Liberal, or a Grit. He was a Tory. He said that as a Tory he could say that the trade deal is a disaster. One must assume that he is not speaking from a partisan point of view but from a concern about his industry.

The town of Portage la Prairie, a nice community in the central part of Manitoba, is going to lose its largest industry, and not because Canadians cannot compete, are not entrepreneurs, or are not adventuresome, but because of a thing called climate. Portage la Prairie has temperatures of 20 and 30 degrees below in the winter. We have to put big bins up and pump heat into them in order to keep things warm. Due to our geography we do not grow a couple of crops a year. We have transportation costs.

As a result, if you buy your potatoes further south you can get them for about $90 a tonne. In Portage la Prairie they cost $120 a tonne and in New Brunswick they cost $140 a tonne. The food processing companies which make the frozen French fries, the chicken pot pie dinners, and all the rest are simply saying that they will survive because capital can move. That is the story of the trade deal. This is a deal for big capital which can move and need not worry about boundaries. Mr. McLean put his finger on it. The workers cannot move, nor can the farmers. They have to stay on the land in their communities.

We admit that this deal favours corporate capital but it does not favour farmers or workers because they do not have that flexibility. They cannot push a button and move money around in seconds. This deal clearly discriminates and does not take into account that Canada is on the northern part of the continent, has a harsh winter climate, and must move things long distances, which involves transportation costs which must be paid for.

Over the years we have learned that if we want to be even close to self-sufficient in food, we must provide protection for the farmers and industries which provide that self-sufficiency in food. With one swoop under this agreement the Government, which totally disregards the reality of geography and climate, is going to eliminate those jobs and that procedure. It has nothing to do with the question of whether we are competitive or not or whether Canadians are innovative or not. It simply comes down to reality, a hard sort of reality, but that is what has made us different. We have fought the elements and conquered them. We have found ways of dealing with them and we have used the public sector to do it. We have used the public economy to provide for the means and instruments and policies to ensure we can survive and prosper on the northern part of the continent, and we have always done it in our own judicious way. The fact is that we are changing the right to make those decisions.

• (2120)

Mr. Benjamin: This is incredible. Why did you not say that when you were Minister of Transport?

Some Hon. Members: Hear, hear!

Mr. Axworthy: I will tell you why. It is because our Government retained the right to make choices that modernized the entire transportation system of western Canada, but not according to the Neanderthal from Regina East who did not want us to do anything about it. That is what we mean by being an independent Government with the right to make decisions in this Parliament for Canadians and by Canadians. As a result, we have preserved the great economy of western Canada.

Mr. Shields: That is right, with the national energy policy.

Mr. Axworthy: That is what we are fighting for today. We are fighting to retain the right of Canadians to make those kind of choices. We say that very clearly to all the loud mouths opposite who are now embarrassed. I can tell the Hon. Member for Assiniboia (Mr. Gustafson) is embarrassed because he knows that his own Province of Saskatchewan, a year or two ago when the surveys were done, was in favour of free trade but is now overwhelmingly against it because the farmers of Saskatchewan, just like the farmers of Manitoba and the farmers in southwestern Ontario, realize that it is a bad deal for farmers and a bad deal for the food industry and that it will open up for destruction the supply management system in Canada.

We can put this to a test. We brought in an amendment which will test once again the fate of the Government. The Government says there are no problems. All right, put it on the import control list. Make sure that any produce that faces us can go on the import control list.

Mr. Fraleigh: Mr. Speaker, I rise on a point of order. The Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) is talking about something about which he knows absolutely nothing. What he should be aware of is that the Government of Canada, this Government of Canada, has placed on the import control list all dairy products that have been requested by the industry.

Some Hon. Members: Order!

Mr. Benjamin: Sit down!

The Acting Speaker (Mr. McKinnon): I am very tempted to make an aside, about what up until now has not been a point of order, that you must know something about the subject you are speaking about. The Hon. Member for Winnipeg—Fort Garry.

Mr. Axworthy: The Member will have a chance to debate if he is still with us by 9.45. I would say as well that Winnipeg is in Manitoba. Just because the Government and the Prime Minister (Mr. Mulroney) has forgotten where Winnipeg, Manitoba is in the last four years is no reason why that Member should.

Manitobans in the next election are going to remember this Government. They will put this Government out of business because it tried to put Manitoba out of business. The fact is that we are moving amendments which clearly address the concerns of the Canadian Federation of Agriculture and the Canadian Food Processors. In fact they were raised by the representatives of the largest industry in Canada. In some cases, this goes to the heart of the debate. I think we all basically know that agriculture, the use of the land, is the base of this country. We are not going to stand by and watch this Government ruin it. We are not going to stand by and watch this Government dismantle and undermine and erode the principles, programs, and policies we have built up over the years to ensure that Canadian agriculture can survive and prosper and be maintained in a stable way.

We have done it our own way. If one reads the agreement, one can see that it is not only what is in the agreement which undermines the country; it is the new American legislation which puts on the table for new negotiations, the next round of free trade negotiations, the supply and management system, the standards relating to grain, and all the various programs the Americans do not like. That is on the next hit list.

What kind of leverage will this Government have to deal with that? Is it going to back away and not deal any more? Is it going to say "no"? The Government has said "yes" to every single demand the United States Government has made in the last four years, whether it be steel, pharmaceuticals, or softwood lumber. Every time the American Government says "jump", our Government asks "how high?" That is the problem with this kind of agreement.

This agreement takes away the power of the Canadian Governments, federal and provincial, to ensure that we have the freedom to choose the kind of industry we want and the kind of economy we want. As Mr. McLean, that hard core,

true blue Tory from New Brunswick who also happens to be the Executive Vice-President of the largest Canadian food processing firm and speaks for that industry, said, "this trade deal is a disaster for farmers and workers". That is why the farmers and workers are for it, and they can have all the support of editorialists and corporate presidents because they do not have the kind of will and interest and commitment the people of Canada have. That is the difference between them and us. We represent the people of Canada, not the Government's powerful friends.

Mr. Les Benjamin (Regina West): Mr. Speaker, I will be brief, lucky for all of you. I want to say to the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy), who was the architect of the destruction of the Crow's Nest Pass rate and who has the unmitigated gall to get up and talk about the problems of distance and geography for Canadian agriculture producers, that his speech has to be the worst kind of hypocrisy I have ever heard.

Some Hon. Members: Hear, hear!

Mr. Benjamin: If the hon. gentleman has had a change of heart, if he has changed his mind, I wish he would have the heart to get up and admit it. What he did to Canadian agriculture producers from 1981 to 1983 was unforgivable then and it is unforgivable now.

Some Hon. Members: Order!

Mr. Benjamin: I want to say some things about agricultural producers in my part of Canada and in every other part of Canada with respect to the free trade agreement, and I do not want to hear anymore hypocritical remarks from Liberals.

Some Hon. Members: Hear, hear!

Mr. Benjamin: They have been all over the map, in and out of government. Let us now talk about the Tories who all agreed we have to keep the Crow. Did they bring it back? No. Let us look at the free trade agreement. Let us talk about egg producers. I would like the Parliamentary Secretary to look at the trade agreement.

Mr. McDermid: Which page?

Mr. Benjamin: Let me find the page number. It is page 701, paragraph 3. I want the Parliamentary Secretary to look at it while I am reminding him of a few things. The Canadian Egg Marketing Agency requested to appear before the House of Commons committee. Its request was never even acknowledged.

Mr. McDermid: Wrong.

Mr. Benjamin: It is a worried public entity.

Mr. McDermid: They are not one.

Mr. Benjamin: All right. The U.S. egg industry has attempted to bend the text of the free trade agreement to undermine the Canadian Egg Marketing Agency. I have some large egg producers near Regina.

Mr. McDermid: Show me where it is undermined?

Mr. Benjamin: Just wait for it. There were four items isolated: harmonized standards, tariff removal, allocation of the new global imports, and Article 701.3 of the treaty. The Government has satisfied CEMA, the Canadian Egg Marketing Agency, harmonized standards and tariff removal. CEMA states that the Minister of Agriculture (Mr. Wise) has guaranteed those two areas and that the other two issues remain unresolved. I want the Parliamentary Secretary who has the same hairdo as I have—and that is about the only thing that we have in common—to listen carefully.

• (2130)

Mr. Boudria: They have the same barber.

Mr. Benjamin: Grass does not grow on a busy street.

"The FTA increases the amount of imports Canada is obliged to accept—" and I want my friend to pay attention "—to approximately the level of global and supplemental import permits—".

When CEMA proposed to the Government elaborating the solution the Minister for International Trade (Mr. Crosbie) and the Minister of Agriculture, to quote CEMA, "will continue to work with us to find a solution". The Minister of Agriculture assured the agency: "—we are not captured by this wording 'under the current definition of a public entity.' In fact, the Minister and his officials have repeatedly assured us that a dispute panel reviewing this issue would like to rule in Canada's favour." That is what the Minister of Agriculture said.

However, when we get down to what the U.S. of A. is doing, CEMA states:

> In the considered view of our Washington counsel "it seems to be beyond a reasonable doubt, now, that once the FTA takes effect, the United States government, with the energetic help of the domestic industry, will closely scrutinize virtually every aspect of CEMA's removal program. It is equally certain that the purpose of this scrutiny is to prepare an action against the removal program under Article 701.3"

In other words, the U.S. Government, the U.S. administration, dictates and butts in with respect to what the Canadian Egg Marketing Agency can do. In fact, they are allowed to do that under everything. Even CEMA cautions the Government against these trade talks and that it holds great risk for Canadian egg producers. Today, states CEMA, it takes the same position. In fact, it goes on to state that the Canadian Egg Marketing Agency holds the same view as it pertains to a threat to the operations of the Canadian Wheat Board.

Everything the Minister of Agriculture and the Minister for International Trade have said to us in this House and outside this House has been categorically denied or opposed by the membership of the Saskatchewan Wheat Pool and by the

Canadian Egg Marketing Agency. My hon. friend from Alberta—

Mr. Shields: Athabasca.

Mr. Benjamin: —ought to look at what the delegates of the Saskatchewan Wheat Pool did last month. They voted 80 per cent against this deal.

Mr. Shields: Because they were listening to uninformed rhetoric.

Mr. Benjamin: No. They split 50-50 in December of last year. In July of this year they voted 80 per cent against the deal. My hon. friend from Alberta should go to talk to some of his Tory friends who are members of the Saskatchewan Wheat Pool and he will get an earful, provided that he can listen.

What the Minister of Agriculture told us and what the Minister for International Trade told us has been denied and rebutted by the Canadian Egg Marketing Agency, by legal counsel in Washington and by a congressional committee. In fact, the United States administration has clearly accepted and promised to act upon an interpretation of Article 701.3 which would severely undermine Canada's egg marketing-egg supply management system.

The egg industry, let alone poultry, grain or a host of other agricultural producers, including raspberries—and we are sure going to give the Government the raspberry on this one—state that the position is undermined and opposed by the very people that this Government claims it is going to create a market for. The United States has already made it perfectly clear that it will not hold still for any increase in the Canadian ability to market agricultural products in the United States. The Government is wrong on this one, as it is wrong on most of the other ones.

The Acting Speaker (Mr. McKinnon): I regret to inform the Hon. Member but his time has expired. The Chair recognizes the Hon. Parliamentary Secretary on debate.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the Hon. Member who just spoke was right on two counts. First, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) speaks out of both sides of his mouth, or with forked tongue. The other thing that he says which is accurate is that we have the same style of haircut. Other than that, he was way off base tonight.

Let me cover the amendment that the Hon. Member for Winnipeg—Fort Garry is attempting to bring in. I do not pretend to be an expert on agriculture.

Some Hon. Members: Hear, hear!

Mr. McDermid: I know what the agreement says about agriculture. I watched the Hon. Member for Winnipeg—Fort Garry who says that they represent the people and that he knows all about the agricultural industry and so on and so forth. He waxed eloquent here on it tonight. He is the only Liberal on the Prairies and he says: "We represent the people". Who is going to believe that?

He has been going around the country for the last I do not know how long quoting Mr. Archie McLean, Vice-President of McCain Foods. Mr. McLean wrote this letter. We invited him to appear before the committee. We had a time slot for him and everything else. We were going to ask him where he got all his figures from, these wild exaggerated figures that he was producing. Do you know what, Mr. Speaker? He did not show up. He cancelled out at the last minute because he knew that he could not substantiate the figures that he was throwing around. The Food Processors Association does not back him up on what he is saying. The only person they have been able to quote over the last period of time is Archie McLean, Vice-President of McCain Foods.

Do you want to know what his bottom line is, Mr. Speaker? I will tell you. It is: "Get rid of marketing boards". That is his bottom line. That is what he wants to do. It has nothing to do with the free trade agreement—not a thing. Archie—and he was afraid to come before committee because that is the first question I would have asked him—did not have the guts to show up. He is against marketing boards. He wants marketing boards done away with. The Hon. Member for Winnipeg—Fort Garry sitting there smirking knows that full well.

The amendment that the Hon. Member proposes is totally unnecessary. Article XI of the GATT allows countries to restrict imports to the extent necessary to allow the operation of the supply management programs. There are some supply management programs here. As a matter of fact, since the free trade agreement was signed, as my hon. friend pointed out earlier, we have added some products to the import control list. The way the opposition Members talk it sounds as if they have not read the agreement.

• (2140)

Mr. Axworthy: No, it's your Minister who has not read the agreement.

Mr. McDermid: Article 710, International Obligations, states:

> Unless otherwise specifically provided for in this Chapter, the Parties retain their rights and obligations with respect to agricultural, food, beverage and certain related goods under the General Agreement on Tariffs and Trade (GATT) and agreements negotiated under the GATT, including their rights and obligations under GATT Article XI.

GATT Article XI gives us the right to impose quotas in the future. The authority to do so is found in the Export and Import Permits Act. If the importation of an agricultural product undermines the effectiveness of a supply management program we can, in accordance with our GATT rights and Article 710 of the agreement, place that produce on the import control list. We have done it already.

Mr. Benjamin: Now go to Article 701.

Mr. McDermid: We have done it already in the dairy end. For the Hon. Member to stand up here and say "listen, we are going to watch how you vote tomorrow night on this particular amendment, you guys, because if you do not support this amendment, then you are against management boards, and farmers" is nonsense.

Mr. Benjamin: That's true.

Mr. McDermid: What nonsense. Farmers know full well that, in this agreement, we have protected the marketing boards. That is why the dairy farmers of Canada support the free trade agreement.

Mr. Benjamin: Go to Article 701.

Mr. McDermid: They came out and supported it. Would the farmers have supported the agreement if we had destroyed their supply management system? Of course they would not.

Then I hear about the chicken producers.

Mr. Benjamin: Eggs this time. It was chickens last time.

Mr. Foster: And they are coming home to roost, too.

Mr. McDermid: I probably have one of the largest chicken processing plants in Canada in my constituency. Since the free trade agreement was signed that plant is putting in a $14 million addition and hiring 300 more people. This is a food processing industry in this country. Two young entrepreneurs started selling eggs door to door. Today they have brought forward one of the finest food processing operations in Canada. Are they shying away from the free trade agreement? Not on your life. They are accepting the challenge, expanding, hiring people, and exporting their products into the United States. I hear this doom and gloom about how Portage la Prairie will disappear, and all these terrible things will happen. The doom and gloom boys are at it again tonight. They love to try and convince the Canadian public that, because of this very excellent free trade agreement which was signed between the two sovereign nations that are the best allies and friends in the world, Canada will somehow magically disappear off the face of the earth. There is nothing further from the truth. When the election campaign comes along, and we are looking forward to it—

Mr. Axworthy: Hurry, let's go.

Mr. McDermid: The Hon. Member for Winnipeg—Fort Garry will be ducking for cover, I guarantee. We recommend defeat of this superfluous amendment that does not mean a thing, because our farmers and marketing systems are protected under the agreement.

Mr. Maurice Foster (Algoma): Mr. Speaker, if the Hon. Parliamentary Secretary believed what he was talking about, and if he believed that the SAGITS that were appointed by the Government were meaningful and were going to do anything, the amendment before the House would have been contained in the free trade deal. Mr. Archie McLean, who is a member of the agriculture and food processing industry was a member of SAGITS, and the SAGITS recommended that this be in the deal. However, the Government did not put it in the deal because the Americans did not want it in the deal. They want to take over the whole Canadian food processing industry.

If anyone looks at Mr. McLean's letter, he or she will see that 22 of the 26 largest food processing companies in Canada are American owned, for example, Proctor and Gamble, Nabisco, and so on. They do not want to process food in this country. They want to process it in the United States and ship into the Canadian market.

The Parliamentary Secretary talks about who is in favour of the deal. He should go down and talk to the UPA in Quebec. It is not in favour of the deal. He should talk to the Ontario Federation of Agriculture. It is not in favour of the deal. He should talk to the advisory board to the Canadian Wheat Board. On July 17 it passed a resolution in which it opposed the free trade agreement because it would undermine the ability of the Canadian Wheat Board to be an effective marketing agency on behalf of all Canadian grain growers.

There is a large number of Canadian agricultural groups extremely opposed to the agreement, but nobody is more concerned than the supply management sectors of the Canadian agriculture, the dairy producers and the poultry producers that operate in this country by an administered price. We have in place import and production controls, and we have the most healthy agricultural sector anywhere in western Europe or in North America because of our supply management system. Knowledgeable people who have looked at this deal believe that in the long run it will destroy our marketing board and supply management system.

There are two factors involved. First, there is a provision in the GATT agreement, Article 711, which provides the umbrella that allows us to have import controls. The Americans are going to GATT, as are the Cairns Group and others, stating that they want to get rid of that provision of the GATT. We say in this agreement that we are going to GATT, agreeing to get rid of all agricultural subsidies. Canadian farmers do not think of supply management as being a subsidy, but American farmers and the American Government believe that something like 50 per cent of the income of Canadian dairy farmers is considered a subsidy because it results from the supply management system. That is one aspect. When GATT sees us giving in on many of these things with the import controls and so on, that will be the next thing to fall in the GATT negotiations.

More important is the whole food processing industry. It believes if the tariff is removed on highly processed foods, such as Mr. McLean is stating, then it is much cheaper to process the food in the United States and bring it into Canada, because it is much cheaper to buy it in the United States. For instance, when he made a presentation to our caucus task force in February, 1988, in Fredericton, he stated that their plant

which produces pizza at Grand Falls in New Brunswick employed some 250 people. Because of the cost of the cheese used in that pizza production—and they are the largest producer in Canada of frozen pizza—they will simply have to move to the United States. There we lose 250 jobs.

That is typical of the whole system, unless a mechanism is put in place, as was recommended by the SAGITS and as is recommended in this amendment before us tonight, so that all highly processed food that has more than 10 per cent by weight of supply management products such as milk, cheese, butter, eggs, poultry, or turkey, is put on the import control list.

• (2150)

The Parliamentary Secretary talks about putting things on the import control list, such as the Government did for yoghurt and ice-cream. He did not say that they have ever negotiated any limit. They have put them on the import control list but there has been no limit applied. The United States has already appealed that to GATT. If we look at the drafting instructions which came out of the United States Congress, they have a hit list that says: "First of all, we think that you have made fairly good progress in this free trade deal, in knocking down the whole supply management system for poultry and eggs and turkeys and so on, but we want all those tariffs removed in the long haul".

There is no question about what the United States position is going to be at the MTN in Geneva. There is no question of how successful they were and how the Europeans were at the GATT on the wine industry.

This Government is going to GATT, supporting the United States, and saying: "We are going to GATT to get rid of all the subsidies". The United States has a mechanism called the PSM, the producer subsidy equivalent, which applies to our supply management. They are going there and saying: "We are getting rid of all subsidies in this negotiation of the GATT round". This very simple amendment did not come simply from the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). It came from the Government's own advisory group. It is a small chink in the armour to try to maintain that supply management system. I do not believe that anybody can honestly look at what the Government is doing, first of all, by removing all tariffs on highly processed food, going to the GATT, saying that it is supporting the American position on Article XI, and really believing that it wants to maintain the supply management system. We are pretty sure that it does not. If we listen to the Minister of Consumer and Corporate Affairs (Mr. Andre), he says: "Yes, we want to get rid of it". If we listen to what the Minister of Finance (Mr. Wilson) says at the OECD meetings, he says: "Yes, we want to get rid of supply management".

There is no question that if this Government were ever to implement this deal, if it were ever to be re-elected—and hopefully, for the benefit of Canadians farmers, neither one of those things will ever occur—that the supply management system would be destroyed in Canada, because that is its policy. It is not honest enough to say it publicly, but that is clearly the direction it is taking.

It is very interesting to note that so many of the agricultural groups, in spite of all their tricks and so on, are on to them. I was very, very interested in the decision by the Canadian Wheat Board Advisory Committee to oppose it. I was interested in the Saskatchewan Pool voting 120 to 24 to reject supporting this free trade deal. People in the horticulture industry in British Columbia and Ontario are extremely concerned that their industry will be destroyed.

This is a good amendment. The Government should be accepting it.

Mr. McDermid: Why?

Mr. Foster: It is the minimum type of thing that was recommended by the Special Advisory Group on International Trade which the Government appointed and, of course, swore to secrecy. Thank heaven there was one who was willing to stand up and say what was going on because, otherwise, this recommendation would not have even been made. It is not only supported by the Hon. Member for Winnipeg—Fort Garry; it is supported by practically every agricultural group in the country.

Mr. McDermid: Nonsense.

Mr. Foster: The Canadian Federation of Agriculture supported it. The Ontario Federation of Agriculture supported it. The UPA supported it. Practically every responsible group involved in the dairy and poultry industry, plus those industries themselves, supported this recommendation.

When we were going through that very serious downturn in the agricultural economy in the last couple of years, the sectors that were surviving better than any other were the dairy and poultry producers. They had an administered price relating to the cost of production. That is going to be thrown away in this free trade deal. We do not have to look very far through the recommendations of Mr. McLean to see that this deal not only changes the whole situation with regard to supply management but puts the United States into the driver's seat. As we remove those tariffs, those 80 per cent of multinationals that are now the food processors of this country could easily move back across the border, get their supplies and their produce there, process it and ship it into Canada, and we lose hundreds of thousands of jobs in the deal.

Mr. Jack Shields (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I think that there is probably no sector more volatile to international trade actions than agriculture. I think that all of my colleagues would probably agree with that. We on this side of the House know that our farmers can compete on an equal footing with anyone in the world. We know that.

An Hon. Member: Including supply management commodities?

Mr. Shields: We are convinced of that. This is evidenced by the fact that we export almost $4 billion in agricultural products to the United States alone. We export almost $5 billion to 60 other countries in the world. This is at a time when there has been a trade war in agricultural products between the United States and the European Common Market. Our farmers can compete.

Mr. McDermid: Hear, hear!

Mr. Shields: What we need for our farmers and for the agricultural industry is more access and more secure access to the huge U.S. market. This agreement achieves that, while at the same time it preserves our right to maintain existing marketing boards and our right to implement new ones if we see fit. It is in the agreement. That is what our hon. friends across the way fail to grasp, to express, and to understand.

The agreement also maintains our farm income stabilization and price support programs, not to mention the impact of reduced input cost that this Government has brought in the past.

By the end of the next decade agriculture and food products such as meat, livestock, grain, oilseeds, and all other products we have produced in abundance in this country, will be able to compete on an equal footing in the American market without the burden of tariffs and other barriers at the border. This is important because in 1986 over $1 billion worth of beef and pork and their products were exported to the U.S. by Canadians. This will secure that market and provide the framework to expand. That is what the free trade agreement does for agriculture.

Speaking for the beef industry, Stan Wilson, President of the Canadian Cattlemen's Association had this to say: "For the beef industry, it would mean that processors and wholesalers could develop more permanent markets for finished products, since we would exempt each other from the provisions of our respective meat import laws. Instead of exporting live cattle we would employ many Canadians in processing and adding value to these animals. Our packing industry would become more competitive because of the economies of scale that additional cattle would provide".

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. McKinnon): The Hon. Member on a point of order.

Mr. Allmand: I wish to point out that this debate is ending now because the Government has imposed closure on—

Some Hon. Members: Oh, oh!

The Acting Speaker (Mr. McKinnon): I hope that it will come closer to being a point of order than the last one. The Hon. Parliamentary Secretary.

Mr. Shields: I wonder if I could have the indulgence of the House, Mr. Speaker, to finish my remarks.

Some Hon. Members: No.

The Acting Speaker (Mr. McKinnon): Obviously, there is not unanimous consent.

• (2200)

The first question is on Motion No. 52 standing in the name of Mr. Axworthy.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. McKinnon): Pursuant to Standing Order 114(11), a recorded division on the proposed motion stands deferred.

The second question is on Motion No. 70 standing in the name of Mr. Langdon.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. McKinnon): Pursuant to Standing Order 114(11), a recorded division on the proposed motion stands deferred.

Mr. Shields: Mr. Speaker, I rise on a point of order. I did not have my full 10 minutes. Could I be first in the debate tomorrow?

Mr. Axworthy: Mr. Speaker, we would be glad to give consent for the Hon. Member to continue tomorrow if the Government agrees to give us a full day of debate tomorrow at report stage.

Mr. Speaker: I am sure that if Hon. Members discuss the matter perhaps agreements would be worked out. I, of course, would be very pleased to hear representations at another time.

It being ten o'clock, pursuant to Order made Wednesday, August 17, 1988, it is my duty to interrupt the proceedings and to put forthwith every question necessary to dispose of the report stage motions in amendment to the Bill now before the House.

Mr. Axworthy: Mr. Speaker, I rise on a point of order. Thank you for bringing to our attention the arduous task for the evening. Because of discussions between the three Parties we have worked out a procedure that we think will save the time of the Chair and certainly the House. There are a number of motions still on the Order Paper to be dealt with but if each of the remaining motions that were presented in my name and presented by the Hon. Member for Essex-Windsor (Mr. Langdon) would be deemed to be put and that all recorded divisions be deferred until tomorrow at 6 p.m., I think you would find there is unanimous consent to do that.

Mr. Speaker: The House has heard the proposal of the Hon. Member for Winnipeg—Fort Garry supported by the Hon. Member for Essex—Windsor. Is there agreement?

Mr. McDermid: Mr. Speaker, there have been discussions among the Parties and we agree with the proposal.

Mr. Speaker: Is this agreed?

Some Hon. Members: Agreed.

Mr. Speaker: I therefore declare all of the motions in the name of Mr. Axworthy moved and seconded by Mr. Caccia, and a recorded division on each motion deferred until tomorrow evening at six o'clock pursuant to a Special Order.

I also declare all of the motions in the name of Mr. Langdon moved and seconded by Mr. Angus and a recorded division on each motion deferred until tomorrow evening at six o'clock pursuant to Special Order.

Hon. Lloyd Axworthy moved:

Motion No. 53.

That Bill C-130 be amended by deleting Clause 49.

Motion No. 54.

That Bill C-130 be amended by deleting Clause 50.

Motion No. 55.

That Bill C-130 be amended by deleting Clause 51.

Motion No. 57

That Bill C-130 be amended in Clause 57 by striking out lines 20 to 23 at page 47 and substituting the following therefor:

"(3) In this section,

(a) "local signal" means

(i) a signal that is readily receivable directly from the terrestrial station by a significant proportion of the public within the licensed service area of the retransmitter;

(ii) a signal of a terrestrial station the Grade B official contour of which, or the equivalent thereof as determined by the Department of Communications, is within 32 kilometres of any part of the licensed service area of the retransmitter; or

(iii) such further and other signals defined or designated as local in regulations the Governor in Council may make; and

(b) "distant signal" means any signal that is not a "local signal"

(4) the Governor in Council may make regulations relating to the applications of subparagraph (4)(a).

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 59

That Bill C-130 be amended in Clause 58 by striking out lines 28 and 29 at page 47 and substituting the following therefor:

"to 50.7 the Board may make regula-".

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 60

That Bill C-130 be amended in Clause 59 by striking out lines 7 to 11 at page 51 and substituting the following therefor:

"50.4(1) The Board shall, in establishing a manner of determining royalties under paragraph 50.3(1)(a), ensure that it does not have any material impact upon small retransmission systems serving small and isolated communities.

(2) In this section a "small retransmission system" is a system licensed under the Broadcasting Act having 6,000 or fewer subscribers."

Motion No. 62

That Bill C-130 be amended in Clause 70 by striking out lines 4 to 23 at page 58.

Motion No. 63

That Bill C-130 be amended in Clause 70 by striking out line 7 at page 59 and substituting the following therefor:

"United States or a project in the United States undertaken by the Government of Canada and destined to become the property of the Government of Canada;"

Motion No. 66

That Bill C-130 be amended in Clause 91 by striking out line 3 at page 73 and substituting the following therefor:

"(a) may be made more than once".

Motion No. 67

That Bill C-130 be amended by deleting Clause 102.

Motion No. 68

That Bill C-130 be amended by deleting Clause 104.

Motion No. 71

That Bill C-130 be amended by adding immediately after line 2 at page 90 the following:

"121. Any restrictions on the export of Canadian grain under the provisions of this Act shall be contingent on the United States administration keeping exports to Canada at the same level while those restrictions are in place."

Motion No. 72

That Bill C-130 be amended in Clause 123 by adding immediately after line 29 at page 90 the following:

""87.2 The Parliament of Canada may require a minimum percentage of issued end-use certificates to be investigated annually to ensure compliance with section 87.1.""

Motion No. 73

That Bill C-130 be amended by deleting Clause 127.

Motion No. 74

That Bill C-130 be amended by deleting Clause 128.

Motion No. 75

That Bill C-130 be amended by deleting Clause 129.

Motion No. 76

That Bill C-130 be amended by deleting Clause 130.

Motion No. 77

That Bill C-130 be amended by deleting Clause 131.

Motion No. 78

That Bill C-130 be amended by deleting Clause 132

Motion No. 79

That Bill C-130 be amended by deleting Clause 133.

Motion No. 81

That Bill C-130 be amended in Clause 136 by striking out line 32 at page 104 and substituting the following therefor:

"the purposes of this Act. The Board shall retain the right to accept or reject orders made by the Governor in Council."

Motion No. 83

That Bill C-130 be amended in Clause 136 by striking out lines 34 to 37 at page 104 and substituting the following therefor:

"is not binding on the Board."

Motion No. 84

That Bill C-130 be amended in Clause 136 by adding immediately after line 41 at page 104 the following:

"(5) The Board will have the same status and authority with respect to the Agreement and domestic legislation as the United States Federal Regulatory Commission and Economic Regulatory Administration."

Motion No. 85

That Bill C-130 be amended in Clause 136 by striking out lines 42 and 43 at page 104, lines 1 to 50 at page 105 and lines 1 to 11 at page 106.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 86

That Bill C-130 be amended in Clause 136 by striking out lines 42 and 43 at page 104 and lines 1 to 5 at page 105 and substituting the following therefor:

"84.3(1) The Governor in Council must, by order ensure that exports of energy goods to the United States are in accordance with 83(a) of the National Energy Board Act.

(2) The Governor in Council may, by order, declare that the maintenance or introduction of a restriction in the exportation to the United States of energy goods or of any quality, kind or class thereof is required under subsection (1), or is justified under Article 904 of the Agreement."

Motion No. 87

That Bill C-130 be amended in Clause 136 by striking out lines 47 to 50 at page 105 and lines 1 to 11 at page 106 and substituting the following therefor:

"84.6 The Board may not, under any circumstances, issue a licence for the exportation of such energy goods to the United States unless it is satisfied that such exports are in accordance with section 83(a) of the National Energy Board Act."

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 88

That Bill C-130 be amended in Clause 137 by striking out line 33 at page 106 and substituting the following therefor:

"countries including the United States."

Motion No. 89

That Bill C-130 be amended by deleting Clause 137.

Motion No. 92

That Bill C-130 be amended by deleting Clause 145.

Motion No. 95

That Bill C-130 be amended by deleting Clause 146.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 96

That Bill C-130 be amended in Clause 152 by striking out line 22 at page 122 and substituting the following therefor:

"tion (1) unless the Governor in Council, with approval of the Parliament of Canada, is".

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 100

That Bill C-130 be amended by deleting the Preamble.

Mr. Speaker: Pursuant to Standing Order 114(11), recorded divisions on the proposed motions stand deferred.

[*Translation*]

Pursuant to the order of Wednesday, August 17, 1988, the previously deferred divisions are again deferred until 6 p.m. on Tuesday, August 23, 1988.

[*English*]

It being 10 p.m. this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 10.05 p.m.

HOUSE OF COMMONS

Tuesday, August 23, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, persuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to the two petitions numbered as follows: 332-5112 and 332-5153.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

Hon. Doug Lewis (for the Secretary of State of Canada) moved for leave to introduce Bill C-152, intituled An Act to establish the Canadian Heritage Languages Institute.

Mr. Speaker: Shall the Hon. Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

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

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

Some Hon. Members: Agreed.

[*English*]

NATIONAL CAPITAL ACT

MEASURE TO AMEND

Hon. Doug Lewis (for the Minister of Public Works) moved for leave to introduce Bill C-153, an Act to amend the National Capital Act.

Mr. Speaker: Shall the Hon. Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

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

* * *

CANADA LABOUR CODE

MEASURE TO AMEND

Mr. Reginald Stackhouse (Scarborough West) moved for leave to introduce Bill C-317, an Act to amend the Canada Labour Code (severance pay).

Mr. Speaker: Shall the Hon. Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Stackhouse: Mr. Speaker, the intention of this Bill is to provide some protection, especially for middle-aged and older workers who find themselves increasingly vulnerable to plant closures.

The provisions of this Bill would be that anyone who has worked 20 years or more for an employer with 50 employees or more would receive at least six months' severance in the case of a plant closure. I do not assume that this would mean the worker concerned would be without suffering at all, but at least this would provide some protection in the face of circumstances that he or she cannot control, and provide some opportunity for re-adjusting himself or herself to new circumstances and new challenges.

I hope that this Bill can be considered by the House before long and that it can be given the approval that so many middle-aged and older workers seek.

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

• (1110)

PETITIONS

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Derek Blackburn (Brant): Mr. Speaker, I have the honour and privilege this morning to rise in my place under Standing Order 106 to present a petition signed by several constituents urging the Government to call an election on the free trade deal, in that they feel that the people of Canada should be the ultimate judge and jury on this matter.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have the honour to table two petitions signed by residents of the city of Winnipeg in which the petitioners state that the Conservative Government had no mandate from the Canadian people to conclude a free trade agreement with the United States. The petitioners believe that the proposed trade agreement not only denies Canadians secure access to the United States market, which was a key objective in these negotiations, but threatens the loss of hundreds of thousands of Canadian jobs.

The petitioners humbly pray and call upon Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement during a national general election.

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I have a petition signed by a number of people from Toronto which states that whereas families throughout Canada need high quality, available, and affordable child care, the Government has repeatedly recommended that it would make services available; and whereas the child care Act has neither national objectives nor necessary funding arrangements and will not ensure that families have access to high quality child care, the child care Act is not in the best interests of young children, women, or families. Therefore, the petitioners call upon Parliament to withdraw the child care Act forthwith.

[*Translation*]

REQUEST FOR RETENTION OF TEN WEEK QUALIFYING PERIOD FOR UNEMPLOYMENT INSURANCE

Mr. Fernand Robichaud (Westmorland-Kent): Mr. Speaker, it is also my duty to present to you these petitions from some of my constituents, in particular residents of the communities of Acadieville, Saint-Ignace, Richibouctou and Saint-Louis.

The petitioners deplore Employment and Immigration's decision to increase the period of eligibility for unemployment insurance from 10 to 16 weeks. This decision fails to take into account the high rate of unemployment in the rural regions of my riding. The petitioners request that Parliament take corrective action and reinstate the 10- week eligibility period.

[*English*]

RESEARCH INTO PREVENTION AND CURE OF SCHIZOPHRENIA

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I have a number of petitions to present this morning. The first petition is from residents of the city of Thunder Bay, and some other communities, who note that schizophrenia is a major illness in Canada affecting approximately 1 per cent of the population. It causes severe mental anguish and suffering to the patients and to their relatives. It costs Canadian society more than $3 billion annually in direct health care and in other support costs. The petitioners note research findings about the biochemical nature of this disorder, and the hope for a cure. The petitioners note that there is limited support for this research.

Therefore, the petitioners call upon Parliament to ensure that research efforts related to schizophrenia will in the future be commensurate with the seriousness of this illness in Canada.

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, the second petition is from residents of the cities of Toronto, Oshawa, and some other primarily southern Ontario communities. The petitioners note that Canadian families need high quality, available, and affordable child care services. It has been repeatedly recommended that in order to make these services available to families, the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for the development of a comprehensive, non-profit child care system accessible to all families. The child care Act proposed by the Government contains neither national objectives nor necessary funding arrangements. Consequently, it is not in the best interests of young children, women, or families in Canada. Therefore, the petitioners call upon Parliament to withdraw the proposed child care Act forthwith.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, the third petition is from residents of the city of Thunder Bay who note that the Conservative Government had no mandate from the Canadian people to conclude a free trade agreement with the United States. In the course of the bilateral trade negotiations the Prime Minister (Mr. Mulroney) promised that Canadian sovereignty would not be compromised. However, the petitioners assert that the trade agreement negotiated by the Mulroney Government threatens the very fabric of Canadian political and economic sovereignty by removing the power of the Canadian Government to effectively control foreign ownership, to develop Canadian energy resources in the best interests of Canadians, and to equalize opportunities between the regions.

Given this attack on Canadian policy freedom in the free trade agreement, the petitioners call upon Parliament to

dissolve and allow the people of Canada the opportunity to accept or reject the supposed free trade agreement during a national general election.

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I have one petition from a number of Canadians. The petitioners indicate that families throughout Canada need high quality, available, and affordable child care services. To make those services available for families, the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for the development of a comprehensive, non-profit child care system which is accessible to all families throughout Canada. The child care Act proposed by the Government of Canada contains neither national objectives nor necessary funding arrangements. It will not ensure that families have access to high quality day care. The proposed child care Act is not in the best interests of young Canadians or children.

The undersigned petitioners call upon Parliament to withdraw the proposed child care Act forthwith.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I wish to present a petition on the issue of child care. The undersigned petition that Parliament withdraw the proposed child care Act forthwith. The petitioners feel that the proposed child care Act contains neither national objectives nor necessary funding arrangements, and will not ensure that families have access to high quality child care. The petition is signed by some 30 Canadians, a number of whom reside in my constituency.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, Question No. 386 will be answered today.

[*Text*]

GRANTS AND/OR LOANS IN METROPOLITAN TORONTO AREA

Question No. 386—**Mr. Redway:**

Since September 4, 1984, did the Canada Development Investment Corporation make grants and/or loans to persons or corporations, non-governmental organizations and governments within Metropolitan Toronto and, if so, to which ones and, in each case, in what amount and for what purpose?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Canada Development Investment Corporation has not provided any grants and/or loans to persons or corporations, non-governmental organizations and governments within Metropolitan Toronto since September 4, 1984.

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, if Question No. 361 could be made an Order for Return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that question No. 361 be deemed to have been made an Order for Return?

Some Hon. Members: Agreed.

[*Text*]

FEDERAL EXPENDITURES IN THUNDER BAY AREA

Question No. 361—**Mr. Angus:**

For each of the two years immediately prior to September 4, 1984, did any government departments or agencies spend money in the (*a*) constituency of Thunder Bay—Atikokan (*b*) community of Thunder Bay, Ontario (*c*) community of Atikokan, Ontario (*d*) area made up of the constituencies of Thunder Bay—Atikokan, Thunder Bay—Nipigon and Kenora—Rainy River and, if so, by which departments or agencies and, in each case (i) in what amounts (ii) under which categories and programs was the money spent?

Return tabled.

[*English*]

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

Mr. Boudria: Mr. Speaker, I rise on a point of order. The Parliamentary Secretary will know that I have stood in my place on a number of occasions regarding a question on the Order Paper standing in my name which has been there since March 15, 1988. It is a question which is designated for a 45-day response. As you know, Mr. Speaker, that means that the Government has no choice but to give the answer within the period of 45 days.

As I indicated previously, I put that question on the Order Paper on March 15. Today is August 23. I understand that it is a complicated question, however, perhaps the Parliamentary Secretary could advise if the Government is making some headway toward answering this question concerning the funds received from the Government of Canada by an individual named Jean Sirois.

Mr. Hawkes: The Hon. Member raised this only a few days ago.

Mr. Boudria: No, approximately two weeks ago.

Mr. Hawkes: At that point I undertook to look into the matter. Members will remember that this is a question which is asked of all Departments, agencies, and Crown corporations.

I previously advised the House that questions that are in series rather than a single question require the Government to respond from every single Department, agency, and Crown corporation. The Hon. Member could receive answers much more quickly to a large part of this issue with a somewhat simpler question. The inquiries I have made indicate that there is at least one, and perhaps a couple more Departments or agencies that have not responded. We have the answer to 99 per cent of the question, but until we have a 100 per cent answer it is not appropriate for me to bring it to the House.

• (1120)

GOVERNMENT ORDERS

[*English*]

INCOME TAX ACT AND RELATED ACTS

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts, as reported (with amendments) from the Standing Committee on Finance and Economic Affairs.

Mr. Speaker: I am now ready to make the usual preliminary ruling on some of the amendments that have been submitted. There are 17 motions in amendment set down on the Notice Paper in relation to Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Acts, 1977 and certain related Acts.

[*Translation*]

I am now ready to make a preliminary ruling on some of the motions that are admissible. I will return later today to make a complete and final ruling on the remaining motions.

[*English*]

Motions Nos. 1, 2, 7, 14, 15, and 17 are in order and each of them will be debated and voted upon separately.

Mr. Cassidy: Would you repeat that, Mr. Speaker, please?

Mr. Speaker: I will go slowly. I am sorry.

Mr. Cassidy: Just the numbers.

Mr. Speaker: The Member for Ottawa Centre.

Mr. Cassidy: On your final judgment, it is not to be anticipated that you will rule in order any of the other motions that are on the Order Paper, is that correct?

Mr. Speaker: I do not know that it is appropriate to necessarily get into what I am going to come back to the Chamber on, but there is no problem with these.

Mr. Cassidy: All right. Thank you.

Mr. Speaker: The Hon. Member may have had some constructive discussion with the Table. If the Hon. Member would like to speak with the Chair after—

Mr. Cassidy: That is not a problem, Mr. Speaker.

Mr. Speaker: What I am going to do now is proceed with these motions when debate will commence.

[*Translation*]

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No 1

That Bill C-139 be amended in clause 6

(a) by striking out line 37 at page 11 and substituting the following therefor:

"a taxpayer in excess of $20,000 (plus the provincial retail sales tax, if any) or such"

(b) by striking out line 41 at page 15 and substituting the following therefor:

"passenger vehicle exceeds $20,000 (plus the provincial retail sales tax, if any) or"

(c) by striking out line 45 at page 15 and substituting the following therefor:

"$20,000 (plus the provincial retail sales tax, if any) or that other prescribed"

(d) by striking out line 9 at page 16 and substituting the following therefor:

"(iii) $20,000 (plus the provincial retail sales tax, if any) or such amount as".

M. Garneau: Mr. Speaker, I would like to speak on Motion No. 1 because I understand that each motion ruled admissible by the Chair will be debated and voted upon separately. Consequently, on the basis of my understanding of the Speaker's ruling, I would like to speak on Motion No. 1.

Mr. Speaker, tax reform has given rise to all kinds of amendments, and I would say that the entire issue of whether or not to tax the automobile expenses of people who use their vehicules for business purposes has created an incredible amount of confusion.

The House of Commons Committee on Finance and Economic Affairs has received a number of representations from various associations and accountant groups, and as a Committee we have made recommendations to this House to the effect that the reform proposed by the Government and the Minister of Finance (Mr. Wilson) regarding taxation of the automobile expenses of entrepreneurs, small businesses and others who use their own vehicles for business purposes made no sense.

I could quote all the evidence received by the Finance and Economic Affairs Committee. First, the Conservative government's proposal was astonishingly complex; on the other hand, it went against one of the objectives we on this side of the House have—and I imagine that is true of the other side as well—to encourage entrepreneurship and assist small and medium-sized business.

In achieving this objective, we must try to simplify our tax laws as much as possible, so that taxation, the many reports and all the complications, do not make it still more difficult for a man or a woman to get started in business, to be an entrepreneur, to open a small business, et cetera.

I don't need to tell you that the way the government is proposing to tax cars as well—and it intends to tax personal cars used for business purposes—will create complications and nightmares for independent workers. I am thinking, for example, of insurance agents and real-estate agents, who have to use their car to get around, of accountants who have to go and see their clients, and so on.

Mr. Speaker, by making recommendations, by exerting pressure, we have I believe partially succeeded in getting the Minister of Finance to accept certain changes. He has dropped most of the complications that he had introduced, keeping only two major changes. One of those is a limit of $20,000 per car, that is to say, if a taxpayer using his car for business purposes pays more than $20,000 for that car, he can claim capital cost allowance (CCA) on only the first $20,000 of the cost. Even if his car cost him $25,000 or $30,000, he will not be able to use a CCA rate applicable to an amount higher than $20,000.

We have no difficulty with this approach. There have of course been all sorts of representations made. At the Finance and Economic Affairs Committee we have looked at those representations, and we have analysed the average costs of cars normally purchased by companies. It seems fair to say, Mr. Speaker, that when the car in question is a company car, purchased for the use of salaried representatives, the problem isn't particularly serious.

It becomes serious, I believe, for agents, for independent workers, who don't have two cars. Most have only one: their family car is their business car, and now they are limited to a maximum of $20,000 for purposes of depreciation. I'm thinking of lawyers, accountants, insurance agents, sales reps, real-estate agents. Those people will certainly be penalized because of this maximum.

Furthermore I don't quite see the logic, because this same agent or lawyer could have a very luxurious office, which might cost hundreds of thousands of dollars, and he could depreciate from his income the value of that law office, that accounting office, even if the walls are made of gold and the doorknobs of silver. But when it comes to his automobile, he is told, "You can't buy yourself a car that costs more than $20,000. If you do, you won't be able to claim a CCA of more than $20,000."

Mr. Speaker, obviously, given the limitations on the receivable amendments at this stage of our debate—and the Standing Orders set strict limits—we can't move all sorts of amendments, and what we would like to do is try to make the Minister's proposal at least mean the same all across the country, because obviouly if you buy a $20,000 car you're going to pay $20,000 plus provincial sales tax. In some provinces there is no sales tax. In others, the sales tax is 8 per cent, 10 per cent, perhaps 12 per cent, so that the same car purchased by a taxpayer in Newfoundland, Quebec or Alberta would lead to different tax exemptions in each case because of the level of the provincial sales tax.

And the objective that Motion No. 1 aims at achieving is respect for the $20,000 limit that minister has set as the depreciable maximum on a car for which expenses are being claimed for tax purposes. We are suggesting that this ceiling be modified by adding to it the provincial sales tax, so that the same amount would be depreciable for all taxpayers, whether they be Albertans, Quebecers or Newfoundlanders.

I hope, Mr Speaker, that this measure, designed to ensure that all taxpayers are treated fairly, will be acceptable to the Government and that this House will approve the amendment, which is perhaps more technical than anything else but which would bring put Canadian taxpayers on a somewhat more equal footing, whichever province they live in.

• (1130)

[*English*]

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I would like to respond to my hon. friend. His motion is premised on two arguments and I want to make sure I have them accurately. The first is that provincial sales tax should be included in the limit because provincial sales taxes vary from region to region in Canada.

The second part of his argument is more interesting. He seems to be kicking against the whole notion of a limit or a limit set at $20,000.

Let me deal first with the second point. The Liberals are often called Limousine Liberals and I think I understand why. What the Member wants here is to have cars that cost over $20,000 to be fully deductible with the taxpayer footing the bill. What about a Chevrolet Corvette Coupe at $41,000, Mr. Speaker? Here I see a BMW 528E at $40,400, a Lincoln Mark VII at $36,000 and on and on it goes. The public, the taxpayer, should not have to foot the bill for those kinds of cars.

Some Hon. Members: Right on.

Mr. Hockin: This is crazy. A Cadillac Sedan de Ville I see here in December, 1987, cost $32,950. These prices all include federal sales tax. And we have a Toyota Camry LE wagon. All these are wonderful and very expensive cars, but why should the taxpayers have to foot the bill for them?

Mr. Blackburn (Brant): Most of them are junk.

Mr. Hockin: The Hon. Member for Brant (Mr. Blackburn) knows cars well and I am sure he would agree that the taxpayer should not be carrying the bill.

Mr. Blackburn (Brant): Agreed.

Mr. Hockin: I want the Hon. Member for Laval-des-Rapides (Mr. Garneau) to understand that a Dodge Charger, a Ford Tempo, a Hyundai Stellar are inexpensive cars, but there are other more expensive cars that still cost less than $20,000. For example, a Chevrolet Celebrity Eurosport and my car, a Chevrolet Caprice Classic four-door, is $17,500. What about a Buick Somerset and a Volkswagen Golf? These are fine cars and cost under $20,000.

Mr. Boudria: Why don't you drive one?

Mr. Hockin: There is no need to change the limit, Mr. Speaker. You can find a very fine car for less than $20,000. Why does the Liberal Party want us to move to the Liberal approach to things and have all cars, no matter how expensive they are, deductible? That is not our position. We believe in fairness. Our notion of fairness is to stop at $20,000.

I am very proud of the stand of the Minister of Finance (Mr. Wilson) on this position because he has taken a basic position of fairness. The Liberal Party would rub that out, erase the distinction and we would find that every taxpayer—I do not think the NDP would like this either—paying for BMWs, Cadillacs and so on. It just does not make sense.

The second point is to add the provincial sales tax into the limit. For example, if provincial sales tax is 7 per cent in one province then that amount should be added to the $20,000 and the whole thing considered as the limitation on the cost of an automobile to be deducted for tax purposes. It is quite true in this country that different provinces have different sales taxes. There are many different factors that go into the price of a car from region to region, not just provincial sales tax. For instance, transportation costs are a major cost of a car in different regions of Canada. We all know that.

Mr. Boudria: They have equalized the cost of them now.

Mr. Hockin: I suppose if you could buy a car in Oshawa or in St. Thomas beside Talbotville where Fords are made, or in Oakville, they would be somewhat cheaper than buying cars in Newfoundland or in the Yukon. Transportation is a major part of the differential in costs.

Mr. Boudria: No. They have equalized them.

Mr. Hockin: We also have different retail margins in different parts of the country. Those retail margins have to do not just with volume but with real estate taxes, how expensive it is to have a property in some parts of Canada compared to others. All of these factors mean that it would be silly for the Government to identify one particular factor, namely, the provincial sales tax and add that to the $20,000 limit.

Let us keep the limit at $20,000. It is clear for everybody. You can get a very fine car for that amount of money and I ask the House to defeat the motion and stay with the sanity and the fairness that is inherent in the tax reform proposal.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I had the privilege of taking part over the course of the past year in the deliberations of the Finance Committee on tax reform. On the side of the New Democratic Party, we were in a somewhat unusual and at times difficult position because we disagreed fundamentally with the tax reform because of the lack of fairness, the rates, and that the Conservatives had chosen to continue to allow special privileges for people and corporations of wealth for capital gains, et cetera, et cetera. At the same time we had to deal with a lot more specific concerns from people who have to work with the tax system on a day-to-day basis.

One of the most difficult issues was the question of automobile expenses. We heard many submissions. Perhaps it is because so many people can get their teeth around auto expenses. That was an issue which provoked probably more comment and contributions than any other single issue. It is partly because people who use their automobiles for business and have to do so felt that they should not be singled out when the Government of Canada moved—and I believe legitimately—to try to prevent the taxpayer from having to subsidize BMWs, Jaguars and the Lincoln the Minister used to drive before he became a Minister. He traded down, I think that is what he said.

Mr. Hockin: I have always had a Chevrolet.

Mr. Cassidy: I have just been reading about the Minister, who was allegedly one of the brighter lights hired for the founding of York University. In 1961 only Ed Broadbent emerged as the next Prime Minister of Canada according to Judy Steed's book.

Some Hon. Members: Oh, oh!

Mr. Cassidy: However, that is not relevant. Let me come back to the question at issue.

An Hon. Member: Is Broadbent irrelevant?

Some Hon. Members: Oh, oh!

Mr. Cassidy: For the record, the Minister still has the car that Ed told him to buy. I hope it is a sporty model because everyone knows not to drive with the Hon. Member for Oshawa (Mr. Broadbent) if he is at the wheel. It is a very scary experience, not for reasons of ideology but for other reasons.

Some Hon. Members: Oh, oh!

Mr. Cassidy: And they are now giving an award to John Crosbie. That is very scary to me.

We will support this amendment. This issue came up in the committee on a number of occasions. As the Minister and the Government know, the committee in the end decided to take away the double pro-rationing of the capital cost, depreciation cost, of having an automobile because we felt it was so complicated that it should just be taken away. We tried to put other means in and we recognized in so doing that it is not an easy issue to handle.

The issue here is one of regional fairness. While it is not possible perhaps to compute exactly what the shipping costs are of a motor car to Newfoundland or to British Columbia if it is produced in central Canada—

Mr. Boudria: They are equalized.

Mr. Cassidy: The Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) says they are equalized.

Mr. Boudria: Yes. They have been for three years.

Mr. Cassidy: But someone who purchases an automobile in Newfoundland may get an automobile which is shipped indirectly by sea from Europe or Japan and will not have to pay shipping costs in the way that person would have to pay shipping costs if that car were shipped from California or Oshawa. However, the sales tax that is paid differs from province to province. The result of the Government's action is that a certain minor privilege, but a privilege nonetheless, is given to individuals or companies that purchase cares for business use in Alberta while individuals or companies that purchase cars in New Brunswick or Newfoundland will not have that privilege.

• (1140)

In Alberta, there is no provincial sales tax. Therefore, if the capital cost that is entered into the depreciation schedules for the automobile is $20,000, that is the total purchase price of the car. In Newfoundland where there is an 11 per cent or 12 per cent sales tax, that has to be taken off the top. As a consequence, the maximum value of the motor car that can be allowed for depreciation purposes is about $18,000, or $2,000 less. That is what is really unfair.

Effectively, the Government is saying that those in Alberta and provinces with low sales taxes will get luxury models, and those in eastern Canada where the sales taxes tend to be quite high will have to do with standard models, without automatic transmissions or without air conditioning or some of the other extras that make a business automobile more comfortable to travel in for someone who is constantly in his car on business. This is not a major issue, but it is an amendment that is appropriate to bring before the House.

In this case, we should listen to what the people were telling us, particularly those from down east, when they said that it was unfair and that this unfairness was something that could be fixed. The cost of fixing it is very modest to the treasury, and of course, if people feel that the system they are being asked to conform to is not particularly fair, then voluntary compliance will weaken. The Government will therefore lose on voluntary compliance what it might gain in additional revenues through the unfairness enshrined in this clause which the amendment seeks to change.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to support the motion offered to the House by my colleague, the Hon. Member for Laval-des-Rapides (Mr. Garneau). I just heard a new expression coming from a Tory. The Minister said that they believe in fairness. That is profound, and it is certainly a brand new concept for the Conservatives to believe in fairness.

We are glad to see this new initiative. I hope that initiative is applied when the Conservative Party chooses candidates, that it will apply when qualifying or disqualifying candidates in the riding of York—Peel, for instance, not to name anyone.

In his response, the Minister said that he was not willing to entertain the proposal offered to us by my colleague, the Hon. Member for Laval-des-Rapides. He said that the provincial sales taxes were not the only major expenditures involved in buying a car which differs from one part of the country to the other. He used as an example transportation costs for North American automobiles which are different in one part of the country than they are in another. I would suggest that the Minister ask his officials to prepare better briefing notes.

[*Translation*]

The report on tax reform by the Finance and Economic Affairs Committee, Mr. Speaker, says on page 59, and I would like to draw to the Minister's attention the second paragraph, where it says,

> The average "non-fleet price" for the . . .
>
> . . . Canadian Automobile Leasing Association . . .
>
> . . . was $21,157, . . .

So we see that first of all the amount is too low, because . . .

> The average . . . price [is in fact] $21,157 . . .

. . . at the time we are speaking. And I would ask the Minister to listen carefully to the sentence that follows:

> . . . a price that included freight, pre-delivery inspection, dealer mark-up, sales tax and licence fee.

Good! A little further along we find the following sentence:

> The issue of freight is not considered a problem, however, given the equalization policy followed by most automobile manufacturers in Canada.

About three years ago, Mr. Speaker, North American automobile manufacturers equalized freight charges throughout the continent.

[*English*]

If a person buys a North American car, whether in Newfoundland, in Toronto or in Hawkesbury in the great constituency of Glengarry—Prescott—Russell, the transport fees are the same. I bring this to the attention of the Minister. The defence that he utilized only moments ago is completely groundless and ill informed.

I want to bring something else to the attention of the Minister as well. The committee, in its report, recommended the following:—

[*Translation*]

> That the $20,000 limit on the cost of a passenger vehicle for claiming capital cost allowance or lease costs be increased by the amount of the relevant provincial sales tax on a $20,000 vehicle and that there be regular review of the limit.

So, Mr. Speaker, we see that it was a recommendation by a Parliamentary Committee, that the Minister's defence had no validity because he was using a comparision with freight costs. And freight costs are the same everywhere in Canada.

What my colleague from Laval-des-rapides (Mr. Garneau) wants is to have provincial sales taxes in effect equalized, to some extent—not completely, because the tax will always be higher is some provinces than in others, unfortunately, but it could be taken into account nonetheless, and the cost of that tax could at least be deductible.

My honourable colleague for Westmorland—Kent (Mr Robichaud) pointed out to me just a moment ago, Mr. Speaker, that the provincial sales tax in his province is 11 per cent. That means that if someone buys a $20, 000 car in Alberta, for example, he would be able to buy $2,200 worth of options on his car before ha lost the deduction, whereas someone in Westmorland—Kent, in Moncton, let's say, or that region, a constituent of my colleague the Honourable Member for Westmorland—Kent, would have to pay $2,200 in sales tax and would not be able to deduct that part of the cost of operating a car.

[*English*]

The Minister said he believed in fairness. If that is so, how is it fair for the corporate president of a large manufacturing company to be allowed to deduct the cost of having oak panelling on the walls of his office, a golden doorknob, fancy sinks and a padded toilet seat while the vacuum cleaner salesman working for the same company is not able to deduct the cost of the air-conditioner in his or her station wagon? What is fair about that?

The Minister said he is in favour of fairness. If he is in favour of fairness, he should do two things. First, I would suggest that he increase the amount that is made available for the purchase of new cars. I do not want people to be driving Saabs and to be able to deduct the full cost of those cars or any of the other expensive cars worth $75,000 or whatever. However, a person who buys a station wagon with air-conditioning cannot buy it for $20,000. Why does the Minister not at least make the amount reasonable so that people can afford reasonable cars.

Second, why is he in favour of a totally discriminatory policy whereby the provincial tax is not deductible? He is basing this policy on the fact that there are other discriminatory features such as uneven costs of transportation. He should know, or his officials should have told him that that is not true. A number of years ago, the North American automobile manufacturers moved to equalize those costs because they had a hard time competing, particularly on the west coast, with the manufacturers of Japanese vehicles. Given that the manufacturers did that in order to make the system fairer, why can the Minister not do the same with his own policies? There is nothing wrong with the employee of a company being able to deduct the cost of an automobile which is reasonable.

• (1150)

I suggest to him that for a Ford Taurus station wagon, which I certainly consider to be an ordinary full-size car, with air-conditioning, you should be able to deduct the full cost. If the Minister says he does not need the air-conditioning, then I say he should not make air-conditioners deductible for corporate bosses in their high office towers either. What is good for an employee on the road selling Electrolux vacuum cleaners should be good for the President of Electrolux. If he wants to make it fair, that is what he should be doing. To be telling sales people, people who work for a living travelling around this country, that they cannot deduct automobile expenses because the Minister has decided the salesman has to have a car that is a foot shorter instead of a foot longer, or has decided he cannot have a radio, is easy for him to say. If he wants to do that, he should apply the same kinds of rules to the big corporate bosses. Until such time as he is willing to do that, I suggest that he make the deductions reasonable, and make provisions whereby the provincial sales tax is not counted in the arbitrary measure he wants to impose today.

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I would like to thank the Hon. Member opposite for making the case for free trade.

Mr. Boudria: What?

Mr. Hawkes: For making the case for free trade.

Mr. Boudria: Are you out of your mind?

Mr. Hawkes: Am I out of my mind?

Mr. Orlikow: We know you are.

Mr. Boudria: I retract that. I already know the answer.

Mr. Hawkes: Having listened to them, we know Members opposite often do not read the briefing notes prepared by their researchers before they stand in the House. He very carefully explained why the cost of automobiles was roughly equal

across the country all of a sudden. It is because of the competition from imports on the west coast. All of a sudden we in Alberta and British Columbia and so on are paying roughly the same. In the old days we got zonked on cars and trucks because we did not have competition. He made the case eloquently that costs for Canadians will go down because of the trade arrangement. That is the message we have been trying to give people, and he stands up in the House and supports it and we thank him for it.

Mr. Boudria: Point of order. The Consumer's Association of Canada said the average family of four would save $32 with free trade because of lower tariffs.

Mr. Deputy Speaker: That is not a point of order.

Mr. Hawkes: He helps us even more because he just admitted there will be a saving. We have made progress. People are going to save money because of free trade and he just admitted it. If only he could go one step further and admit that people buying a home are going to save $8,000, then we would really make progress.

Then we come to the motion which he defends so eloquently. That is an example of the Liberals, historically speaking. They say let us not treat all Canadians the same. That is what this motion says. Let us have advantages for people from some provinces which do not exist for people in other provinces. This motion applies to people who live in some provinces but not in others. It is time Members opposite learn something about the Province of Alberta. How does this motion help someone in the Province of Alberta? Why should we have a tax system which is not equitable for all taxpayers everywhere?

Mr. Boudria: That is exactly what we want.

Mr. Hawkes: Under the National Energy Program we had a resource grab from the taxpayers of British Columbia, Alberta and Saskatchewan. It ruined our industry, threw people out of work, created wife beating, child beating and suicides, all kinds of social chaos. Why? Because the Liberal Party of Canada, supported by the NDP, said there shall be special taxes on some Canadians but they will not apply to all Canadians. That is what the NEP was about. Here we are debating a tax reform Bill and the very first motion proposed by the Liberals involves lack of equity for all Canadians, a tax break which applies to people in Ontario but not to people in Alberta. That is the Liberal view of Canada but it is not this Party's view. We reject it.

Taxation policy should be equitable for all Canadians wherever they come from, whatever province. We have worked hard for four years to restore to this country a sense of equity. We should all be first class Canadians whether we live in the Yukon, in Calgary, Baie Comeau, Toronto, Atlantic Canada or Newfoundland. We should all be treated the same by the Canadian Government that taxes us.

If those two Parties vote for this motion, they are voting for what they voted for before with respect to the NEP. They are voting to provide an advantage to some taxpayers in some provinces but not in other provinces, and that is wrong. I urge Members of this House to defeat the motion.

Mr. Keeper: Point of order, Mr. Speaker. I am sure the Hon. Member does not want to mislead the House. He just said that the two Opposition Parties, including the NDP, voted for the NEP. That is a complete falsehood and I hope he stands up and corrects it immediately.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, we have had two examples of Conservatives talking about fairness. First the Minister of State for Finance (Mr. Hockin) and then the Parliamentary Secretary. Let me deal for a moment with the Parliamentary Secretary. He says in voting for this amendment we are displaying again our refusal to treat all Canadians fairly. I remind the Hon. Member that his Province of Alberta has no sales tax. The Province of Newfoundland has a 12 per cent sales tax. It is for that kind of reason that this amendment is moved.

Mr. Boudria: The committee approved it unanimously.

Mr. Orlikow: Yes, and he wants us to vote against it. He accused some Members on the opposition side of not reading their briefing notes. He should read his because he cannot possibly have had briefing notes which led him to make the comments he did.

I want to raise a point regarding the unfairness of the deduction for automobile expenses with the Minister, since he talked about his belief in fairness. This matter has been raised with me for a number of years by some of my constituents, particularly those in the construction industry, and it has been raised in an official way in a presentation made to the Government by the President of the Canadian Federation of Labour, a federation of labour unions which do not, at least publicly, support the NDP. Lawyers, doctors, self-employed businessmen are permitted, under the provisions of our Income Tax Act, to deduct a certain percentage of the expenses they incur in operating their car.

• (1200)

I do not disagree with that right because in doing some of their work they are required to use their cars. I do not object to that. However, I point out to the Minister that there are construction workers in Winnipeg, for example, who, in order to work, have spent months and sometimes years on construction of a big power project or a mine. For example, there is one now being built in the constituency of the Premier of Saskatchewan. These workers have gone to that construction project in Saskatchewan in order to earn a living for themselves and their families.

They have driven hundreds of miles from Winnipeg to the job site. Because they want to maintain a family life, because they want to avoid a breakdown of their marriage, and because they want to avoid a possible divorce, every two or three weeks on the weekend they make that drive back from the project

near Weyburn, Saskatchewan, to Winnipeg and then a few days later they go back to the job site. They are not permitted under our law to deduct a five cent piece from their income tax for the expenses they have incurred in order to keep their job.

I also point out to the Minister that while the living expenses for their families in Winnipeg continue, these workers have to pay for room and board on the job site, and they are not permitted to deduct anything from their income tax for that expense.

If the Minister believes in fairness, it is time to listen to the request made by the President of the Canadian Federation of Labour on this question, the same request that has been made by myself, and I am sure many other Members of Parliament from all Parties on behalf of constituents over the years. I urge the Minister, if he cannot do it now, to keep it in mind. If he is still the Minister the next time the Budget is brought down, which I doubt, I hope he, or whoever is Minister of Finance, will take this proposal, which is made not just by myself but by the President of the Canadian Federation of Labour, James McCambly, into consideration. If the Minister believes in fairness, as he says he does, I cannot think of any change to the Income Tax Act which would move more people to feel they are being dealt with fairly.

Mr. Felix Holtmann (Selkirk—Interlake): Mr. Speaker, I listened with interest to the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) who stood in his place and went into great elaboration about how unfair the Government was. I really wondered what he was talking about when he referred to increasing the limitation costs of an automobile. He never mentioned what or how much his Party would want, but he thought the limitation should go up from $20,000.

I have in front of me the *Canadian Car Price Guide* which sets prices for a good number of automobiles in Canada. These prices are for new 1987 models and I do not know if there have been any increases since then. I do not know what the Member is so worried about because if one includes a 7 per cent provincial sales tax in some of the prices of these automobiles such as a Chevrolet Camaro, it still runs at $19,000. That is with the typical options.

How about a Chevrolet Caprice Classic for $17,000? This is a pretty nice car with a lot of options, and it is under $20,000.

Mr. Boudria: What options?

Mr. Holtmann: There are $3,500 worth of options. That is not a bad buy. This is the total final price. What is wrong with a car like that? How about a Pontiac Fiero or a Buick LeSabre, all under $20,000? Has the Member a problem with cars like this? Perhaps he does not like the cars listed here, but that is his problem. How about a Ford Bronco? These cars are driven by Members of Parliament.

Mr. Boudria: You drive a Lincoln Continental.

Mr. Holtmann: And an old Lincoln Continental like mine. So one really has to wonder what the Member for Glengarry—Prescott—Russell is so concerned about. He talked about air-conditioners in his office that can be deducted.

Mr. Boudria: That's right.

Mr. Holtmann: But does anybody use the office for pleasure in the House? He cannot answer that. He is not sure. Members cannot use their offices for pleasure if they write the expenses off. Where is the fairness? The Member is suggesting that everyone should be allowed to put an air-conditioner in their car and write it off. Where is the fairness? One can buy a car for under $20,000. What does the Member want the threshold to be?

The Member for Glengarry—Prescott—Russell and his Party must have been studying this Bill and had some real options they wanted to present, but for some reason what they want to do is increase the threshold. That is pretty vague. What does he mean by that? I am not certain if he knows what he is talking about.

The Member talks about fairness. He does not realize that different provinces have a different sales tax. Some provinces have sales tax and some do not. The idea is to have it included. I have a lot of difficulties with the statements made by the Member for Glengarry—Prescott—Russell and the motion. In fact, they have an option, withdraw this silly motion.

[*Translation*]

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, I am rising to support my colleague's motion, which reflects the Committee's recommendation, "That the $20,000 limit on the cost of a passenger vehicle for claiming capital cost allowance or lease costs be increased by the amount of the relevant provincial sales tax on a $20,000 vehicle, and that there be a regular review of the limit."

Mr. Speaker, it always astounds me when I hear the Conservative MPs talk, especially when they talk about justice and fairness, and that's what the Minister was saying. He said he wanted this Bill to contain just and equitable measures for all Canadians.

The Honourable Member for Selkirk—Interlake (Mr. Holtmann) got up and said the same thing, that he too wanted justice and fairness for all Canadians, and when you speak of all Canadians, it means Canadians from one end of the country to the other.

When you look at the sales tax rates in the various provinces, it is obvious there are differences: they go from zero to 12 percent. Now if we want to be just and fair to all Canadians, shouldn't we allow for these tax differences from one province to another?

Mr. Boudria: Of course!

Mr. Robichaud: Then how do we explain to the people of New Brunswick that if they pay 11 per cent they do so at their

own expense, while the people of Alberta, where there is no sales tax, scoop the pot? But I see more and more clearly when I listen to Government Members and Ministers, because they always talk about justice and about being fair and equitable.

Mr. Boudria: Fair for the rich!

Mr. Robichaud: Mr. Speaker, I would like to speak about the changes made in the unemployment insurance qualifying period. In some parts of New Brunswick, the qualifying period has been increased from 10 to 16 weeks, and then we are told that all Canadians are to be treated fairly. We have seen that this Government has made changes applying to a particular region of Canada, the Capital region, Hull-Gatineau, because the unemployment rate for the city of Hull did not give an accurate picture of the situation in the rural parts of the region. The problem is exactly the same in New Brunswick. The cities are in a different situation from the rural areas. They talk about fairness and equity. They made the change for this region, yet while wanting to be fair and equitable, they are taking their time reviewing the changes for the people of New Brunswick.

Mr. Speaker, the more I hear the Ministers and Members of the Conservative Party speak, the better I understand the meaning of the words they use. I understand that the words fairness and equity mean something different when applied to people in outlying regions.

For that reason, I wish to support my colleague's motion. I urge all Government Members to support this motion if they are really sincere when they say they want a little fairness and equity for all Canadians, no matter where they live.

I should also say, Mr. Speaker, that when one lives in an outlying region, it costs more to do business, for the simple reason that the distances to cover are greater and taxes are higher in some areas—in New Brunswick, for example, the sales tax is 11 per cent. It costs more to do business in New Brunswick than in other provinces.

The motion made by my colleague from Laval-des-Rapides would take these disparities into account. That is why I support it and I call on all Members in this House to do likewise.

• (1210)

[*English*]

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is on Motion No. 1 standing in the name of the Hon. Member for Laval-des-Rapides (Mr. Garneau). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

[*Translation*]

Motion No. 2 will be debated and voted upon separately.

[*English*]

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No. 2

That Bill C-139 be amended in Clause 19

(a) by striking out line 7 at page 70 and substituting the following therefor:

"any property is 2/3 of his capital gain"

(b) by striking out line 12 at page 70 and substituting the following therefor:

"of any property is 2/3 of his capital loss"

(c) by striking out line 17 at page 70 and substituting the following therefor:

"the disposition of any property is 2/3 of"

(d) by striking out lines 21 to 43 at page 70 and lines 1 to 28 at page 71 and substituting the following therefor:

"years and fiscal periods ending after 1987."

He said: Mr. Speaker, the objective of Motion No. 2 is to limit to two-thirds the rate of inclusion of the capital gain to the personal income tax schedule.

[*Translation*]

The object of this motion is to limit the capital gains inclusion rate to two thirds of the taxpayer's taxable income.

[*English*]

The reason is that with the rate of inclusion of three-quarters, as suggested by the Minister, the capital gain would be taxed by the federal Government at a higher rate than the dividend.

That is completely unfair and totally out of order because those people who invest in the long term take a risk and expect to have a capital gain or maybe a capital loss. If they take the risk they should be taxed at the lower rate than the people who get the dividend.

Furthermore, this approach by the Tory Government will mean that corporations will have more benefit in paying dividends than in accumulating capital in the corporation for future expansion.

[*Translation*]

Mr. Speaker, the approach taken by the Minister of Finance seems to me to be completely at odds with the Government's objective of ensuring that we have a fairer, more equitable tax system, as well as a tax system designed to assist those who take investment risks and thus create businesses and enhance job creation.

Mr. Speaker, during that review, we received a lengthy study prepared by the House of Commons Committee on Finance and Economic Affairs, which had spent weeks listening to the testimony of various experts, groups and associations that had carried out in-depth analyses of the Finance Minister's proposals. We had a number of recommendations, as well as some technical analyses.

For example, the accounting firm Clarkson Gordon submitted a table showing the dividend and capital gains taxation rates that would result from the Finance Minister's recommendations, which are included in the bill we have before us. In 1988 in Ontario, dividends would be taxed at a rate of 30.26 per cent, while capital gains would eventually, when tax reform was implemented and the three quarters of the gains that were included in the taxpayer's income were taxed, which would be in 1990, be 33.60 per cent. That is, the capital gains taxation rate will be 3 per cent higher than the dividend taxation rate.

That goes against capital formation. It goes against economic growth. It is contrary to the idea that has always prevailed until this bill was introduced—that people who take investment risks, who may make capital gains, but who also may suffer capital losses, that that risk should be recognized in the tax system and should at least not be taxed at a higher rate. The opposite was proper. I think it was the rule. Before this, the capital gains taxation rate was lower than the dividend taxation rate.

In Ontario, for example, before tax reform, dividends were taxed at a rate of 35.7 per cent and capital gains at a rate of 26.7 per cent.

In Quebec, the difference was even greater. In 1987, the dividend taxation rate was 41 per cent, compared with 28 per cent for capital gains, the idea being to give Canadian men and women who are willing to take investment risks some degree of compensation. The policy proposed by the Minister of Finance, by raising the inclusion rate to three quarters, defeats the objective that was always pursued and was, in my view, economically sound. That is, the policy is now reversed and dividends will be taxed at a lower rate than capital gains.

In British Columbia, there will be a difference—dividends will be taxed at a rate of 30.6 per cent and capital gains at 33.6 per cent. In British Columbia, 31.2 per cent for dividends and 34 per cent for capital gains. In Saskatchewan, 33 per cent for dividends and 35 per cent for capital gains. And so on for all provinces where dividends will be taxed at a lower rate than capital gains.

Mr. Speaker, the motion I have put before this House is intended to limit the inclusion rate to two-thirds, which we feel will restore equity, since dividends will be taxed at the same rate as capital gains. The document drawn up by the firm of Clarkson Gordon and tabled to the Finance and Economic Affairs Committee gives this interpretation, since in Ontario, when phase one of the inclusion rate is fully implemented, dividends would be taxed at 30 per cent and capital gains at 29.8 per cent. In Quebec, the rate would be 38 per cent for dividends and 34 per cent for capital gains, while in British Columbia, it would be about 30 per cent for both, and so forth.

We believe this would ensure greater equity. At least, those who risk investing in businesses would not be penalized by the Finance Minister's proposal.

I am surprised to see a government act in such an unfair, economically unsound manner. Such behaviour, goes against the very interests of workers whose jobs were often created as a result of the business risks taken by men and women.

Mr. Speaker, also as a result of this legislation, businesses will be urged by their shareholders to pay dividends rather than to accumulate capital with which to upgrade their business and invest in research and technology. Shareholders will prefer to receive dividends which are paid immediately, because they are taxed at a lower rate than if they were to wait three, four or five years and sell their shares, since this will result in capital gains in view of the accumulation of business capital. They would then be penalized, from a tax standpoint.

I appeal to the members of this House, and in particular to those who believe that an investment risk is a risk worthy of recognition. At the very least, the inclusion rate should be limited to two-thirds, so that those incurring these risks are not penalized. I would have preferred to see a different tax structure for businesses. Business and corporations must, of course, pay their fair share. We could do away with certain exemptions or increase the rate of taxation. However, to tax capital gains at a higher rate than dividends is illogical, Mr. Speaker, and goes against everything this Government has said.

Obviously I am concerned about fairness and it is for the sake of fairness that I propose this amendment. I do, however, have a question for the Conservatives who always jump the the defence of risk takers, entrepreneurs and the like. Have the Conservatives fallen asleep at the switch as the saying goes? It makes no sense. Is the Government prepared to give serious consideration to this amendment?

The members of the Finance and Economic Affairs Committee have draw a certain number of unanimous conclusions. They recommended "that as an interim measure only, the proportion of a capital gain or capital loss required to be included in computing an individual's taxable capital gain or allowable capital loss be increased from one-half to two-thirds for gains and losses realized in 1988 and 1989."

That is what we recommended to the Finance and Economic Affairs Committee, Mr. Speaker. This recommendation was

unanimously endorsed by the Conservatives Member on the Committee as well as by the NDP and Liberal committee Member. The three parties that examined this issue made a unanimous recommendation. The Minister of Finance should, in my opinion, at least acknowledge this unanimous position.

We also recommended "that in 1990, following a review of the subject of indexation of capital gains, the full amount of capital gains be included in income and the full amount of capital losses be deductible, provided such gains and losses are adjusted for inflation from the latter of the date of ownership or January 1."

Mr. Speaker, what we are saying here—and this is another unanimous recommendation—is that we should go ahead with the two-thirds inclusion rate. At least it will mean that individuals share the tax burden equally, whether they are taxed on capital gains or on dividends. We should continue to look into this subject and do as certain other countries have done, that is opt for the total inclusion of capital gains and take into account depreciation for inflation. If a person invested $100 in 1980 and then decides to sell off his investment in 1995, inflation will have eaten up a portion of his capital gains.

If we want to tax capital gains, we should tax the real gains, not the imaginary ones. It would likely be fairer that way. Great Britain proceeds in this manner, and the United States have moved to include 100 per cent of capital gains. I have no objection to following their lead. We would have to find a way to take inflation into account. However, the motion I am introducing ties in with a unanimous recommendation made by the Finance and Economic Affairs Committee, one that calls for limiting the inclusion rate to two thirds for the time being and for examining the situation at greater length before proceeding any further. The proposal as it now stands is totally unjust and unfair.

• (1220)

[*English*]

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I find it extremely interesting that the Liberal Party is proposing to reduce taxes on capital gains as it is going into an election campaign in which members of that Party intend to present themselves as the friends of average Canadians and ask for support against a Conservative Government which has been too much allied with big business and too much allied with wealthy Canadians. But that is precisely what is happening here.

The Liberal amendment is designed to reduce the rate of capital gains by reducing the amount of gains that will be brought into income. As tax reform stands, and tax reform is flawed, the Government is proposing that three-quarters of capital gains be brought into income. The Liberals say that that should be limited to two-thirds of capital gains being brought into income.

The Conservatives have proposed to allow $100,000 of capital gains to be tax-free. But, after that, they are moving to this three-quarter taxation of remaining capital gains. The Liberals have not spoken about that particular question. They have not indicated that they want to do away with the $100,000 exemption, as New Democrats have said. What they are saying quite specifically is that Liberal policy in the past to give special treatment to income from property and income from capital gains should be allowed to continue. Therefore they are saying that no more than two-thirds of capital gains should be taxed.

I have calculated that according to the Government's figures this means that the Liberal Party wants to give something in the order of $110 million per year to corporations and to wealthy Canadians by reducing the amount of tax that they will have to pay on capital gains.

Mr. Hockin: It is $200 million.

Mr. Cassidy: According to the Minister of State it is probably $200 million. It is a very substantial amount. I ask myself what the devil is going on.

[*Translation*]

The Liberal Party finance critic states that dividends would be taxed at a lower rate than capital gains and that companies would thus be discouraged from reinvesting their profits into their business. What he did not say, however, was that if the capital gains tax is higher than the tax on dividends, perhaps the tax on dividends should be adjusted then to ensure greater equity with respect to the capital gains tax. What he failed to state was that it is impossible to accept that about 14 per cent of the population still lives below the poverty line. Tax reform is supposed to lower the taxes of low-income earners. Here we have the Liberal Party that wants to lower the taxes of those realizing capital gains . . . and who is going to pay? In the final analysis the ordinary taxpayer is going to pay.

Mr. Speaker, I see that only 1 per cent of the Canadian population realized 38 per cent of all capital gains in 1983. Who are these individuals? They are people who earn in excess of $100,000 a year. The mesure proposed by the Liberal Party finance critic would also affect large corporations. Instead of ensuring that corporations will pay their fair share of taxes, the Liberal Party wants the capital gains tax to be even lower than that proposed by the Conservative Party. The New Democratic Party believes that the other two parties are wrong. The Liberals are wrong in wanting to favour individuals and corporations realizing capital gains. The Conservatives are also wrong in trying to retain certain privileges for the wealthy and for corporations, in so far as capital gains are concerned.

• (1230)

[*English*]

I do not understand what the devil is going on. However, I noticed that, according to Statistics Canada, the poverty line

in 1988 for a family of four in a major Canadian city is approximately $23,400. The Conservative tax reform will tax that family when its income exceeds $18,500, or $5,000 below the poverty line. The Conservative tax reform gives tax cuts of over $4,000 to the largest number of people with incomes of over $100,000 a year. It is essentially unfair because it taxes people in poverty and gives big returns and big reductions in tax to people with high incomes.

What did the Liberals do about it? Did they try to ensure that the tax not be paid by people living below the poverty line? No. Did they try to ensure that tax be paid at least at current levels by people earning big incomes? No. What the Liberals tried to do is bring down the tax even further on wealthy Canadians, and bring down the tax even further on wealthy corporations, and not do a thing for ordinary taxpayers living below the poverty line.

As things presently stand under the outgoing tax system, the maximum rate for an individual of tax on capital gains is 17 per cent. At two-thirds inclusion under the new system it will be raised to 19 per cent. That is pretty dramatic, and a really substantial tax reform. The Liberals are saying that capital gains are so acceptable that they should continue to be privileged and only have a tax rate of 2 per cent more than was being paid under the old system, while at the same time a technician working for Bell Canada will pay a tax rate only two or three points below the tax rate paid by Jean de Grandpré who has a million dollar income as a CEO and President of Bell Canada. There is something wrong with that.

A wealthy Canadian will pay 19 per cent of the value of his or her capital gains, according to the Liberal amendment, whereas the average Canadian, who is struggling to pay a mortgage, struggling to pay high interest rates, and struggling to support his or her family, will wind up paying 8 per cent more in tax on a marginal income of over $27,000 a year.

I cannot accept that type of Liberal tax reform. It reminds me that over the last year while the finance committee has been working on this particular issue, we have been trying to clean up problems and loopholes in the tax system which were put there first by the Liberals, particularly when the present Leader of the Liberal Party was the Minister of Finance, and also by the Progressive Conservatives in the rare periods of time when they had a chance to put loopholes into the tax system. If a certain company wanted a privilege, of course that was available; if wealthy Canadians wanted capital gains to be treated differently, of course it was available. That was the Liberal policy, and that was the Conservative policy.

Canadian voters who look at the two Parties in the forthcoming election campaign should remember precisely that. The Liberals take their marching orders from wealthy Canadians and corporations, just as the Progressive Conservatives take their marching orders from the same sources. If the Royal Bank gives $50,000 to the Conservatives, it gives $50,000 to the Liberals. Who will benefit from the new treatment of capital gains? The Royal Bank will be one of the beneficiaries. If Alcan Aluminum wants to go for years without paying any tax at all, then it supports the Liberal Party. Alcan was allowed to go for years paying no tax at all. Now its favours turn over to the Progressive Conservatives, because who failed to put a minimum tax on corporations? Why, the Progressive Conservatives. Under the Reagan tax reform in the United States a minimum tax exists. It cannot be that progressive a measure if it was brought in by the Reaganites in Washington. However, the Tories did not bring that in here. The Liberals allowed Alcan, and many other companies, to go without paying tax at all.

Now on the side of capital gains, the Liberals are standing up to be counted. When you stand up to be counted on this issue, Mr. Speaker, you stand with ordinary Canadians, or you stand with corporations and wealthy Canadians.

The Minister of State for Finance (Mr. Hockin) stands with wealthy Canadians and corporations because his Party is going to continue to treat capital gains favourably. Right at the side of the Minister of State for Finance stands the finance critic for the Liberal Party, and all of his Party. That Party is attempting to outdo the Conservatives in seeking support from the corporate sector by saying: "Look, we are not going to tax your capital gains the way those nasty Conservatives were going to do it. We are going to tax them less".

It reminds me of the marketing battles between Steinberg's and Loblaw's. Those stores kept having to reduce their prices in order to bring customers into the stores. We all know that the Liberals have been having trouble raising corporate donations over the last three or four years, and that is why that Party is $5 million in debt. It seems to me that what the Liberals are saying is: "Here is a bargain sale. Can you afford not to support us? We will do what you want us to do for you, just make sure that you do what we want you to do for us". The Liberals are saying: "If you support the Liberals, if a corporation makes donations to the Liberal Party, then the Liberal Party will return the favour by ensuring that the days of loopholes and tax exemptions will be here again if the Liberals get a chance to get back in power".

On behalf of my Party, I stand with ordinary Canadians who say that we need a fair tax system which does away with privileges to wealthy Canadians and to corporations.

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, the House must not allow the Hon. Member for Ottawa Centre (Mr. Cassidy) to get away with what he has been saying in the last seven or eight minutes. The purpose of tax reform, and indeed the very purpose of the provision in tax reform to which this motion refers, is the exact opposite of what the Hon. Member claims is going on.

First, under tax reform, we now have a $100,000 capital gain exemption for everybody in the country.

Mr. Cassidy: Shame.

Mr. Hockin: We also have a $500,000 capital gain exemption for small businesses and farmers. The Hon. Member states that he is against capital gains. Is the Hon. Member against this capital gains exemption for farmers?

Mr. Cassidy: No.

Mr. Hockin: Is the Hon. Member against this capital gains exemption for small business?

Mr. Cassidy: No.

Mr. Hockin: What is the difference? I hope anyone who is watching the debate has not missed the Hon. Member's contradiction. The Hon. Member is for capital gains sometimes, and not for it at other times.

The Government has democratized capital gains. It has brought it in in order that it is available to everyone. It has been done in such a way that it renders quite unnecessary the motion of the Hon. Member for Laval-des-Rapides (Mr. Garneau).

The motion of the Hon. Member for Laval-des-Rapides is, quite frankly, reminiscent of the Liberal Government's national energy policy for two reasons. First, it is highly unfair. Second, it is retroactive. First, let me speak to the retroactivity. The motion itself is to change the inclusion rate, and it is to apply to years and fiscal periods ending after 1987. This means that a corporation with a fiscal year that ended January 31, 1988, would find that capital gains would apply for most of 1987, and it would apply retroactively.

That is what the members of the Liberal Party did in the national energy policy, and this is what they would do as a government. We certainly are not going to do that today. The Hon. Member wants to increase the inclusion rate for 1987 with this motion. If the Hon. Member misdrafted the motion, which I hope is true, because this is an incredible mistake—

Mr. Garneau: That is not what it says.

Mr. Hockin: —then perhaps he can respond to me. However, more profound is the long-term implication of the motion of the Hon. Member which is to take the inclusion rate from three-quarters to two-thirds and leave it at two-thirds. For the average Canadian that would do nothing. For fairness in Canada that would do nothing. In fact, it would set it back. Who would take advantage of capital gains at a two-thirds rate instead of a three-quarters rate? The same large corporations that take advantage of capital gains today.

We want to encourage risk-taking, that is why we have a capital gains tax at a lower rate than the ordinary income tax. However, this motion overdoes it. It would include real estate companies, banks, insurance companies, and people and companies with appreciating assets. They are the ones that would be the winners, and the Hon. Member knows it. It would not be the average or the ordinary Canadian, it would be the big corporations.

The Hon. Member for Ottawa Centre is quite accurate when he points out that this is an argument for the more privileged corporations to move the inclusion rate to two-thirds from three-quarters. We are attempting to make it fairer and more democratic.

Let us not forget that the Government of Canada, in bringing forth tax reform, has brought forth this very important $100,000 capital gain exemption for all Canadians. There is a $500,000 capital gains exemption for farmers and small businesses. This is our contribution to encouraging the real risk-takers, not the big corporations. The big corporations have enough of an incentive. He read the incentive himself. It is effectively a 30 per cent rate. We do not have to go where he wants to go in order to encourage risk-taking by large corporations.

• (1240)

I am very, very proud of this particular facet of tax reform, because it encourages risk-taking but does not overdo it; it encourages people to take chances—the ordinary Canadian—not just the large corporations.

Finally, I must say that the mistake in his motion to apply to the 1987 year would in effect move the capital gain rate, which is now 50 per cent, to two-thirds for a large part of 1987, if I read his motion clearly. So it is a badly drafted motion, or, if it is not badly drafted, it is retroactive.

Mr. Deputy Speaker: The Hon. Member for Laval-des-Rapides on a point of order.

Mr. Garneau: On a point of order, the Minister should have read the motion correctly. It applies for the fiscal period ending after 1987. It is not before, as he has just said.

Mr. Deputy Speaker: I am not sure that they are points of order, but the Hon. Minister of State for Finance.

Mr. Hockin: I do not want to debate it. I wanted clarification on a point of order. If you had a fiscal year that ended, for example, on January 31, 1988, then 11 months of 1987 would be caught by his motion.

Mr. Deputy Speaker: By unanimous consent, the Member for Laval-des-Rapides may answer for one minute.

Mr. Garneau: That is exactly what he is going to do for the three-quarters of the regular inclusion of the capital gain. What I did here is exactly the same as the piece of legislation, except it excluded the three-quarters. If he is correct in what he just said, he should immediately contact his official and change the law. Otherwise, it will have exactly the effect that he just explained for every taxpayer. I think that he should be more accurate when he is talking about the corporate capital gain. He should talk about the personal capital gain, because this is where they are hidden. The rate of taxation will be higher for capital gains than for a dividend. I do not understand the NDP. They voted for that in committee and now

they are trying to change their minds. It is not the first time that the Member for Ottawa Centre (Mr. Cassidy) will have changed his mind.

Mr. Deputy Speaker: First, on a point of order, the Hon. Member for Ottawa Centre.

Mr. Cassidy: I would just point out to the Hon. Member for Laval-des-Rapides (Mr. Garneau) that in the minority report submitted by the New Democratic Party we advocated full taxation of capital gains. We made our disagreement with that part of the committee's report entirely clear and obvious and certainly at no time would we have supported his proposal, which is to reduce the rate of taxation of capital gains back down to two-thirds, and give that kind of special privilege to corporations.

Mr. Deputy Speaker: On debate, the Hon. Member for Winnipeg North.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise to support the position taken by my colleague, the Member for Ottawa Centre (Mr. Cassidy), in opposition to this amendment. One of the most important studies made of the tax system in Canada was done by the Royal Commission appointed by Prime Minister Diefenbaker when he was the Leader of the Conservative Party. That commission was chaired by a very distinguished member of the chartered accountant profession in Canada. It made a very important recommendation. It was put before the people and the Government and the Parliament of Canada, Kenneth Carter. It was a very important principle which they believed should be adopted, and that was that a dollar of income is a dollar regardless of how the income is obtained, and every dollar of income should be taxed in the same way, whether it was earned by somebody working for wages or salary, whether it was earned by somebody who was clipping coupons from the bonds or the stocks which he or she earned, or whether it was earned in the form of rents on property which people or corporations owned.

Liberal and Conservative Governments from that day on have ignored and hidden from the public that recommendation made by the Royal Commission headed by Mr. Carter. Let me put on the record what we have seen in the last 35 or more years. In 1954, the federal Government collected in income tax from individuals $1.17 billion. That is eleven thousand million dollars. It got just under that, $1 billion from corporations. That is, it got almost equal amounts of revenue from individual taxpayers and from corporations.

If you look down the road, in 1982 the Liberals had been in office for almost two-thirds of the time from 1952, which I used as a starting point, to 1982. In 1982, the federal Government collected $26 billion in personal income tax and only $8 billion in corporate income tax. We have heard a great deal from the Liberal and Conservative Parties about their desire to move to a fairer tax system. We have heard the Minister of State for Finance (Mr. Hockin) talking today about what the Conservatives have accomplished in the way of a fairer tax system, tax reform in reality. What kind of tax reform have we had? The fact is that the average family is now paying somewhere between $1,000 and $1,200 more in taxes. If you include income tax, sales tax, excise tax and certain other taxes, they are paying $1,000 to $1,200 more in 1988 than they paid in 1984 when the Conservative Government was elected.

We talked about corporation taxes. My colleague, the Member for Ottawa Centre, has already pointed out that an employee of Bell Canada earning between $20,000 and $30,000 a year will pay income tax at a rate only a few percentage points lower than the rate paid by the head of Bell Canada, Mr. de Grandpré, whose salary is over $1 million a year. That is how this Government looks at the tax system. That is what this Government means when it talks about its tax reform bases.

Let us just look at what has happened to corporation taxes. We know that small businesses—most of them individually owned—are paying a pretty healthy amount in the form of corporation taxes. When we look at the record for the last fiscal year for which we have information supplied to us by Revenue Canada, we see that in the year 1986 some of the most profitable, largest corporations in Canada somehow paid no tax at all.

• (1250)

Alcan Aluminum, whose pre-tax income was over $306 million, paid not one cent in corporation tax. Brascan had profits of $186 million and paid no tax at all. Power Financial which had profits of $131 million paid no tax at all. Hees International had profits of $117 million and paid not one penny in tax. Xerox Canada had $115 million in profits and paid not one cent in income tax. Cadillac Fairview, one of the most successful real estate developers in this country, had profits of $95 million in 1986 and paid not one cent in tax. Bramalea, another real estate developer, had profits of over $50 million and paid not one cent in taxes.

We have to ask ourselves from where is this Government coming? What has happened to its promises about tax reform? What has happened to the promise of the Prime Minister (Mr. Mulroney) in the debates held just before the election that he agreed individuals and corporations should pay a minimum tax? As my colleague, the Hon. Member for Ottawa Centre pointed out a few moments ago, the United States with the most conservative President, the most conservative right-wing administration it has had in the last 50 or more years has imposed a minimum tax on corporations. But this Conservative Government of Canada which talks about tax reform and fairness has not in four years tightened up the tax system so that every corporation, particularly the larger corporations, will be required to pay taxes.

They are only following the example set for them by previous Liberal governments. There was no one more

generous to corporations and wealthy individuals in the Liberal government years than the present Leader of the Official Opposition (Mr. Turner) when he was its Minister of Finance. In his first budget he gave a 9 per cent corporate tax reduction to manufacturing and processing companies. He also allowed these companies overly generous depreciation tax deductions on their equipment.

We will oppose this motion. Although we have become accustomed to the Liberals becoming quite progressive when in opposition and being very conservative when in government, here is a case where the Liberals are being very conservative and generous to their big business friends even while in the opposition. Lord only knows what they will do if they ever have a chance to form the government again. They would continue the process this Government has followed of giving more and more concessions to those individuals and corporations which have the most.

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I want to try to throw a little light onto this debate by reminding those viewing and listening to what we have to say in Parliament of the measure that is before us. What we have under the rubric of tax reform is a Liberal amendment designed to reduce the rate of tax on capital gains.

Mr. Boudria: It was supported in committee by the New Democratic Party.

Mr. Keeper: That is the amendment and the concrete proposal we are dealing with here. What may cause some confusion as people examine the proposal is the rhetoric of each of the parties. Let us examine it. The Liberals and their spokesmen talked about equity and taxation. The Conservative spokesperson talked about democracy in taxation. Our Party is concerned about fairness in the taxation for the ordinary Canadian family.

I want to look behind the rhetoric to see whether or not the actions of each of these Parties stand up to their rhetorical flourishes. Let me begin by looking at the Liberals. When they talk about equity in taxation and we examine their amendment before us today, what are they saying? Equity to me means one person or one group will be treated with equal fairness as another group of people. When it comes to equity, the Liberal definition of equity is pretty narrow. Their spokesman was concerned about whether those who receive income from stocks and bonds, other investments, and dividends be treated equally with those who receive capital gains. That was the narrow definition of equity. At no time when they spoke for equity did they raise the concerns of the ordinary Canadian family.

For those who earn their income from the sweat on their brow, at no time did the Liberals say that person who gets a pay cheque ought to be treated with equity. They said: "We want to take care of those who have stocks, bonds and get dividends and see that they are treated the same as those who have capital gains." I did not hear that spokesperson say we have to be concerned that taxes on the ordinary family have gone up by $1,500 under the Tory Government in the last three or four years and there ought to be some equity for the ordinary Canadian family and for the person who earns his or her income from a salary. While the Liberal Party is calling for taxation on capital gains to be reduced from three-quarters of that gain to two-thirds, the Liberals did not say that the ordinary family, except for a few small deductions, has to pay taxes on the vast majority of its income.

Mr. Cassidy: 100 per cent.

Mr. Keeper: Yes, 100 per cent. The Liberals did not call for a reduction in that area. Why did the amendment not call for that? That is the Liberal definition of equity. It is narrow, limited and shows no concern for the ordinary Canadian family.

What about the Conservative definition of democracy in taxation? The Conservatives say that to forgive taxes on capital gains is okay. It is okay to say that if your capital goes up in value by $100,000 you do not have to pay any taxes on it because that privilege is available to every single Canadian. There are very few taxpayers in my riding who have capital gains of that order. Who are the Conservatives talking for when they speak of democracy and capital gains and taxation? They are talking about giving a loaf to the wealthy while asking the ordinary middle-class Canadian to be satisfied with a few crumbs that fall off the table. In other words, if middle-class Canadians benefit in some small measure from capital gains exemption, they should not be concerned that others gain handsomely from it.

What about fairness for the ordinary Canadian family in the taxation system? How can you possibly give tax relief to the ordinary Canadian family if you are going to allow the very wealthy to get away with paying no tax on capital gains? Why is the Liberal Party asking for the measure to go even further than the Conservative Party is presently moving? This is not fair. This is not equity. This is not democracy.

Mr. Boudria: Why did the Hon. Member for Ottawa Centre (Mr. Cassidy) support that in committee?

Mr. Keeper: We need to take into account the financial situation of the ordinary Canadian family. If the Canadian family has dollars in its pockets to spend, the economy will be strong. If Canadian families are not overburdened by taxes, they can buy the products of the companies of this land and we will have a strong economy.

I think I see an indication from you that my time has run out, Mr. Speaker. I think I have made my point. Let me make it once more. It is shocking that when the Liberals talk about equity, they are only talking about dividends and the very wealthy. They have forgotten the ordinary Canadian family.

Mr. Deputy Speaker: It being one o'clock p.m., I do now leave the chair until two o'clock.

S. O. 21

At 1.01 p.m. the House took recess.

AFTER RECESS

The House met at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

BELUGA WHALES

DEATHS IN CAPTIVITY

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, since 1967 Canada has issued free permits for the live capture of beluga whales in Hudson Bay for display by aquariums in North America, Germany and Japan. A survey conducted by the *Winnipeg Free Press* shows that of the 59 whales captured, 20 have died.

The U.S. Navy took six belugas to a research centre in San Diego where three died. The Sea World chain has taken 18 or 19 of the belugas. Only 10 are still alive, including four that were taken one month ago.

Dan Goodman, federal adviser for marine mammals, says there is little the Government can do to ensure the safety of the whales once out of the country. Consequently, Canada should get out of the beluga business, be it for entertainment or for military purposes.

We urge the federal Minister of Fisheries and Oceans (Mr. Siddon) to stop issuing live capture permits. Lately, whale watching has grown in popularity on both coasts of Canada. That is the way to go: to view such magnificent mammals in their habitat.

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HISTORIC EVENTS

BLACK RIBBON DAY—ANNIVERSARY OF HITLER-STALIN PACT

Mr. John Reimer (Kitchener): Mr. Speaker, August 23, commemorating the Ribbentrop-Molotov Treaty of 1939, is celebrated as Black Ribbon Day in many communities across Canada including my own constituency of Kitchener. On August 23, 1939, Hitler and Stalin divided eastern Europe between themselves with the final outcome being that some 300 million Europeans became enslaved by communism.

I call upon all Hon. Members to wear a Black Ribbon Day ribbon or button proudly to demonstrate that the millions of people imprisoned behind the Iron Curtain are not forgotten. I call upon the Government of Canada to make strong representations to the Soviet Union welcoming the new attitudes behind the words *glasnost* and *perestroika*, and to prove that these words are not mere rhetoric.

I call upon Mr. Gorbachev to admit the Soviet guilt at Katyn Forest, to return Eastern Poland, Latvia, Lithuania, and Estonia to their rightful self-determination, and to honour the Soviet Union's undertaking at Yalta 44 years ago to allow free, democratic and unfettered elections in all of Soviet occupied Europe.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—HYDRO DISCOUNTS

Mr. Jim Fulton (Skeena): Mr. Speaker, what New Democrats have been saying for months has now been confirmed by the Minister of State for Science and Technology, the MP for Prince George Peace River (Mr. Oberle). Some mines and northern industries may never open and some may shut down if the Mulroney-Reagan deal on trade is implemented.

The Minister of State for Science and Technology confirmed last week that the trade deal would outlaw energy agreements such as B.C. Hydro discounts that have re-opened mines such as Endako and Granisle, and attracted operations like the hydrogen peroxide plant to Prince George. The Minister told the City Council of Prince George that such subsidies are "not permissible" under the pact. These are the same Conservatives who cut a deal with Alcan on Nechako River water-flows on the promise of new aluminum expansion in B.C and new industry for the Bulkley Valley or Vanderhoof, developments now promised for Québec, not B.C. These are the Conservatives who promised a full Minister of Forests in 1984 and we still do not have one in 1988.

What you hear from the Tories is not what you get. Prior to the election the Prime Minister said, in opposing free trade, "it affects Canadian sovereignty and we will have none of it". Northern workers, industry and small business have had four years of the largest Tory majority in history and want no more of it.

* * *

HISTORIC EVENTS

INTERNATIONAL BLACK RIBBON DAY—ANNIVERSARY OF NAZI-SOVIET PACT

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, today Canadians in 14 cities across the country and over 30 cities around the world will gather together to commemorate International Black Ribbon Day. International Black Ribbon Day symbolizes the quest for peace with freedom. The Black Ribbon is worn to show mourning for those who lost their lives in the defence of freedom and sorrow for those who still suffer.

The significance of the date on which Black Ribbon Day is commemorated is a reminder of the 1939 Nazi-Soviet Pact which linked the Nazis and Soviets as partners in terror, genocide, and enslavement. The Nazis were defeated and brought to justice at Nuremberg, but the Soviets continue their reign of tyranny to this day.

The new Soviet policy of *glasnost* has proposed certain reforms, and in the spirit of that policy I call upon the Secretary of State for External Affairs (Mr. Clark) and the Government of Canada to press the Soviet Government to honour its pledge of free and fair elections in the Soviet and all countries under its sphere of influence.

* * *

PORTS

THUNDER BAY—EFFECT OF REDUCED GRAIN EXPORTS

Mr. Maurice Foster (Algoma): Mr. Speaker, the Port of Thunder Bay faces a very bleak future in the year ahead due to the Government's approach to the shipment of grain through this port. Already 700 grain workers, railway workers and sailors have been laid off in the port. A confidential report indicates that by this time next year, over 1,150 will be laid off as well as those in the Great Lakes ports in the Lower St. Lawrence.

Four of the 13 elevators are shut down. Twenty of the 64 grain ships are idle. Of course, if they are idle for over a year many of them will move out of the Great Lakes system. Projections show as low as four million tonnes being shipped from the port in this crop year, whereas in the past year over 14 million tonnes were shipped. The viability of the port is in question when shipments go below seven million tonnes.

The Government has refused to give any commitment to maintain a reasonable share of shipments through this port. Yet only two months ago the Prime Minister (Mr. Mulroney) made a commitment of $164 million for one constituency during the Saint-Jean by-election. I call on the Government to take action to maintain the viability of the Port of Thunder Bay which is an essential and important port in the Great Lakes system.

* * *

EXTERNAL AFFAIRS

EAST AND WEST BERLIN—A TALE OF FREEDOM

Mr. Bill Gottselig (Moose Jaw): Mr. Speaker, on *The National* last night we saw a bold escape from East Berlin. Four people swam across the River Spree to freedom in West Berlin expecting to be shot at any moment. These brave individuals were helped on shore by some equally brave West Berliners while an East German patrol boat was rapidly approaching.

I have been to Berlin, both Berlins, East and West. The difference between them is like the difference between night and day. The feeling in the air in East Berlin is a cold feeling of oppression. The feeling in West Berlin is one we all know well. That feeling is freedom.

This is the feeling that those four brave people will enjoy today and from now on. They were prepared to die for their freedom, a freedom we as Canadians take for granted.

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NATIONAL CITIZENS COALITION

ANNOUNCEMENT OF AWARD TO MINISTER FOR INTERNATIONAL TRADE

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the National Citizens Coalition has awarded $10,000 to the Minister for International Trade (Mr. Crosbie). This is the best example I have seen of birds of a feather flocking together.

The National Citizens Coalition claims to stand for freedom yet is a big business instrument to attack the freedom of trade unions to exercise their rights. The Minister for International Trade shows the same lack of consistency. In October of 1980 he called government advertising a very dangerous practice meant to obscure the issues and a Liberal piece of hypocrisy. Now, while in government, he continues to run his free trade ad campaign with the latest advertisement appearing in today's *Globe and Mail*.

These two birds deserve each other, but our country deserves neither of them.

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AGRICULTURE

AG-WEST BIO-TECH INC.

Mr. Don Ravis (Saskatoon East): Mr. Speaker, at a time when farmers are going through a difficult period brought on by severe drought and international trade wars, the federal and Saskatchewan Governments are responding by laying the foundation for a stable future in Saskatchewan. This week, Ag-West Bio-Tech Inc. received $306,000 under the Canada-Saskatchewan Advanced Technology Agreement to further develop agricultural biotechnology in Saskatchewan.

By aiding both short and long-term research projects which will diversify the agricultural industry, this newly created institute will improve the competitive ability of Saskatchewan farmers. As a not-for-profit institute, Ag-West will focus on and support biotechnology research and development. This will

lead to the commercialization of products necessary for the diversification of the Saskatchewan economy. This will allow Saskatchewan to meet the continuing challenges of a highly competitive international market-place.

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EXTERNAL AFFAIRS

POLAND—CALL FOR RECOGNITION OF SOLIDARITY

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, yesterday we were reminded by my Leader, the Hon. Member for Oshawa (Mr. Broadbent), of the courageous struggle for freedom that was crushed in Czechoslovakia 20 years ago. Today we continue to be appalled that in neighbouring country, Poland, free trade unions must still be threatened with the spectre of military force for representing the legitimate demands of Polish workers. My NDP colleagues and I call on the Polish Government to recognize Solidarity and to get on with the task of building a freer Poland.

Today is also a day known to many as International Black Ribbon Day, marking the anniversary of August 23, 1939, the beginning of so much of the oppression that is still being suffered by the peoples of eastern Europe and the Baltic. The signing of the Ribbentrop-Molotov Treaty, a treaty between Hitler and Stalin, on that date proved to be a dark day for all the world, not just for eastern Europe, in so far as it helped set the stage for World War II.

One of the true tests of *glasnost* and *perestroika* will be whether the new winds of freedom are allowed to blow in countries which for too long have been under Soviet domination. It has been suggested that Chairman Gorbachev show good faith by allowing free and open elections at the municipal level throughout Soviet occupied Europe as a first step. We in the NDP urge that this be done.

* * *

• (1410)

ABORTION

POSITION OF CANADIAN MEDICAL ASSOCIATION

Mrs. Mary Collins (Capilano): Mr. Speaker, it is with pleasure that I congratulate the Canadian Medical Association and the thousands of physicians it represents on the courageous and sensible guidelines it adopted on abortion during its annual meeting in Vancouver recently. Physicians know, perhaps as well or better than most, the trauma and tragedy often associated with situations which lead women to seek an abortion. Yet they realize that such a decision is a medical one, best made by the woman and her physician.

The CMA's guidelines also provide that abortions could be performed in provincially approved facilities other than hospitals. They emphasize the importance of counselling for women facing such a decision, and the provision of proper family planning and contraceptive services. They also establish 20 weeks as the limit for abortion except in exceptional circumstances.

These are all reasonable guidelines which I believe are consistent with the views of the majority of Canadians who, while they may not approve of abortion or consider it for themselves, recognize that women along with their physicians should have the freedom to make their own decisions and accept the responsibility for them.

* * *

HOUSING

SITUATION IN METROPOLITAN TORONTO

Mr. Sergio Marchi (York West): Mr. Speaker, in response to my request yesterday that the Minister responsible for housing involve himself and his Government in easing the affordable housing crisis in Metropolitan Toronto, he was quoted today in the Toronto *Star* as saying: "We are going to let the free market forces dictate". That Tory answer is simply not good enough. These market forces are the same market forces which have pushed up the average price of a home in Metropolitan Toronto to over $230,000.

Young couples starting out with the dream of owning a home cannot do realize their dream. Couples who want to move perhaps from a semi-detached to a bungalow and then to a split level cannot do so. Senior citizens are having a hard time trying to maintain their homes on their pensions. It is time that the federal Government etched out a partnership with both the municipal and provincial Governments to the benefit of the housing crisis in Toronto.

The RHOSP program was cut. We have a Government which is not giving over 15 acres to the new $1.2 billion St. Lawrence housing project for 12,000 Canadians. We have no programs for first time home buyers. Therefore, I urge the Government to assume its leadership role and help the municipal and provincial Governments bring housing prices back to reality in the city of Toronto.

* * *

[*Translation*]

ELECTIONS EXPENSES

CONTRIBUTIONS FOR POLITICAL PURPOSES

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, at the end of their annual regional meeting, the Quebec Conservative caucus

decided to implement public financing. We accept political contributions only from individuals. The Liberals and PQ have been doing so successfully in Quebec since 1976. Will the socialists do the same? Will they continue to use the major unions as their base of operations? Will they continue to use the premises of the Quebec teachers' union and telephones and stamps provided by unions? Will they still use union employees and supplies and money from the big unions? Will they illegally continue to use union dues for political purposes?

I challenge the socialist leader to comply with Quebec's standard of political morality, which we Conservatives share with the PQ and the provincial Liberals.

I say to the socialist leader, "Show yourself distinctly to Quebecers!" That is what we expect.

* * *

[*English*]

BANKS AND BANKING

SERVICE CHARGES IMPOSED ON SMALL BUSINESSES

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, it is about time small business people got a fair deal. Almost two months ago the Minister of State for Finance (Mr. Hockin) huffed and puffed about "objectionable" service charges and negotiated with the banks a deal which would eliminate some service charges for consumers. However, small businesses continue to get dinged by the banks without notice, and continue to pay NSF charge-back fees which have been eliminated for consumers. While the pussycat Minister fiddles, small business people get burned.

Just yesterday the Royal Bank announced its intention to raise some of its service charges, including a 12 per cent increase for NSF cheques. While that fee is offset by the elimination of the charge-back to consumers, small business people pay both the increased fee for writing NSF cheques and a charge for cashing NSF cheques. This is unfair.

It is time the Minister paid attention to the concerns of small businesses which are often at the mercy of the big banks and are in no position to change banks. He found some charges "objectionable" for consumers and removed them. He should now do the same for small business.

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HISTORIC EVENTS

INTERNATIONAL BLACK RIBBON DAY—ANNIVERSARY OF STALIN—HITLER PACT

Mr. John Oostrom (Willowdale): Mr. Speaker, on August 23, 1939, 49 years ago today, a few days before the start of World War II, Stalin and Hitler signed a pact which divided Eastern Europe between them. As a result, 300 million Europeans became enslaved by Soviet communism. The International Black Ribbon Day Committee marks this day to push for fundamental freedoms behind the Iron Curtain.

The ABN credo is freedom for nations, freedom for individuals. It is dedicated to the restoration of liberty, justice and independence for Afghanistan, Albania, Angola, Armenia, Bulgaria, Byelorussia, Croatia, Cuba, Estonia, Ethiopia, Georgia, Hungary, Laos, Latvia, Lithuania, Mozambique, Nicaragua, Poland, Romania, Slovakia, Slovania, Turkestan, Ukraine, Vietnam, and all other subjugated nations throughout the world. World peace can come only when all the people are set free.

* * *

ABORTION

POSITION OF CANADIAN MEDICAL ASSOCIATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I rise to condemn the policy statement by the Canadian Medical Association which was released yesterday. The CMA said on abortion:

> The decision to perform an abortion is a medical one, made privately between the patient and her physician—

For one thing, medical doctors should know better. They should know when you are talking about abortion and the patient and her physician, you are forgetting at least one person.

ORAL QUESTION PERIOD

[*Translation*]

GOVERNMENT CONTRACTS

STATEMENT BY MEMBER FOR ROSEMONT—REQUEST FOR ESTABLISHMENT OF ROYAL COMMISSION OF INQUIRY

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, in the absence of the Prime Minister, my question is directed to the Deputy Prime Minister, as the person responsible for administering the Government's code of ethics. Last week, three Conservative Members, the Hon. Member for Rosemont, the Hon. Member for Duvernay and, more recently, the Hon. Member for LaSalle, said there was a kickback system in the Government.

Mr. Speaker, this morning at a press conference, the Hon. Member for Rosemont repeated her statement, and I quote from her press release, in which she said the following in referring to kickbacks and contracts: "I am convinced that this exists on an organized level, and that it can be brought to light. However, I am also sure that a criminal investigation, considering the methods that are customary in such instances

and the kind of evidence that is required, would not be able to expose the existence of such a network. I think the best instrument, in this case, would be royal commission of inquiry".

My question for the Deputy Prime Minister is this: Considering the fact that the Hon. Member for Rosemont, a Conservative Member and a former Member of Cabinet, repeated her charges about the existence of a kickback system within our federal public administration, and that she is asking for a royal commission of inquiry, could the Deputy Prime Minister inform the House today whether he agrees with his colleague, the Hon. Member for Rosemont, and whether he will accede to her request for a royal commission of inquiry to substantiate the allegations she has made with respect to her Government?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, what the Hon. Member for Rosemont has alleged is a very serious violation of the Criminal Code. She has not been able to substantiate it. The responsibility for enforcing the Criminal Code lies with the police and the justice system. That process has been followed. An interview was undertaken by the RCMP. No specific evidence was forthcoming. So what we have here is an allegation of criminal wrongdoing without any evidence whatsoever. I do not know what a Royal commission would undertake to do when there is no basis in fact for the allegations.

[*Translation*]

ACCUSATIONS CONCERNING EXISTENCE OF KICK-BACK SYSTEM—GOVERNMENT POSITION

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, since the Prime Minister has just arrived, I will direct my question to the Prime Minister as the person responsible for the code of ethics.

The Hon. Member for Rosemont indicated in her press release this morning that patronage and kickbacks are nothing new and should not be considered a taboo subject in this day and age. In fact, the subject was brought up several times at the Quebec Members' Caucus, even in the presence of the Prime Minister himself. I want to ask the Prime Minister whether the allegations of the Hon. Member for Rosemont regarding the existence of a kickback system were mentioned several times in his presence at the Quebec Caucus. If that was the case, it would indicate that a number of Members were concerned about these allegations. I want to ask the Prime Minister what he has done about the allegations with respect to the existence of a kickback system that were mentioned at the Conservative Caucus.

• (1420)

Mr. Speaker: I have a problem with the question because discussions among Members in Caucus are not really a matter of Government administration.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I simply want to draw the attention of the Hon. Member to two other statements made today by the Member in question, and I quote: "I did not bring this information to the attention of the RCMP because I was not personally a witness to what happened, so that if I were asked to testify, my testimony would have no legal value."

COMMUNICATION WITH MEMBER—POSITION OF PRIME MINISTER

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I don't intend to venture on the kind of slippery terrain the Prime Minister is walking on and accuse his former colleague of lying to Canadians. In fact, I would now like to put a question to the Deputy Prime Minister and perhaps to the Prime Minister himself.

Last Friday, around 11.30 a.m., during Oral Question Period, my colleague, the Hon. Member for Glengarry—Prescott—Russell, asked the Deputy Prime Minister, and I quote:

> . . . when he contacted the Hon. Member for Rosemont, and if he has not done so, will he do so today? And if not, why not? After all, it's his responsibility!

And the Deputy Prime Minister's answer was:

> Mr. Speaker, I considered that course of action. However, having considered the allegations as being of such a serious nature, I thought it would be improper for me to intervene, given the fact that we had been advised that the RCMP were going to conduct an interview with her, as the Solicitor General has indicated. I did not want to be seen as intervening in the process.

Mr. Speaker, this morning we heard the Hon. Member for Rosemont said it would be unworthy or against the code of ethics for the Deputy Prime Minister to intervene, as it was for the Prime Minister's chief of staff, who at 8.45 this very morning, contacted the Hon. Member for Rosemont, and as she said in her press release, asked her to retract or say her statements had been misquoted. This the Hon. Member refused to do.

I want to ask the Prime Minister or the Deputy Prime Minister why it was improper for the Deputy Prime Minister to communicate with the Hon. Member for Rosemont and why it was perfectly proper for the Prime Minister's chief of staff, Mr. Peter White, to put pressure on the Hon. Member and threaten her with expulsion from the Caucus if she did not retract.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Hon. Member for Rosemont said, and I quote: "I know personally that patronage exists, that it continues to grow and that there is a kickback system for contracts", and she said this to *La Presse* on August 18. It is perfectly proper for a senior member of my staff to call the Hon. Member to find out if she intends to substantiate her claims and whether she intends to discuss the matter with the Prime Minister and her caucus colleagues. The fact remains that the same day, and I quote from an English text:

[*English*]

"An RCMP spokesman reading from a prepared statement issued late yesterday afternoon in Ottawa said: 'She had no details of any activity that would justify an RCMP investigation' ".

What we have here is a Member of Parliament who has made charges that would have the effect of tarnishing the reputation of all members of a Party and, by implication, the charge was made in respect to previous Governments. I felt that blanket charge was unfair and any evidence that she had should be brought forward. That has been my position. I invited her to come forward to the caucus and explain her point of view. As it happened, the RCMP visited with her and she told the RCMP that she had no information at all. That to me is a very sad and irresponsible situation for a Member of Parliament to place herself in.

[*Translation*]

QUERY CONCERNING SPOKESPERSON FOR GOVERNMENT

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is also for the Prime Minister.

I would like him to explain the contradiction for me. The Prime Minister has just told the House that it was quite normal to intervene politically to get information from the Hon. Member for Rosemont. However, the Deputy Prime Minister, who is seated next to him, says that it would be ill-advised to intervene.

I would like to know who speaks on behalf of the Government. Is it the Prime Minister or the Deputy Prime Minister? The Prime Minister says that it is quite normal and the Deputy Prime Minister said on Friday, "However, having considered the allegations as being of such a serious nature, I thought it would be improper for me to intervene, given the fact that we had been advised that the RCMP were going to conduct an interview with her, as the Solicitor General has indicated."

Is that right or wrong? Is it improper or quite normal? What is the answer?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I find it quite normal that if an allegation is made in a general way, for example, if someone made a general statement about all the Liberal Members in the House, it would seem quite normal to me that the Liberal Members would immediately demand further information, some evidence, or that the accusations be withdrawn.

It seems quite normal to me that my chief of staff asked one of our Members to follow such a logical procedure. If the Hon. Member is offended, too bad for him. It seems quite normal to me to proceed in that way when people's reputations are involved, whether they are Members of the New Democratic Party, Liberals or Progressive Conservatives; everyone is entitled to the benefit of the doubt and to be treated fairly.

REQUEST FOR RETRACTION FROM MEMBER FOR ROSEMONT—PRIME MINISTER'S POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, the Prime Minister says that everyone is entitled to fair treatment, but his chief of staff did not ask the Hon. Member for Rosemont for information politely. He threatened to throw her out of the Conservative Caucus. There is quite a difference between asking for information and blackmail and arm-twisting!

I ask the Prime Minister whether it is quite normal to ask a Member to retract, even to say the opposite of what is true; is it quite normal to say, "If you don't retract, you'll be thrown out of the Conservative Caucus"?

[*English*]

Mr. Speaker: I will let the Right Hon. Prime Minister answer, but I am a little concerned about a preamble that gets awfully close to an allegation.

[*Translation*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, there was no threat.

Mr. Lapierre: Oh, no!

Mr. Mulroney: The Hon. Member says, "Oh, no!" The same person who said that there were threats said on August 18:

> I personally know that patronage exists and has continued to grow, that there is a contract kickback system.

Today, the same person says, "I did not bring this information to the RCMP because I personally was not a witness to these situations. If I were called as a witness, my contribution would have no legal value."

The same person who said that she had no evidence for the accusations made against people's reputations has no evidence for such a statement.

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[*English*]

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—HYDRO DISCOUNTS

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, my question is directed the Minister for International Trade. He may be aware that last Monday, in an appearance before the City Council in Prince George, British Columbia, the Minister of State for Science and Technology stated that the trade deal with the United States would prohibit hydro discounts that have re-opened mines all across the Province of British Columbia and other parts of Canada.

The Minister was asked if the trade deal would allow subsidized energy rates that have allowed mines like those at

Endako and Granisle to reopen. The Minister replied very precisely: "No, it is not possible".

• (1430)

The Minister knows how important subsidized energy rates have been to allow mines and plants across Canada to re-open. The Minister of State for Science and Technology has said that under the trade deal this kind of discounted rate, if you like, would not be permissible. Who is telling the truth? On a number of occasions the Minister has indicated that communities would not be placed at risk. The Minister of State for Science and Technology said whole numbers of single industry towns would now be placed at risk. Who is it that we are to believe?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, in the first place I believe my hon. colleague said no such thing as the hon. gentleman is quoting him as saying. Second, we can subsidize whatever we like. We can subsidize whatever we wish in this country.

There is no international agreement that prevents us from subsidizing whatever goods we want to subsidize or whatever services we want to subsidize. However, if we do subsidize, if it is a trade related subsidy, we have to consider whether or not, if we export that product, another country might challenge it as being subsidized in an objectionable way so that it is no longer free trade or fair trade, and may attempt to bring an action against it.

That has always been the case. That is the case this year. That was the case five years ago. That will be the case in the future. There is nothing in the U.S.-Canada agreement that prevents us from subsidizing hydro rates if we wish, or anything else we wish to subsidize.

STATEMENT ATTRIBUTED TO MINISTER OF STATE FOR SCIENCE AND TECHNOLOGY

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, both in the newspaper and on radio tape, the Minister of State for Science and Technology has said that under the trade deal any effort to provide subsidized energy rates that have allowed mines like Endako and Granisle to re-open would not be permissible.

Who is that we are to believe? The Minister of State says that this kind of subsidized energy, if you like, would not be allowed under the trade deal. The Minister for International Trade says that it would be allowed under the trade deal. I am not sure what the Prime Minister has said. He closed down Schefferville, so we will stick with the two Ministers.

Mr. Masse: Cheap shot.

Mr. Riis: The Minister spends millions of dollars on propaganda for this deal.

Mr. Andre: Cheap shot Riis.

Mr. Riis: His colleague, who I assume has read the deal, says to his constituents and to single industry towns across the country that that kind of subsidized energy will not be permissible. Who is it that we are to believe?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I do not believe the people of Canada will believe those who constantly cry wolf, those who constantly make false statements about the effects of the U.S.-Canada trade arrangement, such as the hon. gentleman opposite.

Schefferville voted 85 per cent for the Prime Minister, so they must have understood what the Prime Minister was attempting to do. They understood that for years jobs had been created in Schefferville, that the resources had been developed, and that the hon. gentleman opposite has never created a job, or developed anything in his life. All he has done is mal-mouth in the House of Commons.

Mr. Riis: Mr. Speaker, if he is looking for wolves, there is a wolf in his Cabinet.

GOVERNMENT POSITION

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, the Minister for International Trade will well know that from Newfoundland to British Columbia there are hundreds of communities that exist because a mine, a plant, or a mill was receiving subsidized low energy feedstocks. That was one of the reasons why those plants, those mines and those mills were created in those communities.

The Minister of State for Science and Technology has stated on tape, and is quoted in the newspapers as saying that this kind of subsidy would not be permitted in the future. I think that is serious. Who is that the people of Canada are to believe? Whom do we trust? Do we trust the Minister of State for Science and Technology or the Minister for International Trade?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, as anyone who follows trade matters will realize, many countries in the world subsidize services or subsidize products, or help in the establishment of industries. Every country has this kind of program, and other countries to which they export challenge the subsidies if they think that they are trade related and unfair subsidies causing them to compete unfairly with domestic industries. That happens in the United States *vis-à-vis* Canada, and the United States *vis-à-vis* other countries. Here in Canada we challenge the exports of other countries to Canada on the same basis.

That is why, under the free trade agreement, we will work out with the Americans over the next five years an agreed definition of what is a trade related subsidy that could properly invite countervailing duties.

In the meantime, the U.S.-Canada agreement does not rule out subsidies in any way, shape or form. The position on subsidies is completely unchanged, except we will have a better

chance to challenge U.S. action because we will have a dispute settlement method to which we can revert.

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GOVERNMENT CONTRACTS

REQUEST FOR ESTABLISHMENT OF ROYAL COMMISSION

Hon. Bob Kaplan (York Centre): Mr. Speaker, I want to return to the Prime Minister and challenge his suggestion that in cases like this it is good enough simply to call in the RCMP.

Some Hon. Members: Oh, oh!

Mr. Crosbie: Who would you call in? The CIA? You never called anyone in, that is for sure.

Mr. Kaplan: We set up Royal commissions.

Mr. Speaker: I would ask that the Hon. Member for York Centre use his experience and perhaps some of the help that was intended for him yesterday in the exchange between myself and himself, and be very careful to keep within the rules.

Mr. Kaplan: Mr. Speaker, I am asking the Government to establish a Royal commission. I think that is in order.

I want to ask it to establish a Royal commission in light of the fact that there has already been a conviction for kickbacks during the life of this Government.

Mr. Mazankowski: Where?

Mr. Kaplan: There is a case under investigation—

Mr. Mulroney: Withdraw.

Mr. Boudria: Have you forgotten already? Hypocrites.

Mr. Speaker: I am sorry. I do not know where the Hon. Member is leading. I am moving on to the Hon. Member for Nickel Belt.

KICK-BACK ALLEGATIONS—PMO OFFICIAL'S CONTACT WITH MEMBER FOR ROSEMONT

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is directed to the Prime Minister. It concerns the allegations which the Hon. Member for Rosemont has made with respect to kick-backs. Last Friday, August 19, in the House, one of the opposition Members asked the Deputy Prime Minister a question as to whether the Deputy Prime Minister would speak to the Hon. Member for Rosemont and, if he had not done so, would he do so "today". The Deputy Prime Minister replied, as reported at page 18565 of *Hansard*:

> Mr. Speaker, I considered that course of action. However, having considered the allegations as being of such a serious nature, I thought it would be improper for me to intervene, given the fact that we had been advised that the RCMP were going to conduct an interview with her . . .

Today, the Member for Rosemont said that on Friday Mr. Peter White, chief of staff of the Prime Minister's Office, contacted her and told her to withdraw the remarks or run the risk of being kicked out of the Tory Caucus. Why is it that what is improper for the Deputy Prime Minister to do becomes proper for the Prime Minister's henchman to do?

• (1440)

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I appreciate the fact that the Hon. Member quoted exactly precisely what I stated. That occurred at about 11.30. My understanding at the time that we were made aware, as the Solicitor General indicated, was that in fact the RCMP were going to interview the Hon. Member for Rosemont. That was one of the considerations.

My understanding, and I may be wrong in this, is that the Prime Minister's chief of staff contacted her in the morning seeking clarification and reminding her of her obligation that if she had evidence she should produce that evidence and report to the police. My understanding is that was, essentially, the thrust of the conversation.

NOMINATION PAPERS OF MEMBER FOR YORK—PEEL

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my supplementary question is addressed to the Prime Minister.

In light of the fact that the Hon. Member for Rosemont has now been put out of the Tory caucus as of last weekend, can the Prime Minister tell the House if he intends to refuse to sign the nomination papers for the Hon. Member for York—Peel who broke the conflict of interest guidelines not once, not twice, but 14 times?

Some Hon. Members: Order!

Mr. Mazankowski: That is a Party matter.

Mr. Speaker: I am having great difficulty in accepting that that is a question that has to do with the administration of government. Perhaps the Hon. Member could rephrase his question.

Mr. Rodriguez: Mr. Speaker, in light of the fact that the conflict of interest guidelines are indeed the administration of justice—indeed, they are the handiwork of the Prime Minister himself—and in view of the fact that a member of his caucus, of his Government, was found to have breached those guidelines 14 times, and in light of the fact that he has kicked out one Member, the Hon. Member for Rosemont—

Some Hon. Members: Order!

Some Hon. Members: Sit down!

Mr. Speaker: The Hon. Member for Glengarry—Prescott—Russell.

NATIONAL CITIZENS COALITION

ANNOUNCEMENT OF AWARD TO MINISTER FOR INTERNATIONAL TRADE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Prime Minister as well. It concerns a totally different subject, that of the $10,000 prize that the Minister for International Trade has been awarded and has accepted, according to the media, from the National Citizens Coalition.

Some Hon. Members: Hear, hear!

Mr. Boudria: I hope that the record will show that Conservative Members were applauding.

Given that the National Citizens Coalition is in favour of apartheid, pro-capital punishment, anti-bilingualism, against medicare, against immigration, and against social programs, will the Prime Minister order his colleague to refuse to accept the prize?

Mr. Blackburn (Brant): It is very scary.

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I do not know whether this comes within my Department or not. However, I can see the hon. gentleman is displaying a tremendous amount of jealousy at the news that I have received this award. Perhaps I could be induced to share the proceeds with him—

Mr. Boudria: I want no part of dirty money.

Mr. Crosbie: —if his hurt feelings continue.

As to the National Citizens Coalition itself, I only know from what I see in the paper. It is an organized group with a conservative philosophy. I may agree with some of its views and policies and not with others, just the same as the hon. gentlemen across may agree with some of the views of the CLC and not with others, or perhaps they may agree with them all totally.

In any event, I am glad to be recognized as having made a contribution to the cause of the free trade agreement between Canada and the United States.

COALITION'S POSITION ON APARTHEID

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want no part of the Minister's blood money.

Some Hon. Members: Oh, oh!

Mr. Boudria: I want to ask him a supplementary question, Mr. Speaker. It is asked of the Minister for International Trade who is also at the present time the Acting Secretary of State for External Affairs.

In its newsletter "Consensus" of February, 1987, the National Citizens Coalition said about the Government's policy on South Africa: "Expediency, not principle; pragmatism, not morality. These are the models for Canada's foreign policy." How can the Minister accept this reward and remain in Cabinet?

Some Hon. Members: Hear, hear!

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman, I suppose, has never received an award before in his life.

Mr. Axworthy: Don't laugh it off, John, it's a serious issue.

Mr. Crosbie: He therefore believes that the recipient of any reward from any group must agree with every statement of the group that gives the award. Is this true of the Oscars? Is it true of the Nobel Peace Prize? If one accepts the Nobel Peace Prize does that mean that one agrees with using dynamite to blow up one's opponents or enemies? How ridiculous this is getting.

Mr. Axworthy: You don't have a bit of integrity. What a dishonourable man.

Mr. Foster: Tory blood money.

Mr. Crosbie: If this is what you are down to it is pretty bad.

Some Hon. Members: Order!

Mr. Speaker: The Hon. Member for Skeena.

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ADMINISTRATION OF JUSTICE

PARALLEL JUSTICE SYSTEM RECOMMENDED FOR NATIVE PEOPLES

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is addressed to the Minister of Justice. A special committee of the Canadian Bar Association has recommended a parallel justice system for Canada's first citizens. The report reveals that in Saskatchewan a treaty Indian woman is 131 times more likely to end up in jail than a white woman, and that 60 per cent of prison admissions are native, while only 6 per cent of Saskatchewan's population is native.

Would the Minister confirm that across Canada 10 per cent of federal inmates are native even though they make up only 2 per cent of the population, and that this Parliament and this Government have the authority and the responsibility to implement a parallel justice system for Canada's first citizens?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, the Hon. Member raises a very serious question. I am pleased to try to address it in a serious way.

The Hon. Member will know that this is a preliminary report to the Canadian Bar Association. I have instructed my

officials to examine thoroughly and analyse the report and the statements and recommendations made therein.

I should say that we have tried as a Government, and I think with some success, to move forward in an examination of some of the difficulties faced by aboriginal populations in our country in the justice system. As a matter of fact at the present time my Department is undertaking a very extensive review of a number of initiatives. I think this report will be very closely examined. I thank the Hon. Member for raising the matter in the House.

REQUEST FOR GOVERNMENT ACTION

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary question is addressed to the same Minister. Since Canada clearly has the constitutional authority to implement aboriginal courts and correctional systems, and since Section 35 of the Constitution Act is a full box of rights, including self-government, will the Minister commit the Government to immediate action based on the CBA report, because many native Canadians are being prosecuted and incarcerated for practising their constitutional rights, making them, dare we say it here on the floor of the House of Commons, political prisoners in their own land, a situation which can no longer be allowed to continue?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, as I indicated, we want to look at the question in a very serious and comprehensive way as a Government.

I can only say to the Hon. Member that the report itself and the Canadian Bar Association appreciate that there is no easy or facile solution to the problem. It is one that will require a number of initiatives.

I can tell the Hon. Member, and I hope he will accept my commitment on behalf of the Government, that we regard this as a very serious question. Tomorrow I will have the opportunity to address the Canadian Bar Association. It just so happens that one of the aspects I will be dealing with is the whole question of sentencing *vis-à-vis* our native population. We are in fact, and have been, considering this matter. We will continue to do that. I will welcome any suggestions made by Members of Parliament and the Parties in this House.

MINISTER'S POSITION

Mr. Keith Penner (Cochrane—Superior): Mr. Speaker, my question is addressed to the same Minister, the Minister of Justice. It is with regard to the report from the Canadian Bar Association.

The report strongly supports what aboriginal leaders have been telling the country for a very long while now, that is, that the present justice system under which they suffer has not served their people at all well.

I would like to ask the Minister, as the report recommends, if he is willing to work along with aboriginal leaders toward the development of a contemporary aboriginal or native justice system in Canada. The Minister knows that there is nothing shocking or radical in such a suggestion since it works well elsewhere in North America. For example, the Pueblo and Navajo have worked out such an arrangement with the American Government.

• (1450)

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, as the Hon. Member will know, there have been a number of initiatives and studies undertaken on the issue of sentencing and parole. The Standing Committee on Justice and the Solicitor General has given very serious consideration, if I understand the proceedings well, to this whole issue. I expect that its report, which is anticipated some time next week, will try to deal with some of those complex issues.

This is something where we will have to consult widely, where there is no simple answer. It is a commitment which we have on behalf of the aboriginal people of Canada to make sure that justice does apply equally to all Canadians, including aboriginal Canadians.

Mr. Penner: The Minister talks about sentencing and parole. He knows that the question went well beyond that. We are talking about a contemporary aboriginal or native justice system developed in Canada, which is far beyond the matters to which the Minister referred.

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NATIVE ECONOMIC DEVELOPMENT PROGRAM

REQUEST FOR RENEWAL

Mr. Keith Penner (Cochrane—Superior): For my supplementary question, Mr. Speaker, I would like to turn to the Minister of Indian Affairs. The report cites poverty as being a major factor in the excessively high levels of incarceration among aboriginal peoples.

I would like to ask the Minister of Indian Affairs and Northern Development whether, this week or perhaps next week, the Government will announce that the Native Economic Development Program will be renewed. As the Minister knows, that program will expire at the end of this fiscal year. Can native people expect to see a renewal of this ambitious effort to help them find their own feet, get off the welfare system and dependency on the Government of Canada?

Hon. Robert de Cotret (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, the Native Economic Development Program has known quite a bit of activity. There have been 1,687 requests totalling some $1.2 billion. Fully 94 per cent of all requests have been dealt with.

The program was extended last year so that we could have, as a Government, the opportunity to review, with the people concerned, and the Assembly of First Nations, modifications that could be brought to a new version of the program to be introduced. It was extended until March 31 of next year. Those consultations have been going on very well.

I expect that we will be in a position very shortly to announce modifications or a new version of the program that could be put in place as of April 1, 1989.

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CANADA POST CORPORATION

WHITEHORSE—FUTURE OF CENTRAL POST OFFICE

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister responsible for Canada Post. The residents of Whitehorse in the Yukon are beginning to wonder if the Minister is attempting to add a northern question to the game of *Trivial Pursuit*, to wit: "What is the only capital city in Canada without a federally run post office?" Answer: "It looks like it's going to be Whitehorse".

In two months the current Post Office building will be demolished. For some reason Canada Post has continued to be secretive about its intentions for this retail facility.

Will the Minister now tell the taxpayers of Whitehorse what plans he has for the central post office?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, I can assure the Hon. Member and her constituents that the mail receiving and sending public of the Yukon will continue to receive and be able to send mail.

As to specific details as to what and where the post office will be operating, that is a question that I will of course have the Post Office reply to, if the Hon. Member would prefer to have me ask the Post Office rather than ask herself.

COST OF POST OFFICE BOXES

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I thank the Minister for his offer, because we have continually asked Canada Post, and it has continually failed to respond.

The Minister states that we will continue to be able to send and receive mail. Does the Minister realize that under his privatization scheme the cost of a post office box in a privately run post office has increased in Whitehorse anywhere from 400 per cent to 1,700 per cent from that in the federal post office, and that is what I call a "super box".

What does the Minister intend to do about this?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Hon. Member states that she has made inquiries and has not been able to receive an answer. If the Hon. Member will send me a copy of those inquiries, I will get an explanation as to why. I would like to see evidence that the Hon. Member has asked and not received replies.

Lock box fees are set by regulation. The types of changes the Hon. Member talks about are impossible. If the Hon. Member will wait for four or five days I think that she will hear some very good news in terms of lock box fees.

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FISHERIES

NEWFOUNDLAND INSHORE FISHERY—REQUEST FOR COMPENSATION PROGRAM

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, we have just heard the Member for St. John's West, the Acting Minister of Fisheries, boast about a $10,000 award that he has received from—in my view—a questionable organization called the National Citizens Coalition.

That is the same Minister who, last week, denied there was any crisis in the inshore fishery in Newfoundland. Last Saturday night in St. Anthony, Newfoundland, some 700 fishermen turned out at a public meeting in response to the Minister to tell him that he is wrong, that there is a crisis, that they are hungry, and that they are without incomes.

They asked me to present the Minister with an award of their own. One David Mugford, who has earned less than $1,000 since May, asked me to send the Minister his pay cheque for that week, which is $9.45. Therefore, Mr. Speaker, I send that across the floor to the Acting Minister of Fisheries.

I wish to ask the Prime Minister, since the Acting Minister of Fisheries, the Member for St. John's West, refuses to acknowledge the crisis atmosphere in the inshore fishery in Newfoundland, the hunger that exists among fishing families in the inshore of Newfoundland, if the Prime Minister will establish, on an emergency basis, a compensation program to assist fishermen, primary producers, in exactly the same manner that this Government and previous Governments assisted farmers who are also primary producers? Can that be done quickly to assist hungry families today?

Hon. John C. Crosbie (Acting Minister of Fisheries): Mr. Speaker, last week the Hon. Member who asked this question claimed that there was a disastrous inshore fishery in Newfoundland and Labrador this year. That is an untrue and unfactual statement.

This year, up to July, the inshore cod landings and values were 90,000 metric tonnes caught, and $40 million in value, compared to 59,000 metric tonnes having a value of $28 million in the inshore fishery last year in the same period of time. How can the Hon. Member say that there is a disastrous failure in the Newfoundland fishery?

However, Mr. Speaker, this year, as happens every year on certain sections of the coast, which is thousands of miles in

length, some areas have not had fish in the inshore fishery. One of those areas is the St. Anthony area in White Bay. Another area is that of Lawn and St. Lawrence on the south coast of Newfoundland, as I said last week.

Mr. Tobin: Oh, he's finally catching on.

Mr. Crosbie: If there is need for assistance in those particular areas, in the past there have been certain employment programs for areas like that and that will certainly be considered, but there is no disaster in the Newfoundland inshore fishery. Over much of the province it has been very good. For example, capelin landings are up to $28 million in value this year as compared to $7 million last year. To date, crab landings are also up in value.

The hon. gentleman's statement is simply untrue, except with respect to certain areas.

Mr. Speaker: The Hon. Member for Spadina.

Mr. Tobin: Supplementary question, Mr. Speaker?

Mr. Speaker: I apologize to the Hon. Member for Humber—Port au Port—St. Barbe.

REQUEST FOR APPOINTMENT OF TASK FORCE

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, with all those boring statistics that ignore human beings, it is no wonder that the Speaker nearly fell asleep, as did most of the House while listening to that dispassionate, callous, cruel, and thoughtless answer from the Acting Minister of Fisheries.

Landings may be up, but the price of fish is only half of what it was last year. While the value to the companies may have risen, the fishermen who catch the fish by the sweat of their brow are hungry this year. That is the lesson that the Minister is only now beginning to acknowledge. I tell the Minister that fishermen do not want an 8, 9, or 10 week program—

• (1500)

Mr. Speaker: Perhaps the Hon. Member could put his question.

Mr. Tobin: Mr. Speaker, the fishermen of Newfoundland want the same consideration in times of natural disaster as the farmers of this country rightly received. They are in a desperate situation now.

Is the Prime Minister prepared to set up a task force on an emergency basis because the crisis is now, Prime Minister—they are hungry now—to look at the situation of inshore fishermen all over Newfoundland and to provide financial compensation to those people who have earned pay cheques of $9.45 for a week, or who have earned less than $500 or $1,000 for the year?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the Hon. Member, as we all know, is grandstanding, or he is trying to imitate the big-mouth bass or doing some kind of fish impersonation.

Some Hon. Members: Oh, oh!

Mr. Crosbie: The position is that, despite a drop in prices this year of something like 40 per cent, the landed value of fish caught in the inshore fishery of Newfoundland is up considerably. I have given you the figures, Mr. Speaker. I have given you the landings of the capelin, crab, and cod.

Mr. Tobin: Their take-home pay is down.

Mr. Crosbie: In areas where there is a local disaster as there is in some areas, then we will do the usual careful survey and if help is needed-

Mr. Tobin: It is needed.

Mr. Crosbie: —as always with this Government, the fishermen in those areas will get the necessary help, but they will not be helped by this kind of an exhibition in the House.

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HOUSING

SITUATION IN METROPOLITAN TORONTO—REQUEST FOR SPECIAL TAX ON LAND SPECULATION

Mr. Dan Heap (Spadina): Mr. Speaker, my question is for the Minister of State for Finance.

As the Minister knows, there is a very desperate housing situation faced by the people of Toronto. People find it impossible to buy a home or often even to rent a home. Periodicals like *Time* magazine or *The Financial Times* have pointed to Toronto as a situation in which part of the reason for this housing shortage is that speculators are driving up the price of housing.

Would the Minister be willing to take steps to cool down this speculation in real estate and housing in Toronto? Will he consider a special tax on land speculation, which is what is bidding up the price of housing in Toronto?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Diversification): Mr. Speaker, the responsibility of the Government of Canada through Canada Mortgage and Housing has been recognized. There are expenditures on assisted housing in Canada of some $1.5 billion a year. In Toronto, the fair share of that amount is being put forward. There are more people in need at this time because of the housing policies that have been developed co-operatively with the provinces and the Government of Canada receiving assisted need in housing.

The Minister responsible has had discussions and informed the House as late as yesterday as to actions that he has taken that will provide more land after consultation with other Departments, and try to assist in putting forward land that is presently held by the Government, for the use of housing in the Metropolitan Toronto area.

FUNDING OF MUNICIPAL INFRASTRUCTURE

Mr. Dan Heap (Spadina): Mr. Speaker, the Minister did not answer my question about a tax on land speculation although his colleague Government in Ontario has done that in the past decade. It is also within the responsibility of the federal Government. I would point out that in the past municipal infrastructure, such as roads, sewers and water systems, has been aided by federal public works programs.

Would the Minister consider a tax on land speculation in order to contribute to funding to the necessary renovation of the municipal infrastructure such as roads, sewers, and water systems?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, may I answer that question. The Government is not considering any such tax.

What the Government is considering is its firm approach to monetary expansion to make sure that inflation does not get out of hand, to make sure that we do not have 21 per cent interest rates as we had in 1981 and to make sure that we do not have 13 per cent unemployment rates as we had in 1982. That is our approach.

In addition, we have brought in a capital gains tax which cuts particularly heavily into real estate companies that are speculating.

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed from Wednesday, August 17, consideration of the motion of Mr. Epp (Provencher) that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the second time and referred to a legislative committee; and the amendment of Mrs. Martin:

That this question be now put.

Hon. Edward Broadbent (Oshawa): Mr. Speaker, in terms of social policy at the national level, there is no need more urgent nor claim more legitimate than a call for a comprehensive child care policy. That is what the people of Canada need. That is what they require and that is precisely what the Conservative Government has failed to deliver.

In my youth, to put it in perspective, the large majority of mothers, wherever they were in our country, whether in the East, central Canada, on the plains of our Prairies or beyond the mountains in British Columbia, worked exclusively within the household. Today not only a majority but a growing majority of mothers work outside the home. It is folly to assume, as the Government seems to be, that history will suddenly reverse itself. The conclusion that we reach for those who care for children, for those who believe and believe genuinely in equality between the sexes, for those who prefer reality to mythology as a guide to public policy, is that we need to be launching in Canada a comprehensive child care program, and we need to be doing it now from coast to coast.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Today, fully 60 per cent of the mothers of pre-school children are working outside the home, with no access available to quality child care services for almost two million children of such families. The Government in the face of this reality has presented us not with a national program but a national fraud. The Government has done so not in ignorance of the facts for which some matters of policy might be excusable, but it has done so with full knowledge of the contemporary Canadian reality.

The evidence is all around us. For Members of Parliament of each Party in the House of Commons, from any part of our country, whether we speak to our friends, our neighbours or acquaintances we all understand that the family has changed. We have conventional families, unconventional families, women and men reversing conventional roles. Sometimes the man stays at home to rear the child or children while the woman works out in the market-place. More often than not, as I have just indicated, both partners in the family structure are working outside the home. We know it from our personal experience, but beyond our personal experience we have the evidence, and that too was presented to all Members of the House as a result of the special committee established to look into this question.

The Hon. Member for Vancouver East (Ms. Mitchell) for our Party was an active and caring member of that committee and reported back to our caucus on that committee's findings.

Some Hon. Members: Hear, hear!

• (1510)

Mr. Broadbent: I want to cite some of the instances that she has drawn to our attention and to the attention of all members of that committee. Again, I repeat, regardless of their Party they became aware of it during the course of their travels throughout Canada.

What are some of the important and salient matters of fact that this Government ought to have been considering that were drawn to our attention by this report? First, that parents overwhelmingly were saying, wherever they were in Canada, whatever their financial circumstance, that it was almost

impossible to still find in Canada, in the latter part of the 1980s, reliable and consistent child care service. Second, some mothers actually reported that they had 10 or more different services for care provided before their child was out of the diaper stage. Third, that it is common—not the exception—to take six months or more to be able to find a child care space for one of your children.

It was reported to this committee in a number of instances that parents have had to resort to finding a name posted somewhere, in a local Becker's store or in a grocery store, with a phone number attached which indicated that they would be willing to provide child care service. We should keep in mind that for many families in our country both members are still working outside the home, in part as a matter of choice and also as a matter of economic necessity. If they were not working outside of the home—both partners—the percentage of Canadian families living at the poverty level would rise dramatically.

It is very easy for people in upper-income positions, like Members of Parliament, to be able to say: "Why is it that a family would turn to a local grocery store to obtain the name of a child care service and perhaps check it out in the most rudimentary kind of way?" The evidence is that for most families, certainly for a great many families, it is not a matter of choice; it is a matter of economic necessity. A majority of families find the cost of quality day care prohibitive.

These are just some of the facts, I repeat, that became available to members of all Parties in the House, including members of the Cabinet, who have to assume responsibility for drafting this abomination which they call a child care policy.

I was a Member of the House in 1970 when a Royal Commission reported that the needs for child care required "immediate action". That was in 1970. Today, as the whole country knows, the situation has got worse, not better.

In responding to this worsening situation, in terms of the need, the Government has almost acted perversely. Refusing to see or to respond to reality, the Conservatives cling instead to mythology. They hurl abuse at experts and they are ignoring the modern family in all its diversity.

One of the things that has struck me in observing Conservatives, whether here in Canada or in the country to the south of us, is the amount of lip service that they pay to the family, as if they had some kind of exclusive—and I am tempted to say property—right to the notion of the family. Time after time one hears in Canadian politics and on this continent Conservatives talking about the importance of the family. I want to say, with considerable passion, if they really understand the Canadian family as it exists not in the 1930s but in the 1980s, if there is one group that is ignoring the contemporary family and all of its needs, it is the Conservative Party of Canada. That is the reality.

Some Hon. Members: Hear, hear!

Mr. Broadbent: The Conservatives' so-called National Strategy on Child Care—that is the name that they gave to it—is a strategy right out of George Orwell. It is "double speak" of the worst kind. It is saying one thing, paying lip service to one idea, but moving quite clearly in the opposite direction.

Conservatives clearly have disappointed the people of Canada in many ways since the election of 1984, but there is no greater disappointment in terms of the legitimate claims of the majority of Canadian families than what the Conservatives have offered in this so-called child care policy.

Canadian parents and their children need more rapid access to child care spaces and they need better quality child care. The Conservative Government with this program has delivered neither, but they have taken credit for both.

What is the evidence for what I regard as the severe indictment that I have just made about the Conservative program? I want to point out exactly why I say that. First, the number of spaces without this program has been growing in recent years at the rate of some 15 per cent a year, doubling every five years.

The Conservative promise to add 200,000 non-profit spaces by 1995 might sound impressive on the surface, if one hears just the numbers, until you realize that this actually constitutes a reduction in the rate of growth, from 15 per cent annually to 10 per cent, and instead of requiring only five years to double the number of spaces, with this program that the Conservatives have brought in it will take seven years.

Second, not only have the Conservatives brought in a program which will result in a reduction in the rate of increase in the number of spaces but they have actually put a cap on the growth in these spaces to make sure that by the end of the seven-year program no more spaces will be created than they themselves intended to have created.

Third, there is no requirement in this Bill at all for the provinces, which will be getting federal funds, to offer guarantees that they will actually be providing quality child care spaces as a result of those federal funds.

The conclusion is that the Conservatives have reduced the rate of growth, have put a ceiling on that growth, have ignored quality day care, and then have had the effrontery to describe this as "an effective national child care system". This is a fraud and typical Conservative hypocrisy, that is what it is.

Some Hon. Members: Hear, hear!

Mr. Broadbent: When George Orwell was writing his masterpiece *1984*, I am tempted to add that he was blissfully unaware at the time that the people of Canada would be electing a government in that very year which would turn out to be the most ardent practitioners of the black art of propaganda that he so vividly described in that master work.

Some Hon. Members: Hear, hear!

Mr. Broadbent: We in this Party say that now is the time to embark on a truly national program based on real but varying needs in all of our regions and provinces, and we say that such action would be fully consistent with the kind of federalism that we have decided to renew at the national level of former co-operative federalism that finds itself embedded in the Meech Lake Accord.

• (1520)

[*Translation*]

Mr. Speaker, the setting of national objectives would be quite compatible with the Meech Lake Accord, but the Government refuses to shoulder its responsibilities. It is not asserting the leadership required to create a Canadian child care program. We can even go so far as to say that there is no program. Although the Prime Minister (Mr. Mulroney) and the Minister of National Health and Welfare (Mr. Epp) said that their goal is to provide sufficient accessible and affordable quality services, none of this is in the Bill. This Bill attains none of these four objectives.

Let us talk about availability. The normal increase in the number of available places will go down.

Let us talk about cost. There is no national objective and the federal Government has even imposed a budget restriction.

Let us talk about quality and ease of access. Here again there is no national objective. In his speech of August 11, the Prime Minister said, and I quote, "They are the actions of a Government determined to lead in implementing coherent national programs. These actions clearly illustrate that this Government is committed to social justice for all Canadians. Child care is the centrepiece of that commitment." That is what he said!

The Prime Minister has come up with an incoherent program that will create fewer spaces in seven years than will be created by normal growth.

He refused to use the Meech Lake Accord as a tool to develop a Canadian policy for quality child care from coast to coast, a quality program that could very well be implemented by the provincial Governments according to their specific needs. Instead of that, the Prime Minister set no objective. This means that he is overlooking the Meech Lake Agreement. Indeed, he has chosen to ignore this Agreement. That means that the Prime Minister is not showing leadership. On the contrary, he has abandoned his leadership role. He has forgotten Canadian children.

[*English*]

The Conservatives are all so great at talking about the need for choice, as if they had a monopoly on the idea of freedom of choice. Again this has been applied to the program they have brought in. They claim that they will give parents choices by spending $2.4 billion through the tax system.

In the first place, more than half of this money is not new. It was already in the system. In the second place, most of the new money will go to a program which gives parents a maximum of $200 per child per year. As my colleague behind me has said, big deal, and as another child care advocate has said about this sum of money, it will hardly be sufficient to pay for two children's snowsuits. Indeed, if we think of what the Conservatives have done for the average family since they came to power, we can see the kind of shell game they are up to.

Since 1984, the Conservatives have increased taxes on an annual basis. Income and other taxes have been increased by some $1,000 per year for the average family. Here the Conservatives think they will con people into thinking they are doing something effective for children by giving some $200 of that back to parents.

We in this Party say that we should not be playing shell games with the tax system but we should be building an effective and accessible child care system.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Mr. Speaker, my Party is opposing this Conservative scheme because we do believe Canada's children deserve the best and that that should be our goal. We should now be putting in place a comprehensive system of child care. We should be laying down a foundation for such a universal system and we should be doing it now. I regret that the Conservatives have not seized the opportunity to support the modern family in the carrying out of its most fundamental role, the caring and raising of children.

Evidence shows that the first priority of an adequate policy must aim at providing a sufficient amount of money to provide an adequate number of licensed, quality child care spaces that will be universally accessible and affordable for all the families of Canada. Our experience with medicare and public education ought to have been some kind of guide to the Conservatives in drafting this policy.

We would not today have medicare if the Government that first launched that system in Canada, the then NDP Government of Saskatchewan, subsequently followed up on a national basis, had used the tax system and simply gave the money to the people and encouraged them to act as consumers in the market-place and thereby create a universal medicare system. It was simply the failure of the market-place to meet this human need that caused thinking people in Canada and in western Europe to recognize the need for government involvement to create a system that was outside the market. The Conservatives, as is so often the case, learned nothing from history.

As was the case when medicare was first launched, so too now we hear the propaganda from the Conservatives, from the Minister who brought in the Bill and from Conservative spokespersons who write columns in newspapers. They are saying about the New Democratic Party what they said in the early 1960s when we fought to get medicare established. They

are saying: "Oh, there they are, those people who want the state to meddle in the affairs of individuals. There they are, they want the heavy hand of the state determining in a day-to-day way the lives of Canadian citizens, taking away flexibility, taking away variety, imposing uniformity".

These are the clichés we heard in the Conservative opposition to the medicare system in the early 1960s, a system which they now defend. They are repeating those clichés now. They were wrong in the early 1960s about medicare and they are wrong in the 1980s about child care.

The truth is, just as we said that comprehensive medicare in the 1960s would provide freedom for doctors and for patients and particularly freedom from worry about medical bills, so too we are saying about a national child care system that we do not want uniformity. Quite the contrary. I have already said that this measure is compatible with the Meech Lake Accord in terms of its national objectives by acknowledging the differing needs of our different provinces. In that context, some parents in some parts of Canada will want a different kind of child care system for their children, and we want to make sure it is available to them.

We have said that we want diversity, not uniformity. We want a range of options including child care centres, parent co-operatives, after school care, family home child care and neighbourhood drop-ins for parents and children. In short, it is the Tories who are denying flexible, imaginative, variable child care services. It is the New Democrats once again who are arguing for just such diversity to meet the needs of contemporary families.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Mr. Speaker, I understand that I am about to reach the time limit imposed on me in participating in this debate. I would like to ask for the permission of the House for a few moments to continues.

Mr. Deputy Speaker: As is the custom, I am sure the House will agree.

Some Hon. Members: Agreed.

Mr. Broadbent: I thank Hon. Members opposite and on this side for their courtesy.

I want to conclude with a positive assertion of the basic elements of what the New Democratic Party is advocating. I have tried to make clear what we find objectionable about the Conservative approach. I want now to say what we would put in its place.

First, we would introduce a Bill that would include an outline of national objectives including a set of principles that would be pertinent to the distribution of federal funds to the provinces with the objective of assuring quality child care. Legislation should require a provincial child care program to conform to the following national objectives: non-profit, comprehensive, quality, affordable and accessible. Each province would, within its own domain, pass legislation within this framework setting out its own definitions of these concepts. That would then be assessed according to the national objectives laid down by the Parliament of Canada which would be providing federal funding.

• (1530)

These principles which I have described with respect to the criteria that ought to be spelled out to provinces if they are going to get federal funds are modelled on the Canada Health Act and, as I have already indicated, are fully consistent with the Meech Lake Accord. With these principles in place we would provide the necessary federal leadership but also permit the details of the program delivery to vary to meet the differing needs of families and communities in Newfoundland, Toronto, Moose Jaw and Whitehorse.

Contrary to the assertion of the Conservatives that putting objectives in the legislation would trample on provincial jurisdiction, we assert that this is totally consistent with the model of co-operative federalism that existed in the early 1960s, and totally consistent with the Meech Lake Accord. When we were debating the Meech Lake Accord, if I remember correctly, and I am sure I do, both the Minister of National Health and Welfare (Mr. Epp) and the Prime Minister (Mr. Mulroney) said we could lay down such objectives for a national child care program. They said that when they brought in the Meech Lake legislation. They failed to do it. They ought to have done it.

Second, we would have as a priority the creation of additional child care spaces. We would not only set out a program that would increase the number of spaces in all the variety that I have already alluded to, but make sure they would be quality spaces. Our plan would provide some 50,000 new child care spaces per year on average over the next four years so that we would have 200,000 new non-profit spaces by 1992.

I want to be explicit about this. In the first year we would be spending $330 million in new money. New spending in 1992 would be as high as $560 million. Including a portion of Canada Assistance Plan spending, which we would keep in place to continue to provide subsidies for low-income parents, we would be spending about $800 million a year in 1992. At the end of the four years there would be about 450,000 child care spaces in Canada at a cumulative cost of approximately $2.3 billion.

During the same period of time the Conservatives would be using up over $1 billion in federal spending additional to what we have advocated, but they would be creating far fewer child care spaces. This is precisely because they prefer to tinker with the tax system and we prefer to get on with the job of providing additional child care spaces.

The third point I would like to make is that child care for us has to be affordable. No one is talking about a free system of child care. We do not have free medicare or free elementary schools. We have services that we pay for in our society either

in the market-place or as taxpayers through collected tax revenue. What we see as a need right now is a mixture of the two in meeting a real human and family child need in providing affordable child care. By maintaining Canada Assistance Plan subsidies and by maintaining affordability as a national objective, we can ensure a progressive cost structure for child care services.

In the years ahead we believe that paying for child care should be based on the same principles as our progressive tax system. The higher your income is, the greater your capacity to pay, the more you would have to pay. The lower your income is, the less your capacity to pay, the less you would have to pay. Surely we ought to recognize the real need and real and differing capacities to pay for it and get on with the job and make sure it is available.

I want to conclude by referring to what I said at the very outset of my speech this afternoon. The family structure and family life in this magnificent country of ours has changed profoundly in the last three or four decades. From this it follows for us that if we really mean what we say when we say we care for Canada's families and for Canada's children, we have to put in place a child care policy that does not deny this reality but recognizes this reality.

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: Questions or comments.

Mr. Duguay: Mr. Speaker, I want to have the opportunity to ask the Leader of the NDP a few questions about his comments on this very important issue.

He will know, as the Vice-Chairman on the Task Force on Child Care, I had the opportunity of travelling across the country to some 37 cities, along with the Hon. Member for Vancouver East (Ms. Mitchell), to deal with the problem of defining child care. In 1970 there was a report dealing with the status of women which laid out all these problems. Yet we found in 1987 and 1988 a remarkable dearth of information about the true nature of the problem.

I know the Hon. Member for Vancouver East must have had some difficulty in her chair when she heard her Leader talk about Orwell and fraud and hyprocrisy of the Conservatives. That certainly was not the spirit of the committee. We had very little difficulty in agreeing on the nature of the problem. Being as respectful as I can, I would accept that there might be different alternatives and solutions. However, I reject categorically the Leader of the NDP's assertion that we are wasting money on tax expenditures. Hundreds of Canadians have been writing me the last two or three months telling me that although the $200 per child is really not enough, and we all know that, try telling them it is nothing when it amounts to $2.3 billion.

I wonder if the Leader of the NDP might answer at least a couple of questions based on this principle. Yes, it is true there are two million Canadians requiring child care. However, 85 per cent of those are currently being looked after in an informal system. A lot of Canadians told us they like that informal system. Some Canadians said they had a great deal of difficulty. Some wanted access to day care and could not find spaces. However, not every single Canadian of that 2 million viewed that situation as a crisis.

Three very quick questions. What does the Leader of the Opposition have to say about his approach to child care, which abandons all those people, fully 85 per cent, who use informal child care and like it? He has not said much today in his speech but in assertions outside he talked a lot about the ideology of the not-for-profit centre. Fully 40 per cent of Canadians in day care, that is the small group that is in formal day care, have their children in the private sector. Would we abandon those in his formula?

The Hon. Member talked about relations with the provinces. Where on earth does he get the information that they can create 50,000 spaces next year? Why do you think you can tell the provinces what to do in an area exclusively under their jurisdiction? It seems to me you are not going to get very far, Mr. Leader of the Opposition, by saying to people like we Conservatives who care as much about the family as you do that our attempt to solve this problem is a fraud. I do not like it and Canadians will not like it, either.

• (1540)

Mr. Broadbent: Mr. Speaker, I do want to reply to what I take to be the Member's serious questions. First, I want to be clear, I did not say about the Hon. Member or any other member of his committee that he or they constituted a fraud. I described the Government's policy, brought in by the Cabinet as such, and I took care to say why I thought it was a fraud, and nothing the Hon. Member has just said has deterred me from thinking so. In fact, the Member has confirmed my thinking that what Cabinet brought in was a fraud. If the Hon. Member had understood wrongly what I said about the intentions or the work that was done by members of his committee, I want to tell him I was describing the Government's policy.

There were three specific questions, as I understand, and, by the way, the Hon. Member was asking the Leader of the Opposition (Mr. Turner) to answer. I would like to hear what the Leader of the Opposition has to say in this matter also, but as Leader of the New Democratic Party, I will be happy to reply. The first question was what are we offering the family which the Member said was using the informal system, which is very often a euphemism for using a baby-sitter who stays at home. The Member was on the committee and heard a lot of testimony to this effect. The baby-sitter sits before a television set all day long with a small child or small children. Very often that is the situation. I am sure the Hon. Member would not like that anymore than I would. But if the Hon. Member is asking what we are offering to those families, we are not offering anything directly because we want to put it out there

so we can have quality child care service outside the home for those who want to have a viable option outside the home.

Like the Hon. Member's Government, we are facing a priority question. Where is the real need? We have listened to the experts, as did the Hon. Member when he was travelling across the country, and we have our experience as parents and Members of Parliament and in talking to people. It is clear that we need new quality spaces made available. That is what we are saying.

Second, I was asked about profit day care. If I understood the legislation correctly, the Government itself finally accepted in its approach for new child care spaces all the best evidence on this, which is that financing will only go for capital grants, starting up a new system should go only to non-profit child care. This is the way we got other social systems under way in this country. The Government itself acknowledges the legitimacy of the point we are making. If we are going to put public expenditures out there for a social service, the general rule should be, and we have applied it here, that it should go for non-profit service for children.

Third, the Member makes reference to the Canadian Constitution and the principles of Canadian federalism. He repeats the Conservative line by asking how we can tell the provinces what to do. I can say very easily that if you, Sir, as a Member of the federal Parliament, were going to allocate federal funds to the provinces for a child care system consistent with what your Leader and your Prime Minister said about the Meech Lake Accord, if you want to set out such a national program with national objectives, flexibly applied according to different provincial needs, then there is a requirement, I say to you, Sir, that the provinces live up to those obligations, that we just do not throw the money out there and pray. We must make sure they live up to their commitments.

[*Translation*]

Mrs. Tardif: Mr. Speaker, I heard the comments about the possibility of giving the provinces instructions. I would like to ask the Leader of the New Democratic Party a question. We all know that Manitoba had an NDP Government from 1982 to 1987. The statistics for this period show that this province had the lowest rate of growth for permits granted to spaces provided by non-profit organizations. Only 3,000 spaces were added in Manitoba throughout this five-year period. The NDP was in power and could have done more. Why did it not do more for the children of Manitoba? Why did it not use the money available from the Canada Assistance Plan, which was prepared to share the costs of these available spaces? This would have benefited the children and families who needed it.

Mr. Broadbent: I would like to say that the Manitoba Government during this period had the lowest tax rate for the citizens of this province of Canada and it set a record for job creation—it was second of all Canadian provinces. That is also a fact!

Concerning the specific question, I have no information here, but I would like to get the information for the Hon. Member, after discussing it with the former Premier of Manitoba. But the Government had its priorities and set an excellent record, in general, for the middle class and poor in Manitoba. But I would like to obtain a more specific answer for the Member.

Mr. Deputy Speaker: We shall continue the debate now with speeches of at most 10 minutes each. The Hon. Member for St. Boniface (Mr. Duguay) has the floor.

Mr. Léo Duguay (Saint-Boniface): Mr. Speaker, I welcome this opportunity to take part in a debate on a subject that is of vital importance to our society.

When we look at the day-care situation across the country, we must consider how the situation has evolved in the last ten or fifteen years. When our committee was studying this subject, we found that for 85 per cent of Canadians, day-care is provided in an informal setting. Parents find their own solutions. They often ask relatives or friends to help them or they hire a sitter.

Of course, the Leader of the New Democratic Party doesn't realize that quite often, parents who provide day-care for their children in an informal setting prefer that arrangement because their children feel more secure with one person who takes care of them instead of being in a large group.

[*English*]

We have heard people talk about child care in Canada as a crisis. Well, in some parts of the country it may be a crisis. In other parts of the country it is a problem. In other parts of the country services are available and are being provided. The system of child care without this massive infusion provided for by the federal Government was growing at a rate of nearly 2 per cent a year. People talk about waiting lists as measurements of whether or not there are spaces required in the country. You know how it is with waiting lists, Mr. Speaker, people put their name on one, then another, then another. We found there were Canadians whose names were on 20 waiting lists. There is no doubt that airplanes overbook by 10 per cent or 15 per cent because people put their names on lists.

It seems very clear to me that the word "crisis" is important in child care in some parts of the country, but not everywhere.

In any case, what is more important than whether we define the problem as just a problem or a crisis, is the fact that all we Canadians care more about our children than we care about anything else. We want our children to grow up and be better citizens than we are. We want our country to grow and be better than it is now. Therefore, we are prepared to devote all of our resources as parents and as a Government to ensure that our children receive the proper care they deserve. This is not for me a question of ideology as it is for the Leader of the New Democratic Party (Mr. Broadbent). I do not get up every morning and say: "I am a Conservative. I am for profit centres. They are New Democrats. They are not for profit

centres". I care more about the quality of care children receive than I care about who is providing it.

What we have tried to do in this legislation is find a mechanism to respond to all of those things that parents want from their Government.

• (1550)

The Leader of the New Democratic Party has often bragged about the quality of service provided for child care in Manitoba. Let me give him an example. Ideologically, they would not support profit centres. I can document examples in my province of very wealthy parents having their children in subsidized centres while poor parents had to go down the street to the profit centre and pay more. The reason is that not enough spaces are provided. This matter does not deal with ideology, it is a question of doing what is right for young people.

The Leader of the New Democratic Party talked about the relationship with the provinces. My view is consistent with the attitude that in order to work things out in Canada one must work with people. A government cannot sit in its ivory tower in Ottawa and dictate what is good for everybody and decide that every province will do exactly the same thing. The Leader of the NDP gave the examples of medicare and post-secondary education. We have federal legislation in those areas in order to provide funds, but they do not contain minimum national standards in the area of program delivery compared to those he was suggesting. None of the Bills contain such things as doctor-patient ratios or bed-ratios.

Who do we think we are in Ottawa, that we have all the wisdom in the country and that we can tell the provinces what to do because we know better? I will support the right of provinces to make decisions in this area because, very often, the provinces are closer than us to the scene. They know the needs of their own provinces better than we do. Our responsibility as a Canadian Government is to help the provinces and help the parents so that children get the best support we can possibly provide them.

In summary, Canadians care a lot about the children in this country. Even Canadians who do not have children care a lot about the future of this country. It is our responsibility to help the provinces. We are doing that with this legislation.

It is our responsibility to help the parents. We are doing that with this legislation through tax relief. Do not let anyone say, as the Leader of the New Democratic Party said last week in Vancouver, that $2.3 billion in tax relief for Canadians is irrelevant. While it may not be enough, and we would like to do more, we are doing everything we can for the moment. I reject and resent considerably the Member's implication that this policy is a fraud. I think he should go back and read Orwell again. He has obviously missed a few lessons about what it truly means.

This Bill helps Canadians help children. I think it is the greatest piece of legislation we have introduced in this Parliament.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I welcome the opportunity to take part in this debate on Bill C-144 which concerns day-care, since the previous speaker said this was the most important piece of legislation tabled in Parliament in the last four years. I would not go that far, but I would say it is a subject that should have received Parliament's attention well before this Government was getting towards the end of its mandate.

Mr. Speaker, I agree that the need for day-care services in this country has become particularly urgent. We know that a tremendous change has taken place in the very structure of the average Canadian family and that in 50 per cent of families with children, both spouses work, so that some form of day-care is necessary, either through day-care centres, home day-care or the help of relatives or friends.

Mr. Speaker, since I am in the same situation myself—we have a seven-year old and a five-year old—I can tell you that for most parents it is a real headache. I am rather disappointed to see that this Bill, which has the full backing of the Government, will do practically nothing about the increasing problems of families where both parents work. Mr. Speaker, today, only 20 per cent of Canadian children have access to day-care and 57 per cent of children between the ages of 6 and 14 are alone after school.

Mr. Speaker, this Bill is supposed to provide about 200,000 spaces, at a time when we would need something like one million spaces. Mr. Speaker, the Government is talking about 200,000 spaces over the next seven years. In other words, it won't do my children any good, although maybe my grandchildren will get something out of it, and all because the Government is nickeling and diming to deal with an urgent problem. The Conservative Government has failed to recognize the changes that are taking place in our society, and the truly pressing need that exists in our cities and in rural areas as well in this country. Take for instance l'Ange Gardien de Rouville, where women fought for this cause and managed to convince the municipal council in a small rural area to set up a day-care centre, and now the demand is increasing. They started with 25 spaces and they think they will get up to 50, and I can tell you this is a success story. But the problem is that this program will not solve the problems that exist across Canada, and the whole undertaking is so fragile, you would think the federal Government tabled Bill C-144 just to pretend it was doing something about the situation.

I advise mothers who are listening to us today and who plan to go back to work in the next six months or the next year not to get their hopes up. Bill C-144 certainly will not solve your problems. Don't count on this legislation to provide day-care spaces. Don't go out and apply for a job right away!

Mr. Speaker, usually, once you get the job you make arrangements for day-care. I think the Hon. Member for Charlesbourg (Mrs. Tardif) is so nervous about the fact that she is probably going to be beaten in a matter of weeks or months that she fails to realize what the situation is. She may have to go out there and get a job herself. But the truth is that one of the reasons why mothers don't go out and look for a job is that they don't have access to day-care. When parents decide, and this is a choice they both have to make, they both want to go to work, what are they going to do with the children? Can they get a sitter? Can they find a space? I know. We had the same experience. We applied for spaces in day-care centres, and we had to wait for up to a year or a year and a half for an opening.

This is an urgent problem, and I think the Government is just paying lip service, because it should have introduced measures that are far more energetic than the ones it has tabled.

Mr. Speaker, when I look at the figures, the Government said it wants to help families and it says that families without any taxable income will be entitled to a measly increase of $200 annually in the child tax credit, for each child under six.

Mr. Speaker, you have children too and $200 a year doesn't go very far. I am sure that on $200 a year, if you feed them Similac and buy Pampers, you won't last six months.

I am sure that poor families won't be able to say this program is doing them any good. This is peanuts, when we know how much it costs to raise a family, Mr. Speaker.

And another thing: I think it is clear that this Bill is not very specific about standards and objectives. One wonders exactly what this Government wants to accomplish. One wonders whether it is not just an another example of so-called election goodies. One wonders whether this Government is really serious about what it is doing and if it has any goals, any real family policy that favours a rising birth rate.

Mr. Speaker, the truth is that the Minister is a member of the national impro league, because this is a perfect example of total improvisation. There are no guarantees for universal access. There are no guarantees like . . . No other steps have been taken to make it possible for families . . . to allow for parental leave or things like that. No consideration was given such measures at all, and no consideration was given to the quality of services that will be available under this program.

Mr. Speaker, it is indeed unfortunate that the Government has failed to do its homework better and really focus on modern family problems in Canada. What can you expect, Mr. Speaker, most Government Members believe that the Canadian family is still structured along the line of the old traditional model. For instance, they do not recognize the reality of single parent families which are among the poorest in Canada and which, under this program, will have no new services made available to them.

Mr. Speaker, I think that if the tax measures are inadequate, so are the parents' benefits . . . They ask for instance for maternity leave to be increased to 26 weeks, parental leave for each of the spouses, top quality services guaranteed, as well as improved accessibility and cost sharing. Unfortunately, Mr. Speaker, this Bill does not meet the expectations of even the most interested groups.

The great many witnesses who came forward to express their views on this Bill have all criticized its inadequacy and lack of generosity.

Mr. Speaker, we need to think only of the issue of day-care in the workplace. We know that we are taking the very first steps in this direction. There are a few high profile examples, including the Lavalin firm and here in the House of Commons. There are others, but we know that they are unique cases, and the Government should have helped set up daycare centres in the workplace by allowing an over 100 per cent amortization deduction over a five year period to encourage the rapid growth of quality daycare services in the workplace.

Mr. Speaker, you indicate to me that I have only a few minutes left. I am sorry to hear that, because I could tell you about the problems which Canadian families trying to raise children are faced with today, especially the younger ones where both the father and mother went to school and started a career only to find themselves in this predicament . . . It is not that they do not want to provide their children with the best of care, but none is available. You can visit just about any region in Quebec or the rest of Canada: You better have very good contacts with the day-care centres, or be very affluent; otherwise, you will have to wait years and years for a space. The worst thing is that, generally, it is the wife who has to sacrifice her career and decide to stay home for a year or two while the children are very young. So she suffers a set back in the development of her career. Mr. Speaker, I suggest that 200,000 spaces are just not enough. If you told me that this program would apply only to Quebec, I would say that these 200,000 spaces would make sense.

But since this program will apply to Canada as a whole, Mr. Speaker, we will have to wait seven or eight years. You can imagine that by the time these 200,000 spaces are available, the children who are now 10 years old will be able to exercise their right to vote and be themselves in need for day-care spaces.

Therefore, it is far from beeing enough. I feel also that it is much too late, because this debate should have taken place a long time ago. The Government is trying to pressure us into adopting this Bill quickly. We have only ten minutes at our disposal to express our view on an issue of such tremendous importance for the future of our society.

Mr. Speaker, I must say that Bill C-144 is quite inadequate, that the Liberal Party over the next few months will propose a valide alternative to this Bill, and that we mean to discuss the issue with all the interested Parties, because the Government is showing neither great courage nor leadership on this issue.

• (1600)

[*English*]

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I want to make just a brief comment on the question that my colleague from across the way raised with regard to my Leader's speech on day care. She tried to portray the record of the Manitoba Government as being a weak record in terms of day care. I suppose she did that in order to try to indicate that the NDP as a federal Government would not have a strong record in this area. Thus she made the statement, as I understood it, that between the years 1982 and 1987 the lowest rate of increase in day care was in the Province of Manitoba.

I am seeking information with regard to this matter. However, in the meantime I want to make note of one thing, that is, if we compare the number of spaces in a province such as Manitoba which has had two NDP Governments, one under Howard Pawley and one under Ed Schreyer, and then compare that with Saskatchewan which has a similar population base, one will see that Manitoba has some 8,771 spaces. Saskatchewan has some 3,698 spaces. There is a Conservative Government in that province, the Government of Mr. Devine. That puts the Manitoba record in a very good light.

The only point I want to make is that we have to look closely at statistics that are being quoted in the House in order to form impressions. I say that because it depends on what statistics one looks at as to what impression one forms. I suggest that it just might be that the Hon. Member across the way selected her statistics in order to put the Manitoba NDP Government in the worst possible light. She did that rather than seeking to provide some objective indication of what the situation is in Manitoba, in which there are far more day care spaces than there are in Saskatchewan which has a Conservative Government.

I have a little more information in this regard. Manitoba has the highest per capita expenditures of all provinces on day care. Why did the Conservative Member not mention that statistic? It reminds me of a book that I read a number of years ago. The title of the book stands out in my mind. It is: *How to Lie with Statistics*. Rather than using statistics to shed light on a situation, to provide some objective criteria so that we can get a handle on reality, some people use statistics in order to create false impressions, in order to score political points. I am not saying that this is the case here, but one begins to wonder why the Hon. Member quoted one statistic which was the rate of increase statistics rather than pointing out that at the same time Manitoba has the highest per capita expenditures of all provinces on day care.

I wonder if the Hon. Member would have wanted to point out at the same time that there are more spaces per capita in Manitoba, and that Manitoba has the most comprehensive standards in Canada with regard to the quality of care. Not only do we have numbers, a measure of quantity, but there is a measure of quality. Manitoba has the most comprehensive standards with regard to the quality of day care.

As well, I would like to point out that we have increased funding for day care spaces to 11,200 from 6,500. That is a 72 per cent increase from fiscal year 1981-82 to 1986-87. What do you think of that, Mr. Speaker?

My friend across the way, if I remember what she said, said that—

Mr. Deputy Speaker: I regret to interrupt the Hon. Member but I just realized that the Hon. Member has already spoken on this matter on Thursday, August 11. As he knows, he cannot speak twice.

Mr. Blackburn (Brant): Is this not an amendment?

Mr. Deputy Speaker: To answer the comment of the Hon. Member for Brant (Mr. Blackburn), the Hon. Member has spoken on the amendment we are debating now.

• (1610)

Mr. Keeper: I spoke earlier in this debate on what I thought was the main motion. However, I thought we were on another procedure which allowed me to speak again.

Mr. Deputy Speaker: The Hon. Member has spoken on the motion of the Parliamentary Secretary to the Minister of Public Works (Mrs. Martin), which is the motion that we are presently debating. The Hon. Member may also have spoken on the main motion. We will proceed with the Hon. Minister of Employment and Immigration.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I welcome the opportunity to participate in the debate regarding the Government's national strategy on child care. It is one that I am very proud of. I want to focus on the strategies and benefits for Canadian women, and on the impact it will have on women's over-all potential as equal contributors to our country's growth and prosperity.

The national strategy on child care is a very important element of our Government's efforts to help women achieve full equality. It is one of the initiatives that we have undertaken to create an environment that supports and encourages workers of both genders in fulfilling both their employment and family responsibilities.

[*Translation*]

Our government recognizes that child care is the key to economic equality—that it is a needed and essential social program.

We are committing substantial amounts of money through the strategy to support existing child care services, and to provide incentives for the creation of new quality child care spaces. We have honoured the commitment we made to Canadian men and women to improve the child care system in this country. Moreover, I believe we have done so in a way which respects the choices of parents.

In the last twenty years, the social fabric of our society has been profoundly changed as more and more women with children enter the paid workforce and find themselves balancing their combined responsibilities in the workplace and in the home.

In the past two decades we have seen the traditional Canadian family—consisting of a breadwinner father and a mother at home with one or more children—become the exception rather than the rule.

Today 54 per cent of all Canadian women are in the paid labour force. Of women between the ages of 20 and 64, 65 per cent are working outside the home. A full 62 per cent of Canadian mothers with children under 16 are currently in the paid labour force.

[*English*]

An increasing number of Canadian women are raising families on their own. In fact, 83 per cent of single-parent families in Canada today are headed by women.

In some cases, two incomes are needed to keep a family above the poverty line. The National Council on Welfare has estimated that 62 per cent more Canadian families would be poor, if both partners did not work outside the home.

It comes down to the following: Women work for the same reasons that most men work; they work for personal fulfillment, economic fulfillment and, in many cases, out of necessity. The same economic, social, and psychological factors related to employment apply to women as they do to men, and the right to the same choices should also exist for women.

However, women's choices have been constrained in the struggle for equality, whether it is in the workplace, the professions, the business world, at home, or at school; whether they live in rural communities or urban centres. They have been constrained in terms of bringing increased fulfillment to themselves and economic stability to their families by the lack of child care.

It has been a major barrier to women's participation in the labour force. I believe there can be no greater stress on a mother than worrying about the well-being of her child. Not allowing women the opportunity to achieve their full potential means that, as a nation, we are not making the best use of the glorious skills and talents of half our population. That is a situation that we as a society cannot afford, and our future competitiveness and ability to finance ourselves is at stake.

Our child care strategy acknowledges that there is no single solution which can respond completely to the diverse and changing child care needs of Canadian families. For this reason we have offered Canadians a balanced choice of initiatives. The national strategy goes far beyond any child care program ever offered or even contemplated by any government in Canada.

First, the Canada Child Care Act will provide funding to create 200,000 new, quality, subsidized child care spaces through new cost sharing arrangements with the provinces. This will go a long way to assure parents not only of the availability of child care, but of care which is professional, safe, and developmentally healthy for their children.

Because we recognize that people are different and want to make different choices, the second part of the strategy consists of two new tax measures which will benefit almost three-quarters of Canadian families with pre-school age children. As a Government we recognize the unfairness of a system that has allowed the bulk of working families incomes to be eaten up by child care expenses. This strategy aims to ease the situation by doubling the child care expense deduction from $2,000 to $4,000 a year for each child under six years of age, and in addition, removing the limit of $8,000 on allowable deductions.

As well, lower income parents and many families without child care receipts will benefit, beginning this year, from the supplement to the child tax credit, amounting to $100 this year, and $200 next year.

In addition, the strategy creates a $100 million child care initiatives fund which will give priority to practical proposals designed to meet child care needs and innovative approaches to providing services.

In total, the Government is committing $6.4 billion to the strategy, including special amounts for native children over the next seven years, and another $1 billion annually after that to support child care in this country.

This strategy goes far beyond anything ever offered. Certainly, for many years the Liberals sat on the report of the Royal Commission on the Status of Women from 1970 without doing anything about what was looked at then as an urgent problem. The NDP seems to believe that all Canadian families are the same, that all children are the same, and everyone has the same needs.

Crafting our strategy was difficult because the needs of Canadian families are not the same and one solution will not do. A walk down a street in downtown Toronto versus a walk down a street in a small community in Newfoundland, or a drive 40 miles from the nearest community to a farm in Saskatchewan, will tell one that. We heard from people about those problems, and we are determined to resolve them.

The reason that I am happy with this strategy, and the reason that I am very proud of it, is that the fundamental position of the Government is that women have the capacity and the ability to contribute so much to our society. The structures that have existed from the beginning of time where men work outside the home and women work inside the home are changing, and they are changing fast because of economic needs, and because of that great capacity that women have to contribute more fully if they are given the choices. The major constraint on that at the moment is child care, and we are absolutely determined to celebrate those differences that women have, and altering the structures of our society in a way

that is positive for them, for their children, and for family life however it may be formed in Canada.

Mr. Dan Heap (Spadina): Mr. Speaker, I am very pleased to have an opportunity to speak on the subject of child care. It is one that I have met on many occasions much more personally than politically. In the raising of our seven children we had many occasions not only to make use of child care, such as was available, but also at times to give child care. A number of my adult children have also done the same.

I agree with the previous speaker that there are many varieties of child care. However, I would also tell the previous speaker that, from my experience as a father and grandfather, the variety that is most needed is non-profit, publicly funded, affordable child care spaces. There will always be other arrangements for those who need them or prefer them, but the great bulk of what is needed is of the type the previous speaker made fun of because it is what the NDP advocates. The problem with Bill C-144, Mr. Speaker, is that rather than building and expanding the child care provision in Canada it limits it. It will provide fewer spaces in six years than would have been provided had the growth of child care places continued as it was under the Canada Assistance Plan.

• (1620)

In 1974, there were 55,181 places. Six years later, in 1980, it had virtually doubled to 109,141 places. In 1986, it doubled again to 220,517 places. Currently, it is up around the level of 243,000 in 1987.

My point is that the Canada Assistance Plan did not set a ceiling, a lid, a limit, and it did not cause the day care providers and managers of the money to set ceilings and limits, all the way down the line. At that rate, by 1994 we would have 480,000 or more places for child care under the Canada Assistance Plan. But the Bill C-144 plan would not allow us to reach that figure until a year later. In other words, it is slowing down the provisions of places for child care. That is bad enough in itself. If it were only that there was to be some shortfall under this Government's plan compared to the plan that we have had previously, but it is worse than that, because the uncertainty created by the nature of this program has caused chaos in at least one major centre of Canada, that is, Toronto, in the provision of child care.

I refer to what was noticed in *The Globe and Mail* on July 12, in the story entitled "Federal day-care strategy called inadequate". It described the case of a mother who had searched for a year for proper child care for her daughter while she worked. It says:

> After weeks on a waiting list, she finally won a space for (her 18-month-old child) in the University Settlement House centre in downtown Toronto.
>
> She then discovered that she could not get a subsidy from Metro Toronto, although she qualified under a means test, because the municipal government has recently resorted to what amounts to a freeze in subsidized spaces.

That is a strange new practice for Metro Toronto social services. It is explained here as follows:

> Although it has expanded the number of subsidies, Metro cannot keep up with the demand.

In other words, they are worried about the ceiling being imposed by Bill C-144. The story goes on:

> Part of the problem, child-care lobbyists say, is that the federal child-care strategy, which promised 200,000 new subsidized spaces, has given families the impression that the spaces already are available . . .
>
> At the same time, the accompanying child-care legislation, widely rumored to be destined for first reading in the House of Commons this week or next, will limit what is now open-ended cost-sharing between Ottawa and the provinces.

Therefore, it explains further down:

> The provinces do not want to get caught spending money that may not be matched by Ottawa.

So we have chaos and cut-backs introduced into the whole system by this legislation, even before it is passed. It is simply the news and the confusion of it.

Although that is the worst fault of this legislation, it is not by any means the only one. There is also the serious fault relating to quality, that for the first time federal spending will not be diverted in part to day care centres established for profit.

The Ontario Government has done a study to compare, according to the standards of the Province of Ontario, day care centres run for profit and day care centres not run for profit. On every criterion considered, the profit-oriented day care centres treat the children—not to mention the staff—worse. This confirms what many of us have observed around Metro Toronto, that it is done as a careful study. They point out in a *Toronto Star* article of May 14, entitled "Non-profit day-care does the best job study shows":

> Almost 54 per cent of commercial centres failed to have enough qualified staff as required by the act, compared to 15 per cent of parent- or community-run non-profit centres.

The story also goes on to point out:

> Commercial centres took longer than other centres to correct staffing problems. Ninety-five per cent of non-profit centres with parent or community boards solved staff shortages within six months, compared to 77 per cent of commercial centres. In fact, 11 per cent of commercial centres still had a staff shortage after 10 months.

They just do not care as much. If they are running for profit, they will squeeze the money even if they are violating provincial standards.

Given that this Government has refused, contrary to what was implied by the Prime Minister (Mr. Mulroney) when he preached Meech Lake, to put national objectives into the legislation—that is with teeth—it is there in the preamble, perhaps, and in the PR, but not as laws—we can therefore expect provinces to get even slacker than some of them now are, by enforcing their standards.

The story goes on:

> Commercial centres more often than non-profit centres had restricted licences because of Act violations.

Violations of the Standards Act. Furthermore, commercial centres more often had more spaces than the Act entitled them to have, that is, they were taking children, that they were not authorized to have, much more often than non-profit centres.

My point is that this spending program as proposed by the Government will not get as many day care spaces as we would have under the existing program, and the quality of the care will be worse than it is now. This opens the government funding to commercial outfits, some of whom have demonstrated their complete contempt for any kind of standards of child care, let alone the well-being and good pre-school education of the children.

This law is really a fraud. It pretends to do something that it does not even attempt to do, and if it goes into action it will gravely undermine even what is being done now, to provide day care. If this law is passed, the public, understanding the need of day care for the 60 per cent of families where both parents work, will simply have to throw this Government out and put a Government in that will repeal this law and put in a real child care Act that will meet the need.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): I am pleased to take part in this debate on child care. I would like first to commend my colleague for Outremont (Mrs. Pépin) for the quality of the work she has done on this matter on behalf of the Liberal caucus.

Mr. Speaker, under the Governement child care strategy 200,000 spaces are proposed for 1.8 million children aged 0 to 13 years. Moreover, Mr. Speaker, that proposal, that strategy will be implemented over seven years. Can you visualize that, 200,000 spaces over seven years when more than one million are needed now!

There you have the nature of the problem. I heard the suggestion made earlier from Governement benches that they would like to do more but this is all they can afford!

How come then they can afford some $12 billion for nuclear submarines? When it comes to this very important need, they stop at 200,000 spaces. Truly, this is a drop of water in the ocean!

• (1630)

[*English*]

Society has changed dramatically in the past 20 years. Today, less than one in six Canadian families fit the traditional family pattern, the wife at home with the children and the husband out working. Many families are headed by single parents, most of whom are young mothers. And while more than half of all women with pre-school children work outside the home, only about 20 per cent of those children are served by accredited day care centres.

What is more disturbing, only about 2 per cent of every school-age child of working parents, the so-called latchkey child, has access to after-school care. Raising children is expensive whether one or both parents work, and providing child care is one of the highest costs.

Inadequate child care is not just a women's issue. It is not just an issue for parents. It is an issue for all of us, parents, employers and governments, every Canadian. I believe that all of us have a responsibility, a duty, to be part of the solution.

[*Translation*]

Mr. Speaker, let us refer to accessibility. Of course, there are people who, under this Government's proposal, can get a tax credit, and a hefty one at that because of their high income and they can afford child care. But what about needy families, those that cannot afford that, especially in my constituency of Saint-Léonard—Anjou, where in the majority of cases, they are single parent families, or families where both husband and wife work because they need the extra salary. Both work because they need the money to maintain their homes, or to pay the rent, or to send the children to school, in order to be part of that new society.

And if we have no strategy, no policy, no Act that can help those families, Mr. Speaker, we will have failed as Members of Parliament. We are not here to help those who are rich, those who have money. We are here indeed to help improve society for people in need. And this Government's legislation, this Tory Government's strategy does not exactly address those problems.

Mr. Speaker, the other problem today is that one only has to walk through our streets, our cities, our towns to realize the number of children, and in a few weeks chidren will be back to school. And how many children will there be? There will be thousands and thousands of "latchkey kids", and that is unacceptable!

Although in our society there is an elementary or high school in every area or district. There is a school! There is a school, Mr. Speaker, and the children go there.

But why can't there be a program, a piece of legislation which would help the provinces to put to use these buildings and facilities which have been paid for by their very taxpayers? Why can't we turn them into day care centres, where children could go during the lunch hour or after school until their parents can come and get them.

Mr. Speaker, that is also a major problem which must be addressed in a child care policy or strategy.

Today, as I was saying, women, whether married or single mothers, don't go to work for pleasure or for sport, they need the money. We must therefore devise policies and laws which help them find quality day care centres for their children while giving them the assurance that their children will be well looked after.

In fact, I think we could look at the school system for a solution. Think about the number of teachers who have been laid off. Before I was elected to this House, I lectured teachers

who were retrained and encouraged to switch to a business career, because their jobs had become redundant. Mr. Speaker, why don't we retrain those teachers so that we can provide quality child care services at school? In summer, students are out of school for two months, while most parents only have a two-week holiday. What happens during the balance of six weeks? Couldn't we have summer camps? Mr. Speaker, I speak from experience having taken part in a program put together by a community agency from my constituency, where we were able, for the first time, to use the facilities of four different schools for summer camps. Children living near those schools can go to summer camp and their parents can go to work knowing that their children are being supervised by counsellors.

Mr. Speaker, it is not enough for the government to allow tax credits while letting recipients choose where their children will be cared for while they are at work. It is not enough because some couples have to work to make ends meet and their tax credit is insufficient to solve their problems!

I think that we must first have a policy for all those in need and then reach an agreement with the provinces to create quality child care centres in schools. That would solve a big part of the problem. Finally, the Government must guarantee a certain number of spaces, establish standards of quality and ensure that all Canadian citizens have access to child care services.

You are telling me, Mr. Speaker, that my time is up. There is still the whole issue of flexibility to talk about but I hope I will have other opportunities to do so.

• (1640)

Mrs. Monique B. Tardif (Parliamentary Secretary to the Minister of National Health and Welfare): Mr. Speaker, I am very pleased to have the opportunity to speak in support of this bill, the Canada Child Care Act.

The process has been demanding, Mr. Speaker, but we always proceeded with the knowledge that what was going to be presented to Parliament would represent what Canadian parents wanted, and would affect the well-being of children and of family life for decades to come.

Yes, Mr. Speaker, the process may have seemed long, for the issues were complex, but it was a deliberate course, thoughtfully examined and re-examined, until the Government was sure that its child care plan was right for children.

Canadians deeply value their children and hold the family unit as a cornerstone of society. Yet, at the same time, Canada is a pluralistic society occupying a vast land filled with diversity of views and needs. The contrasts between rural and urban life, and between different regions of the country, offer up a rich mosaic making Canada unique among nations. It is no wonder that Canadians hold differing views as to how to best meet child care needs.

In respecting these different parent preferences and situations, it was necessary to proceed intentionally and thoughtfully. This was not a task that could be done unilaterally in isolation from families and children. It was a task that required consultation with parents, with deeply concerned citizens, with professional and lay associations, with front line child care workers, and with other levels of government.

We sought a policy which reflected the caring nature of Canadians to which governements would commit their support and resources.

Mr, Speaker, I would like to review with you the process and milestones along the way which resulted in this bill now before the House.

During the summer of 1984, at a debate hosted by the National Action Committee on the Status of Women, involving the leaders of the three political Parties, child care emerged as a key issue. As leader of the Progressive Conservative Party, Mr. Mulroney firmly committed his Party to a strong leadership response to address this pressing and urgent issue.

Following the election, this commitment was underscored in the Speech from the Throne, and I quote: "My Government has as a high priority measures to support and strengthen the Canadian family, which is the cornerstone of our society. The need for accessible and affordable child care has in recent years come to the forefront of the social agenda facing Canada. In an effort to reach a national consensus on options in this area, you will be asked to establish a parliamentary task force on the future of child care in Canada."

In proceeding with this commitment it was most important to consult with the Canadian public. To this end, my colleague, the Hon. Member for Lincoln (Mrs. Martin), was asked to chair the special committee on child care. The parliamentary task force was established in February of 1986. It was given a broad mandate to go beyond the traditional child care issues and study all aspects of child care. In order to ensure that all Canadians had an opportunity to express their views on this important subject, the task force travelled across the country from coast to coast holding public hearings and receiving submissions.

There was an overwhelming response from individuals and organizations which reflected the importance Canadians attach to their children. While there was great diversity in the views presented to the task force, there were presented many imaginative and innovative ideas.

Between March and June 1986, the special committee on child care heard 1,047 presentations, welcomed 1,632 witnesses, and received 944 written submissions. Canadians who wanted to be heard were heard!

The task force heard from families with special needs. It also heard from native people who felt that culturally appropriate child care services would help them retain their identity and provide an important support to families. Parents of

disabled children expressed their concerns about the integration of their children in Canadian society and their own need for support and respite from time to time. Of course, for many members of ethnic minorities, the search for linguistic and culturally sensitive child care services was outlined as a major concern.

Although, as would be expected, the views were remarkably diverse, three common themes were expressed repeatedly: The affordability, availability, and quality of day care.

In October of 1986 child care was reaffirmed by the Government as a high priority in the Speech from the Throne. The Government also indicated, at that time, that discussions with the provinces would begin once the report of the task force had been received.

During this same period of time, Canadians also contacted the Government directly to share their views. Mr. Epp met with a range of national groups, including the Canadian Day Care Advocacy Association.

Through public opinion polls, the federal Government received additional evidence that the views being received by the special committee on child care and through direct contact with citizens, was indeed representative of the views of the country. The polls indicated that while Canadians believed that there were serious problems with the day care system, they were still prepared to assume a considerable degree of the financial responsibility for child care, and wanted the system to offer flexibility.

More than six in ten Canadians indicate a preference for government support for a lot of different day care options and 77 per cent of Canadians with children using day care hold this view.

More than seven in ten Canadians—73 per cent—believe that there are not enough spaces to meet current needs. Parents in general—76.9 per cent—and those parents with children using day care, 78 per cent, are even more likely than average to believe that there are not enough spaces at present.

Almost eight in ten Canadian women, 79 per cent, feel that there are not enough day care spaces available to meet current needs. Women are more likely—76 per cent—to agree that day care is too expensive for the average Canadian. Seventy-two per cent of women believe that the problem of "single parents who are unemployed who could be able to get a job if day care spaces were available for their children", affects a large number of parents.

When asked how governments could best ensure that quality, affordable day care is available to those who need it, the public supported a flexible approach. In this regard, while most believed that the best method was to provide financial assistance directly to day care centres, direct assistance to parents—29 per cent—and employers—30 per cent—also met with support.

Mr. Speaker, the federal government recognized that in order to have a national child care program, the provinces would have to be collaborators and partners. Much of the child care system does and will continue to come under provincial jurisdiction. Therefore it was essential that the federal Government not only enter into dialogue with Canadian citizens, but that they also consult closely with their governments.

To this end, at the First Minister's Conference held in November of 1986, the Prime Minister (Mr. Mulroney) reiterated the federal Government's intention to allocate substantial resources to child care.

During that meeting the Prime Minister also announced that the Minister of National Health and Welfare (Mr. Epp) would be meeting with provincial Ministers to assist the Government to develop a child care system of the very highest order for Canada. This commitment was honoured in January 1987 when the Minister of National Health and Welfare convened a federal-provincial/territorial meeting of social service Ministers. During that meeting, a target date was established by Minister Epp for confirmation of the federal strategy.

Indeed, most provinces clearly affirmed the federal Government's position that child care, although coming under provincial jurisdiction, was a national issue that would have to be resolved in federal-provincial/territorial partnership.

Of course, the views expressed by different provinces reflected the diversity that exists across the country. However most shared the view expressed by the general public that flexibility, choice, availability, affordability, and quality were essential ingredients to be included in a national program.

In March of 1987 the federal Government received the report of the parliamentary task force on child care, "Sharing the Responsibility". Two minority reports were also received. Having consulted with parents and Canadian citizens; having consulted with the provinces and territories; and now having the recommendations of the task force, the federal Government carefully studied and scrutinized all the data, recommendations, and viewpoints it had received to finalize the federal strategy.

Mr. Speaker, it was an exciting moment, on December 3 of 1987, when the National Strategy on Child Care was announced. A new social program was being offered to Canadians!

The National Strategy offered $3 billion for a new federal-provincial/territorial program, $2,3 billion for tax initiatives, and $100 million for the Child Care Initiatives Funds.

The next two months were hectic indeed. Government officials travelled to every province and territory to discuss the federal offer in detail and to ascertain preliminary reactions of those who would have the responsibility of implementing the program.

Following this round of discussion and consultation with the provinces and territories, a meeting of federal/provincial/territorial deputy ministers was convened. During this meeting the provinces were asked to submit their projected expenditure plans and space targets for the next seven years. These plans would provide the federal Government with a firm overview as to the level and degree of provincial and territorial commitment to expansion of the number and quality of affordable child care services in Canada.

Indeed, most provinces responded with enthusiasm and clearly affirmed the information previously obtained by the federal Government, that the child care issue was indeed a high priority for provinces. In fact, the provincial and territorial response went beyond that which was earlier anticipated. The expenditure plans went well beyond the $3 billion announced earlier in December by the federal Government.

This is of course presented an interesting quandary to the Government in that we were delighted that the provinces were responding to our leadership but also very concerned about being fiscally responsible and not committing ourselves to spending more resources than we could afford.

The provincial and territorial plans were carefully studied. The solution reflected the sensitive balance between fiscal responsibility and the desire to make a fully adequate and caring response to the needs of Canadian children and families.

The result was the annoucement this past month that the federal Government was adding an additional $1 billion to the package, $940 million for the enhanced federal-provincial program and $60 million for child care programs for Indians on reserves.

Consequently, we now have before us this Bill which represents an historic milestone in Canadian history. As I have shown, it is a product of broad consultation with interest groups and citizens across the country. Their views and preferences have been subjected to the most careful study and scrutiny, and, I suggest to you, represents a balance of the various perspectives. It involves support to the formal day care sector, to parents using informal child care arrangements, support to the family, extends flexibility to the provinces and territories so they can develop a system best suited for their situation, and it addresses the issues of availability, affordability, and quality.

In short, Mr. Speaker, I am pleased to raise my voice in support of the Canada Child Care Act, a truly historic milestone for improved child care services in Canada.

• (1650)

[*English*]

Mr. Rod Murphy (Churchill): Mr. Speaker, I am very happy to have an opportunity to take part in this debate on child care. As a former teacher I recognize how important it is that we look after children at an early age. I am sure the Hon. Member for Brant (Mr. Blackburn), a former teacher himself, would agree with me that this is the most important time and it should be a government priority.

One of the things I find despicable is that at the end of four years in government, the Conservatives are just starting to come to grips with something they made an election priority in 1984. They said they were going to move quickly on child care. Yet here we are, one week short of four full years of Conservative Government, and they are only now bringing the Bill forward.

I also find it deplorable that this Bill does not really meet the number one problem facing parents looking for child care spaces, that is, a lack of availability of spaces. Earlier today my Leader, the Hon. Member for Oshawa (Mr. Broadbent), spoke about what the NDP believes must happen. He criticized the legislation in front of us. In response to his speech, one of the Conservatives got up and tried to indicate that the Province of Manitoba had a poor record under Howard Pawley on child care spaces. I am going to use part of the few minutes I have to set the record straight.

The NDP Government in Manitoba in fact had a very good record of providing spaces and standards for child care. Despite the figures the Government tried to read into the record based on whatever inaccuracies, let us talk about what really happened in Manitoba from 1981 to 1987. Manitoba had the highest per capita expenditure of all provinces on child car, not second, not third, not fourth or fifth, but the highest per capita expenditure on child care. Remember that Manitoba is not a rich province. Remember that Manitoba was also suffering cut-backs in the money it was receiving from the federal Government during that same time. Manitoba did not get the money from the federal Government it was entitled to because of the new formulae originally devised by the Liberal Government under A. J. MacEachen, which was further reduced by the Conservatives when they came into power. Yet Manitoba found the money for that number one priority, our young children.

During that same time period we had the most comprehensive standards with respect to the quality of child care. Again that shows the emphasis that the Pawley New Democratic Government placed on young children in our province. Funding for day care spaces was increased to $11,200 from $6,500, a 72 per cent increase. Some people may say that this is not enough, but over that five or six year period it is a fairly large increase. Obviously more could have been done. Obviously some of us would have liked more to have been done. However, the point is that money was going into that program. The funds earmarked for grants for day care spaces and subsidies to parents increased by 225 per cent during that same time, from $8.5 million in 1981-82, when the Government changed, to $27.5 million. As I said earlier, a 225 per cent increase.

I would like to see the Province of British Columbia match that record. I would like to see the Liberal Government of

Ontario match that record, with all the riches it has. I would like to see the Conservative Governments in Saskatchewan and Alberta match that record. Incidentally, the last time I checked, Alberta was not one of the poorest provinces in this country. I would like to see them match the record of the NDP when it was in government. That is why I know, when we look at the speech made by Ed Broadbent in Vancouver last week on child care—

Mr. Boudria: Ed Broadbent?

Mr. Murphy: The Hon. Member for Oshawa, the Hon. Leader of the NDP. The most popular leader in the country.

Mr. Boudria: Who? I have told you a million times not to exaggerate.

Mr. Murphy: They laugh. There are people in this country who are afraid of Mr. Broadbent because he tells the truth. When he was telling the truth on child care, when he talked about the policies and priorities we believe in, the national standards we believe are necessary for child care, people know he means it and that our Party means to bring it about.

It is a comprehensive program because it recognizes the needs of the various provinces. It also recognizes the need for national objectives. That is what is so sadly lacking in the program we have before us today. Despite the fact that the Meech Lake Accord allows the federal Government to call for national objectives when it moves on new programs, the federal Government, on its first important measure after initialling the Meech Lake Accord, failed to set national objectives. I cannot understand why a government that negotiated the Meech Lake Accord would refuse to provide leadership in setting national objectives for so important a program as child care.

We all accept now that medicare had to have national objectives. When we renegotiated the Canada Health Act and introduced legislation on that a few years ago, all Parties in the House agreed there must be national objectives for health care. Why not for child care? To be told that each province is different, that each province has different circumstances and priorities, is not really to answer the problem. We recognize the differences in financing and salaries. We recognize the differences that exist because of regional disparities. However, in my riding we have remote reserves which are setting up child care facilities. If they can live up to provincial standards in Manitoba, obviously the regions of this country can live up to national standards. It is a real shame the Government did not have the political courage to bring those standards into the legislation.

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

PRIVATE MEMBERS' BUSINESS–MOTIONS

[*English*]

BROADCASTING

CRTC DECISION TO AWARD ALL-NEWS CHANNEL TO CBC

On the Order: Private Members' Business

December 11, 1987—Mr. Shields:

That, in the opinion of this House, the Government should set aside the decision by the Canadian Radio-television and Telecommunications Commission (CRTC) to award the national all-news channel to the Canadian Broadcasting Corporation (CBC).

Mr. Shields: Speaking on a point of order, Mr. Speaker, I recognize that the members of the Opposition would like to have more time to debate the child care legislation. Indeed, they have asked for more time for that purpose. Therefore, in the spirit of generosity of this House, I withdraw my motion.

• (1700)

Mr. Deputy Speaker: Does the Hon. Member for Athabasca (Mr. Shields) have unanimous consent of the House to withdraw his motion?

Mr. Boudria: Mr. Speaker, just to set the record straight, although I am prepared to give our colleague unanimous consent to withdraw his Bill, the House should be aware that he must withdraw his Bill because, under the traditions of this House, Parliamentary Secretaries do not participate in Private Members' hour. It is not because the Member has a surge of generosity flowing through his system at the moment that he wants to afford the opposition Members of this House the opportunity to debate any particular initiatives.

I just want to set the record straight, but I am prepared, on behalf of my colleagues in the Liberal Party, to provide unanimous consent so he can withdraw his motion.

Mr. Shields: Just to clear up any misunderstanding, Mr. Speaker, it is not a Private Member's Bill, it is a motion. Indeed, there is nothing in the rules of the House to stop a Parliamentary Secretary from putting forth a motion in this House. I want to reiterate that, in the spirit of co-operation and generosity, I would really like to give the Opposition more time to debate the child care legislation. The Opposition has asked for it, and with that thought in mind, I am withdrawing my motion.

Mr. Murphy: Mr. Speaker, it is obvious that the Government is trying to play another fast one. We certainly want to debate child care but we are not going to be forced into meeting some government objective, some timetable it has. We do not appreciate the idea of having to rush legislation through where obviously the public does not have a chance to really participate, but when the Government has already indicated that it is going to try to ram this legislation through committee, we are not co-operating.

Mr. Horner: When did you ever co-operate?

Mr. Lewis: Mr. Speaker, it would seem that there is unanimous consent for the Member not to put his motion, therefore, to withdraw it. We had really hoped that members of the New Democratic Party, and we see eight of them in the House now, would want to go ahead and debate child care. However, if they do not want to, I would suggest we suspend the sittings until six o'clock. I wish to advise the House that after the vote, we will return to the child care legislation and I would expect that none of the eight Members who are in the Chamber now will speak thereafter.

Mr. Boudria: Mr. Speaker, there was consultation among the Parties approximately an hour ago. What the Deputy Government House Leader (Mr. Lewis) is offering now, to withdraw the motion and suspend the sitting, is in fact what was agreed to, not what was stated before.

Mr. Murphy: Yes, Mr. Speaker, despite the, shall we say, rhetoric we heard from the Deputy House Leader, it is my understanding that what he is now saying is what they were saying an hour ago.

Mr. Blackburn (Brant): Now we are back on track.

Mr. Deputy Speaker: Does the Hon. Member for Athabasca have unanimous consent to withdraw his motion?

Some Hon. Members: Agreed.

Motion withdrawn.

[*Translation*]

SITTING SUSPENDED

Mr. Deputy Speaker: As there is nothing before us at this time, the sitting of the House is suspended until six o'clock.

At 5.05, the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 6 p.m.

GOVERNMENT ORDERS

[*Translation*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed from Monday, August 21, consideration of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, as reported (with amendments) from a legislative committee.

Mr. Deputy Speaker: It being six o'clock, pursuant to order made Wednesday, August 17, 1988, the House will now proceed to the taking of the recorded divisions at the report stage of Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America.

Call in the Members.

• (1820)

(*and the Bells rung*)

Mr. Speaker: The first vote is on Motion No. 1. The vote on this motion will also apply to Motion Nos. 61 and 65.

Mr. Axworthy moved:

Motion No. 1

That Bill C-130 be amended in Clause 2 by adding immediately after line 21 at page 2 the following:

"Canada" means the territory to which Canadian customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic laws, Canada may exercise rights with respect to the seabed and subsoil and their natural resources;"

Motion No. 61

That Bill C-130 be amended in Clause 60 by adding immediately after line 28 at page 52 the following:

"Canada" means the territory to which Canadian customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic laws, Canada may exercise rights with respect to the seabed and subsoil and their natural resources;"

Motion No. 65

That Bill C-130 be amended in Clause 76 by adding immediately after line 3 at page 62 the following:

"and "Canada" means the territory to which Canadian customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic laws, Canada may exercise rights with respect to the seabed and subsoil and their natural resources."

Motion No. 1 was negatived on the following division:

(*Division No. 512*)

YEAS

Members

Allmand	Fulton	Mitchell
Althouse	Gagliano	Murphy
Angus	Gray (Windsor West)	Nystrom
Axworthy	Harris	Orlikow
Benjamin	Heap	Parry
Blackburn (Brant)	Hovdebo	Penner
Blaikie	Isabelle	Pépin
Boudria	Jewett	Prud'homme
Broadbent	Kaplan	Riis
Cassidy	Keeper	Robichaud
Copps	Langdon	Robinson
de Jong	Lapierre	Rodriguez
Dewar	Marchi	Skelly
Epp (Thunder Bay—Nipigon)	McCurdy	Tobin
Finestone	McDonald (Broadview—Greenwood)	Waddell
Foster	McLaughlin	Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald (Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall (St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson (Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg (Nanaimo—Alberni)
Schellenberger (Wetaskiwin)
Scott (Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif (Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

[*English*]

Mr. Speaker: I declare the motion lost. I also declare Motions Nos. 61 and 65 lost.

Mr. Boudria: Mr. Speaker, I think if you were to seek unanimous consent you would possibly find, through an arrangement made earlier today, that Members would be favourably disposed to applying the result of this vote to all other remaining votes, and possibly to having the same vote in reverse for the concurrence motion.

Mr. Riis: Considering that there are 46 votes to go, I think that is an excellent idea, and certainly we would support that.

Mr. Speaker: Is the House agreed that the division just taken be recorded as applying to all of the remaining motions?

Some Hon. Members: Agreed.

Mr. Speaker: Is it also agreed that the division just taken be applied in reverse to the motion for concurrence in the Bill at report stage?

Some Hon. Members: Agreed.

• (1830)

Mr. Speaker: The next question is on Motion No. 5. Mr. Axworthy moved:

Motion No. 5

That Bill C-130 be amended by deleting Clause 3.

The House divided on Motion No. 5, which was negatived on the following division:

(*Division No. 513*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin

Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current—Maple Creek)
Wilson
(Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 6. Mr. Axworthy moved:

Motion No. 6

That Bill C-130 be amended by deleting Clause 4.

The House divided on Motion No. 6, which was negatived on the following division:

(*Division No. 514*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current—Maple Creek)
Wilson
(Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 8. Mr. Axworthy moved:

Motion No. 8

That Bill C-130 be amended by deleting Clause 6.

The House divided on Motion No. 8, which was negatived on the following division:

(*Division No. 515*)

YEAS

Members

Allmand	Fulton	Mitchell
Althouse	Gagliano	Murphy
Angus	Gray	Nystrom
Axworthy	(Windsor West)	Orlikow
Benjamin	Harris	Parry
Blackburn	Heap	Penner
(Brant)	Hovdebo	Pépin
Blaikie	Isabelle	Prud'homme
Boudria	Jewett	Riis
Broadbent	Kaplan	Robichaud
Cassidy	Keeper	Robinson
Copps	Langdon	Rodriguez
de Jong	Lapierre	Skelly
Dewar	Marchi	Tobin
Epp	McCurdy	Waddell
(Thunder Bay—Nipigon)	McDonald (Broadview—Greenwood)	Young—48
Finestone	McLaughlin	
Foster		

NAYS

Members

Andre	Fraleigh	McDermid
Beatty	Fretz	McDougall
Bernier	Gagnon	(St. Paul's)
Binns	Gervais	McKinnon
Blackburn	Girard	McKnight
(Jonquière)	Gormley	McMillan
Blouin	Gottselig	Merrithew
Bosley	Graham	Minaker
Bourgault	Gurbin	Mitges
Boyer	Gustafson	Moore
Bradley	Halliday	Mulroney
Brightwell	Hamelin	Nicholson
Browes	Hardey	(Niagara Falls)
Cadieux	Harvey	Nowlan
Caldwell	Hawkes	Oberle
Cardiff	Hees	O'Neil
Chartrand	Hicks	Oostrom
Clark	Hnatyshyn	Pennock
(Brandon—Souris)	Hockin	Peterson
Clifford	Holtmann	Pietz
Clinch	Horner	Porter
Coates	Howie	Ravis
Cochrane	Hudon	Redway
Collins	Jacques	Reid
Comeau	James	Reimer
Cook	Jepson	Roman
Corbett	Jourdenais	St. Germain
Cossitt	Kempling	St-Julien
Crosby	King	Schellenberg
(Halifax West)	Landry	(Nanaimo—Alberni)
Crouse	Lawrence	Schellenberger
Dantzer	Layton	(Wetaskiwin)
Darling	Lewis	Scott
Daubney	MacDonald	(Victoria—Haliburton)
de Cotret	(Kingston and the Islands)	Scowen
Desjardins	MacKay	Shields
Desrosiers	Mailly	Speyer
Domm	Malone	Stackhouse
Dorin	Mantha	Stevens
Duguay	Marin	Stewart
Duplessis	Martin	Tardif
Edwards	Masse	(Charlesbourg)
Ellis	Mayer	Taylor
Epp	Mazankowski	Thacker
(Provencher)	McCain	Towers
Ferland	McCrossan	Tupper
Fontaine		
Forrestall		
Turner	Warner	Wilson
(Ottawa—Carleton)	Wenman	(Etobicoke
Valcourt	White	Centre)
Van De Walle	Wilson	Winegard
Vankoughnet	(Swift Current	Wise—142
Vézina	—Maple Creek)	
Vincent		

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 9. A vote on Motion No. 9 applies to Motion Nos. 10, 11, 12, 13, and 14. Mr. Axworthy moved:

Motion No. 9

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to apply to lands, resources, and waters claims by aboriginal peoples under an aboriginal claim."

Motion No. 10

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall affect programs to protect the environment or conservation of land, resources and waters."

Motion No. 11

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to affect or preclude the continuation of existing or the establishment of new special adjustment programs to help firms or workers adjust to the changes brought about by the implementation of the Agreement."

Motion No. 12

That Bill C-130 be amended by adding immediately after lines 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to affect or preclude the continuation of existing or the establishment of new regional development programs."

Motion No. 13

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to affect the continuation of existing or the establishment of new Canadian social programs, including medicare, unemployment insurance, daycare, pensions, minimum wage laws, labour laws and maternity benefits."

Motion No. 14

That Bill C-130 be amended by adding immediately after line 43 at page 3 the following:

"7. For greater certainty, nothing in this Act shall be interpreted so as to affect or preclude the continuation of existing or the establishment of new cultural programs by future Canadian governments."

The House divided on Motion No. 9, which was negatived on the following division:

(*Division No. 516*)

YEAS

Members

Allmand	Benjamin	Blaikie
Althouse	Blackburn	Boudria
Angus	(Brant)	Broadbent
Axworthy		

Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current—Maple Creek)
Wilson
(Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. I also declare Motions Nos. 10, 11, 12, 13, and 14 lost. The next question is on Motion No. 17. Mr. Axworthy moved:

Motion No. 17

That Bill C-130 be amended by deleting Clause 8.

The House divided on Motion No. 17, which was negatived on the following division:

(*Division No. 517*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker

Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 19. Mr. Axworthy moved:

Motion No. 19.

That Bill C-130 be amended by deleting Clause 9.

The House divided on Motion No. 19, which was negatived on the following division:

(*Division No. 518*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 21. Mr. Axworthy moved:

Motion No. 21

That Bill C-130 be amended in Clause 11 by adding immediately after line 29 at page 5 the following:

"(d) that appointments to such committees, panels, commissions or other bodies ensure representation from consumers groups, labour and business."

The House divided on Motion No. 21, which was negatived on the following division:

(*Division No. 519*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme

Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 22. Mr. Langdon moved:

Motion No. 22

That Bill C-130 be amended in Clause 11 by adding immediately after line 35 at page 5 the following:

"(3) One such committee that the Governor in Council may establish, under this section, shall monitor and review matters arising out of the Act or the Agreement, including

(a) the adjustment impact on company workers and communities;

(b) the activities, economic viability and ability to compete within a given sector of all companies doing business in Canada and the United States of America; and

(c) agricultural pressures in Canada resulting from the agreement."

The House divided on Motion No. 22, which was negatived on the following division:

(*Division No. 520*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil

Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 23. Mr. Axworthy moved:

Motion No. 23

That Bill C-130 be amended by deleting Clause 11.

The House divided on Motion No. 23, which was negatived on the following division:

(Division No. 521)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 24. A vote on Motion No. 9 applies to Motion Nos. 33, 42, and 82. Mr. Langdon moved:

Motion No. 24

That Bill C-130 be amended in Clause 12

(a) by striking out line 36 at page 5 and substituting the following therefor:

"12.(1) The Governor in Council may, by order,"

(b) by adding immediately after line 43 at page 5 the following:

"(2) An order made under subsection (1) shall be laid before each House of Parliament not later than the fifth sitting day of Parliament after it is made and it shall be referred to a committee of the House of Commons as may be designated or established by the House for that purpose.

(3) A committee referred to in subsection (2) shall make its report to the House of Commons or the Senate, as the case may be, not later than the thirtieth sitting day of Parliament following the day the order is referred to the committee.

(4) Where a committee does not make its report to Parliament within the period specified by subsection (3), the order is deemed to be approved by the committee.

(5) An order referred to in subsection (1) shall come into force on the day provided in the order or, if no such day is provided in the order, on the thirtieth sitting day of Parliament following the day that the report is laid before the House of Commons or the Senate, as the case may be, or at the expiry of the period required for the submission of the report when no report is laid before the House of Commons or the Senate, as the case may be, unless a notice of motion to the effect that the order be revoked, signed by not less than twenty-five members of the House of Commons in the case of a motion for the consideration of that House or by not less than fifteen members of the Senate in the case of the motion for the consideration of the Senate, is filed with the Speaker of the appropriate House.

(6) Where a notice of motion for the consideration of the House of Commons or Senate is filed as provided in subsection (5) with respect to a particular order referred to in subsection (2), that House shall, not later than five sitting days of that House following the filing of the notice of

motion, take up and consider the motion, unless a motion to the like effect has earlier been considered in the other House.

(7) A motion taken up and considered in accordance with subsection (6) shall be debated in priority to all government orders for not more than five hours and on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(8) Where such a motion is adopted with or without amendment, a message shall be sent from the House adopting the motion informing the other House that the motion has been so adopted and requesting that the motion be concurred in by that other House.

(9) Within the first five days next after receipt by it of a request pursuant to subsection (8) that House receiving the request is sitting, that House shall take up and consider the motion that is the subject of the request, and all questions in connection therewith shall be debated in priority to all government orders for not more than five hours and, on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(10) Where a motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in by the other House, the particular order to which the motion relates shall stand revoked.

(11) Where a motion is not adopted by the House in which it was introduced or is adopted, with or without amendments, by that House but is not concurred in by the other House, the particular order to which the motion relates comes into force five days after the failure to adopt the motion or concur therein, as the case may be, if no day is provided in the order or on the day provided in the order.

(12) For the purposes of this Act, a "sitting day of Parliament" means a day on which either House of Parliament sits."

Motion No. 33

That Bill C-130 be amended in Clause 21 by adding immediately after line 8 at page 10 the following:

"(2) A regulation made under subsection (1) shall be laid before each House of Parliament not later than the fifth sitting day of Parliament after it is made and it shall be referred to a committee of the House of Commons as may be designated or established by the House for that purpose.

(3) A committee referred to in subsection (2) shall make its report to the House of Commons or the Senate, as the case may be, not later than the thirtieth sitting day of Parliament following the day the order is referred to the committee.

(4) Where a committee does not make its report to Parliament within the period specified by subsection (3), the order is deemed to be approved by the committee.

(5) A regulation referred to in subsection (1) shall come into force on the day provided in the regulation or, if no such day is provided in the regulation, on the thirtieth sitting day of Parliament following the day that the report is laid before the House of Commons or the Senate, as the case may be, or at the expiry of the period required for the submission of the report when no report is laid before the House of Commons or the Senate, as the case may be, unless a notice of motion to the effect that the order be revoked, signed by not less than twenty-five members of the House of Commons in the case of a motion for the consideration of that House or by not less than fifteen members of the Senate in the case of the motion for the consideration of the Senate, is filed with the Speaker of the appropriate House.

(6) Where a notice of motion for the consideration of the House of Commons or Senate is filed as provided in subsection (5) with respect to a particular order referred to in subsection (2), that House shall, not later than five sitting days of that House following the filing of the notice of motion, take up and consider the motion, unless a motion to the like effect has earlier been considered in the other House.

(7) A motion taken up and considered in accordance with subsection (6) shall be debated in priority to all government orders for not more than five hours and on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(8) Where such a motion is adopted with or without amendment, a message shall be sent from the House adopting the motion informing the other House that the motion has been so adopted and requesting that the motion be concurred in by that other House.

(9) Within the first five days next after receipt by it of a request pursuant to subsection (8) that House receiving the request is sitting, that House shall take up and consider the motion that is the subject of the request, and all questions in connection therewith shall be debated in priority to all government orders for not more than five hours and, on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(10) Where a motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in by the other House, the particular regulation to which the motion relates shall stand revoked.

(11) Where a motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in by the other House, the particular regulation to which the motion relates comes into force five days after the failure to adopt the motion or concur therein, as the case may be, if no day is provided in the regulation or on the day provided in the regulation.

(12) For the purposes of this Act, a "sitting day of Parliament" means a day on which either House of Parliament sits."

Motion No. 42

That Bill C-130 be amended in Clause 44 by

(a) striking out line 13 at page 35 and substituting the following therefor:

"the Secretariat to be appointed by an order of the"

(b) by adding immediately after line 15 at page 35 the following:

"(2) An order made under subsection (1) shall be laid before each House of Parliament not later than the fifth sitting day of Parliament after it is made and it shall be referred to a committee of the House of Commons as may be designated or established by the House for that purpose.

(3) A committee referred to in subsection (2) shall make its report to the House of Commons or the Senate, as the case may be, not later than the thirtieth sitting day of Parliament following the day the order is referred to the committee.

(4) Where a committee does not make its report to Parliament within the period specified by subsection (3), the order is deemed to be approved by the committee.

(5) An order referred to in subsection (1) shall come into force on the day provided in the order or, if no such day is provided in the order, on the thirtieth sitting day of Parliament following the day that the report is laid before the House of Commons or the Senate, as the case may be, or at the expiry of the period required for the submission of the report when no report is laid before the House of Commons or the Senate, as the case may be, unless a notice of motion to the effect that the order be revoked, signed by not less than twenty-five members of the House of Commons in the case of a motion for the consideration of that House or by not less than fifteen members of the Senate in the case of the motion for the consideration of the Senate, is filed with the Speaker of the appropriate House.

(6) Where a notice of motion for the consideration of the House of Commons or Senate is filed as provided in subsection (5) with respect to a particular order referred to in subsection (2), that House shall, not later than five sitting days of that House following the filing of the notice of motion, take up and consider the motion, unless a motion to the like effect has earlier been considered in the other House.

(7) A motion taken up and considered in accordance with subsection (6) shall be debated in priority to all government orders for not more than five hours and on the conclusion of such debate, the Speaker of the House of

Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(8) Where such a motion is adopted with or without amendment, a message shall be sent from the House adopting the motion informing the other House that the motion has been so adopted and requesting that the motion be concurred in by that other House.

(9) Within the first five days next after receipt by it of a request pursuant to subsection (8) that the House receiving the request is sitting, that House shall take up and consider the motion that is the subject of the request, and all questions in connection therewith shall be debated in priority to all government orders for not more than five hours and, on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(10) Where a motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in the other House, the particular order to which the motion relates shall stand revoked.

(11) Where a motion is not adopted by the House in which it was introduced or is adopted, with or without amendments, by that House but is not concurred in by the other House, the particular order to which the motion relates comes into force five days after the failure to adopt the motion or concur therein, as the case may be, if no day is provided in the order or on the day provided in the order.

(12) For the purposes of this Act, a "sitting day of Parliament" means a day on which either House of Parliament sits."

Motion No. 82

That Bill C-130 be amended in Clause 136, by adding immediately after line 32 at page 104 the following:

"(3) An order made under subsection (2) shall be laid before each House of Parliament not later than the fifth sitting day of Parliament after it is made and it shall be referred to a committee of the House of Commons as may be designated or established by the House.

(4) A committee referred to in subsection (3) shall make its report to the House of Commons or the Senate, as the case may be, not later than the thirtieth sitting day of Parliament following the day the order is referred to the committee.

(5) Where a committee does not make its report to Parliament within the period specified by the subsection (4), the order is deemed to be approved by the committee.

(6) An order referred to in subsection (2) shall come into force on the day provided in the order or, if no such day is provided in the order, on the thirtieth sitting day of Parliament following the day that the report is laid before the House of Commons or the Senate, as the case may be, or at the expiry of the period required for the submission of the report when no report is laid before the House of Commons or the Senate, as the case may be, unless a notice of motion to the effect that the order be revoked, signed by not less than twenty-five members of the House of Commons in the case of a motion for the consideration of that House or by not less than fifteen members of the Senate in the case of a motion for the consideration of the Senate, is filed with the Speaker of the appropriate House.

(7) Where a notice of motion for the consideration of the House of Commons or Senate is filed as provided in subsection (6) with respect to a particular order referred to in subsection (3), that House shall, not later than five sitting days of that House following the filing of the notice of motion, take up and consider the motion, unless a motion to the like effect has earlier been considered in the other House.

(8) A motion taken up and considered in accordance with subsection (7) shall be debated in priority to all government orders for not more than five hours and on the conclusion of such debate, the Speaker of the House of Commons shall forthwith put every question necessary to dispose of the motion.

(9) Where such a motion is adopted with or without amendment, a message shall be sent from the House adopting the motion informing the other House and requesting that the motion be concurred in by that other House.

(10) Within the first five days next after receipt by it of a request pursuant to subsection (9) that the House receiving the request is sitting, that House shall take up and consider the motion that is the subject of the request, and all questions in connection therewith shall be debated in priority to all government orders for not more than five hours and, on the conclusion of such debate, the Speaker of the House of Commons or the Senate, as the case may be, shall forthwith put every question necessary to dispose of the motion.

(11) Where the motion is adopted, with or without amendments, by the House in which it was introduced and is concurred in by the other House, the particular order to which the motion relates shall stand revoked.

(12) Where a motion is not adopted by the House in which it was introduced or is adopted, with or without amendments, by that House but is not concurred in by the other House, the particular order to which the motion relates comes into force five days after the failure to adopt the motion or concur therein, as the case may be, if no day is provided in the order.

(13) For the purpose of this Act, a "sitting day of Parliament" means a day on which either House of Parliament sits.

The House divided on Motion No. 24, which was negatived on the following division:

(*Division No. 522*)

YEAS

Members

Allmand	Fulton	Mitchell
Althouse	Gagliano	Murphy
Angus	Gray	Nystrom
Axworthy	(Windsor West)	Orlikow
Benjamin	Harris	Parry
Blackburn	Heap	Penner
(Brant)	Hovdebo	Pépin
Blaikie	Isabelle	Prud'homme
Boudria	Jewett	Riis
Broadbent	Kaplan	Robichaud
Cassidy	Keeper	Robinson
Copps	Langdon	Rodriguez
de Jong	Lapierre	Skelly
Dewar	Marchi	Tobin
Epp	McCurdy	Waddell
(Thunder Bay—	McDonald	Young—48
Nipigon)	(Broadview—	
Finestone	Greenwood)	
Foster	McLaughlin	

NAYS

Members

Andre	Chartrand	Darling
Beatty	Clark	Daubney
Bernier	(Brandon—Souris)	de Cotret
Binns	Clifford	Desjardins
Blackburn	Clinch	Desrosiers
(Jonquière)	Coates	Domm
Blouin	Cochrane	Dorin
Bosley	Collins	Duguay
Bourgault	Comeau	Duplessis
Boyer	Cook	Edwards
Bradley	Corbett	Ellis
Brightwell	Cossitt	Epp
Browes	Crosby	(Provencher)
Cadieux	(Halifax West)	Ferland
Caldwell	Crouse	Fontaine
Cardiff	Dantzer	Forrestall

Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. I also declare Motion Nos. 33, 42, and 82 lost. The next question is on Motion No. 25. Mr. Axworthy moved:

Motion No. 25

That Bill C-130 be amended by deleting Clause 12.

The House divided on Motion No. 25, which was negatived on the following division:

(*Division No. 523*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 30. A vote on Motion No. 30 applies to Motions Nos. 32, 38, 41, 43, 44, 50, 56, and 58. Mr. Langdon moved:

Motion No. 30

That Bill C-130 be amended in Clause 14 by striking out line 32 at page 6 and substituting the following therefor:

"appointed by the Governor in Council subject to review and approval by a committee of the House of Commons."

Motion No. 32

That Bill C-130 be amended in Clause 21 by striking out line 14 at page 9 and substituting the following therefor:

"21.(1) The Governor in Council, subject to review and approval of a House of Commons committee, may".

Motion No. 38

That Bill C-130 be amended in Clause 35 by striking out line 30 at page 20 and substituting the following therefor:

"report to the Governor in Council and committee of the House of Commons on the".

Motion No. 41

That Bill C-130 be amended in Clause 44 by striking out line 13 at page 31 and substituting the following therefor:

"with the consent of the Minister and a committee of the House of Commons and the".

Motion No. 43

That Bill C-130 be amended in Clause 44 by striking out line 14 at page 35 and substituting the following therefor:

"Governor in Council, subject to review and approval by a Committee of the House of Commons, to hold office for a ".

Motion No. 44

That Bill C-130 be amended in Clause 44 by striking out line 35 at page 36 and substituting the following therefor:

"77.27 The Governor in Council, subject to approval by a committee of the House of Commons, may, on".

Motion No. 50

That Bill C-130 be amended in Clause 48 by striking out line 12 at page 41 and substituting the following therefor:

"5.1 The Governor in Council, with approval of a committee of the House of Commons, may".

Motion No. 56

That Bill C-130 be amended in Clause 53 by striking out line 15 at page 44 and substituting the following therefor:

"27.1 (1) The Governor in Council, with the approval of a committee of the House of Commons,"

Motion No. 58

That Bill C-130 be amended in Clause 57 by striking out line 20 at page 47 and substituting the following therefor:

"(4) The Governor in Council, subject to approval by a committee of the House of Commons, may make".

The House divided on Motion No. 30, which was negatived on the following division:

(*Division No. 524*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald (Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall (St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson (Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg (Nanaimo—Alberni)
Schellenberger (Wetaskiwin)
Scott (Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif (Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. I also declare Motion Nos. 32, 38, 41, 43, 44, 50, 56, and 58 lost. The next question is on Motion No. 31. Mr. Axworthy moved:

Motion No. 31

That Bill C-130 be amended in Clause 14 by adding immediately after line 40 at page 6 the following:

"(3) this section shall not come into force until equivalent and effective bid challenge procedures are available to Canadians in the United States."

The House divided on Motion No. 31, which was negatived on the following division:

Canada-U.S. Free Trade Agreement

(Division No. 525)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 39. A vote on Motion No. 39 applies to Motion No. 93. Mr. Axworthy moved:

Motion No. 39

That Bill C-130 be amended by adding immediately after line 37 at page 21 the following:

""48.2. That the Tribunal be empowered to oversee the agreement; in particular it shall;

(A) 1. Report to Parliament to include;

(a) quantity and nature of Canada-United States trade;

(b) United States federal and state programs which affect Canada-United States trade;

(c) determine whether the rights and benefits to which Canada is entitled under the agreement are being denied;

(d) if the determination of the tribunal is affirmative under paragraph (c), then the Tribunal shall also determine and report what corrective action is necessary.

2. (a) The Tribunal shall be empowered to receive petitions from any entity, including a trade association, firm, union or group of workers who represents a Canadian industry and who has reason to believe that

(i) the industry is likely to face, as a result of the Canada-United States trade agreement, increased competition from subsidized American imports, including those supported through the United States defense programs; and

(ii) the industry is likely to experience a deterioration in its competitive position during the time negotiations occur between Canada and the United States on subsidies

(b) Upon receipt of a petition under paragraph (a) the Tribunal shall:

(i) compile and make available to the industry, information on the amount of subsidization to the American industry, the increase in market share since the agreement came into effect, and the impact of those imports on the Canadian industry.

(ii) update this information annually or as requested by the industry;

(iii) provide to Parliament a copy of any reports undertaken as a result of subparagraphs (i) or (ii).

(c) (i) The tribunal shall review information obtained under paragraph (2) and consult with the industry to decide whether action may be appropriate under section 59(2) of the Customs Tariff Act, and recommend such action be taken by the Minister of Finance in conjunction with the Secretary of State for External Affairs.

(ii) The Minister of Finance and the Secretary of State for External Affairs shall, upon receipt of any recommendation under subparagraph (i) determine whether to take action and shall on determination that action be taken, give preference to actions that most directly affect the products benefitting from governmental subsidies unless the application of action under section 59(2) of the Customs Tariff Act to other products would be more effective.

(B) Be empowered to implement and oversee adjustment programs for those firms and workers who will be dislocated as a result of the agreement including:

(a) specific programs for groups most disadvantaged; older workers, new immigrants, women, aboriginal workers;

(b) procedures for application by firms to be designated dislocated and apply for adjustment assistance;

(c) generalized programs for workers to insure that they are retrained for jobs that become available.

(C) Monitor and report to Parliament the extent to which United States exports are subsidized by U.S. defense expenditures and the impact such products have on Canadian industry.

Motion No. 93

That Bill C-130 be amended in Clause 146 by adding immediately after line 26 at page 113 the following:

""(5) Implementation through section (4) of this Act is conditional on:

(a) the Tribunal's report to Parliament on United States Defense Department subsidization of transportation

(b) proof that the United States government does not assist the transportation of agricultural exports to Canada.""

The House divided on Motion No. 39, which was negatived on the following division:

(Division No. 526)

YEAS

Members

Allmand	Fulton	Mitchell
Althouse	Gagliano	Murphy
Angus	Gray (Windsor West)	Nystrom
Axworthy	Harris	Orlikow
Benjamin	Heap	Parry
Blackburn (Brant)	Hovdebo	Penner
Blaikie	Isabelle	Pépin
Boudria	Jewett	Prud'homme
Broadbent	Kaplan	Riis
Cassidy	Keeper	Robichaud
Copps	Langdon	Robinson
de Jong	Lapierre	Rodriguez
Dewar	Marchi	Skelly
Epp (Thunder Bay—Nipigon)	McCurdy	Tobin
Finestone	McDonald (Broadview—Greenwood)	Waddell
Foster	McLaughlin	Young—48

NAYS

Members

Andre	Coates	Ellis
Beatty	Cochrane	Epp (Provencher)
Bernier	Collins	Ferland
Binns	Comeau	Fontaine
Blackburn (Jonquière)	Cook	Forrestall
Blouin	Corbett	Fraleigh
Bosley	Cossitt	Fretz
Bourgault	Crosby (Halifax West)	Gagnon
Boyer	Crouse	Gervais
Bradley	Dantzer	Girard
Brightwell	Darling	Gormley
Browes	Daubney	Gottselig
Cadieux	de Cotret	Graham
Caldwell	Desjardins	Gurbin
Cardiff	Desrosiers	Gustafson
Chartrand	Domm	Halliday
Clark (Brandon—Souris)	Dorin	Hamelin
Clifford	Duguay	Hardey
Clinch	Duplessis	Harvey
	Edwards	Hawkes
Hees	McDermid	Scott (Victoria—Haliburton)
Hicks	McDougall (St. Paul's)	Scowen
Hnatyshyn	McKinnon	Shields
Hockin	McKnight	Speyer
Holtmann	McMillan	Stackhouse
Horner	Merrithew	Stevens
Howie	Minaker	Stewart
Hudon	Mitges	Tardif (Charlesbourg)
Jacques	Moore	Taylor
James	Mulroney	Thacker
Jepson	Nicholson (Niagara Falls)	Towers
Jourdenais	Nowlan	Tupper
Kempling	Oberle	Turner (Ottawa—Carleton)
King	O'Neil	Valcourt
Landry	Oostrom	Van De Walle
Lawrence	Pennock	Vankoughnet
Layton	Peterson	Vézina
Lewis	Pietz	Vincent
MacDonald (Kingston and the Islands)	Porter	Warner
MacKay	Ravis	Wenman
Mailly	Redway	White
Malone	Reid	Wilson (Swift Current—Maple Creek)
Mantha	Reimer	Wilson (Etobicoke Centre)
Marin	Roman	Winegard
Martin	St. Germain	Wise—142
Masse	St-Julien	
Mayer	Schellenberg (Nanaimo—Alberni)	
Mazankowski	Schellenberger (Wetaskiwin)	
McCain		
McCrossan		

Mr. Speaker: I declare the motion lost. I also declare Motion No. 93 lost. The next question is on Motion No. 45. A vote on Motion No. 45 applies to Motion Nos. 46, 47, and 48. Mr. Axworthy moved:

Motion No. 45

That Bill C-130 be amended by deleting Clause 44.

Motion No. 46

That Bill C-130 be amended by deleting Clause 45.

Motion No. 47

That Bill C-130 be amended by deleting Clause 46.

Motion No. 48

That Bill C-130 be amended by deleting Clause 47.

The House divided on Motion No. 45, which was negatived on the following division:

(Division No. 527)

YEAS

Members

Allmand	Epp (Thunder Bay—Nipigon)	Langdon
Althouse	Finestone	Lapierre
Angus	Foster	Marchi
Axworthy	Fulton	McCurdy
Benjamin	Gagliano	McDonald (Broadview—Greenwood)
Blackburn (Brant)	Gray (Windsor West)	McLaughlin
Blaikie	Harris	Mitchell
Boudria	Heap	Murphy
Broadbent	Hovdebo	Nystrom
Cassidy	Isabelle	Orlikow
Copps	Jewett	Parry
de Jong	Kaplan	Penner
Dewar	Keeper	Pépin
		Prud'homme

Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. I also declare Motion Nos. 46, 47, and 48 lost. The next question is on Motion No. 49. Mr. Axworthy moved:

Motion No. 49

That Bill C-130 be amended by adding immediately after line 8 at page 41 the following:

"48. Notwithstanding all the provisions of this agreement on a bilateral dispute settlement mechanism, Canada reaffirms its commitment to the superior GATT dispute settlement mechanism which allows Canada to challenge the law itself as well as its application.

The House divided on Motion No. 49, which was negatived on the following division:

(*Division No. 528*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)

Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 52. A vote on Motion No. 52 applies to Motion No. 70. Mr. Axworthy moved:

Motion No. 52

That Bill C-130 be amended by adding immediately after line 28 at page 41 the following:

"49. All processed agricultural products containing the sum of 10 per cent or more by weight of farm products defined by the (National) Farm Products Marketing Agencies Act shall be placed on the import control list effective January 1, 1989."

And Mr. Langdon moved:

Motion No. 70

That Bill C-130 be amended in Clause 112 by adding immediately after line 19 at page 85 the following:

"(3) Where it appears at any time to the satisfaction of the Governor in Council that agricultural processed products entering Canada from the United States contain 10 per cent by weight of supply or price managed ingredients, those products shall be placed on the Import Control List."

The House divided on Motion No 52, which was negatived on the following division:

(*Division No. 529*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. I also declare Motion No. 70 lost. The next question is on Motion No. 53. Mr. Axworthy moved:

Motion No. 53

That Bill C-130 be amended by deleting Clause 49.

The House divided on Motion No. 53, which was negatived on the following division:

(*Division No. 530*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper

Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 54. Mr. Axworthy moved:

Motion No. 54

That Bill C-130 be amended by deleting Clause 50.

The House divided on Motion No. 54, which was negatived on the following division:

(Division No. 531)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper

Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 55. Mr. Axworthy moved:

Motion No. 55

That Bill C-130 be amended by deleting Clause 51.

The House divided on Motion No. 55, which was negatived on the following division:

(*Division No. 532*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald (Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall (St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson (Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg (Nanaimo—Alberni)
Schellenberger (Wetaskiwin)
Scott (Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif (Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare motion lost. The next question is on Motion No. 57. Mr. Axworthy moved:

Motion No. 57

That Bill C-130 be amended in Clause 57 by striking out lines 20 to 23 at page 47 and substituting the following therefor:

"(3) In this section,

(a) "local signal" means

(i) a signal that is readily receivable directly from the terrestrial station by a significant proportion of the public within the licensed service area of the retransmitter;

(ii) a signal of a terrestrial station the Grade B official contour of which, or the equivalent thereof as determined by the Department of Communications, is within 32 kilometres of any part of the licensed service area of the retransmitter; or

(iii) such further and other signals defined or designated as local in regulations the Governor in Council may make; and

(b) "distant signal" means any signal that is not a "local signal"

(4) the Governor in Council may make regulations relating to the applications of subparagraph (4)(a).

The House divided on Motion No. 57, which was negatived on the following division:

(*Division No. 533*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow

Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 59. Mr. Langdon moved:

Motion No. 59

That Bill C-130 be amended in Clause 58 by striking out lines 28 and 29 at page 47 and substituting the following therefor:

"to 50.7 the Board may make regula-".

The House divided on Motion No. 59, which was negatived on the following division:

(Division No. 534)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper

Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 60. Mr. Axworthy moved:

Motion No. 60

That Bill C-130 be amended in Clause 59 by striking out lines 7 to 11 at page 51 and substituting the following therefor:

"50.4(1) The Board shall, in establishing a manner of determining royalties under paragraph 50.3(1)(a), ensure that it does not have any material impact upon small retransmission systems serving small and isolated communities.

(2) In this section a "small retransmission system" is a system licensed under the Broadcasting Act having 6,000 or fewer subscribers."

The House divided on Motion No. 60, which was negatived on the following division:

(*Division No. 535*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 62. Mr. Axworthy moved:

Motion No. 62

That Bill C-130 be amended in Clause 70 by striking out lines 4 to 23 at page 58.

The House divided on Motion No. 62, which was negatived on the following division:

(*Division No. 536*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 63. Mr. Axworthy moved:

Motion No. 63

That Bill C-130 be amended in Clause 70 by striking out line 7 at page 59 and substituting the following therefor:

"United States or a project in the United States undertaken by the Government of Canada and destined to become the property of the Government of Canada;"

The House divided on Motion No. 63, which was negatived on the following division:

(*Division No. 537*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper

Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 66. Mr. Axworthy moved:

Motion No. 66

That Bill C-130 be amended in Clause 91 by striking out line 3 at page 73 and substituting the following therefor:

"(a) may be made more than once".

The House divided on Motion No. 66, which was negatived on the following division:

(Division No. 538)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald (Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall (St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson (Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg (Nanaimo—Alberni)
Schellenberger (Wetaskiwin)
Scott (Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif (Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 67. Mr. Axworthy moved:

Motion No. 67

That Bill C-130 be amended by deleting Clause 102.

The House divided on Motion No. 67, which was negatived on the following division:

(Division No. 539)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch

Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 68. Mr. Axworthy moved:

Motion No. 68

That Bill C-130 be amended by deleting Clause 104.

The House divided on Motion No. 68, which was negatived on the following division:

(*Division No. 540*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 71. Mr. Axworthy moved:

Motion No. 71

That Bill C-130 be amended by adding immediately after line 2 at page 90 the following:

"121. Any restrictions on the export of Canadian grain under the provisions of this Act shall be contingent on the United States administration keeping exports to Canada at the same level while those restrictions are in place."

The House divided on Motion No. 71, which was negatived on the following division:

(Division No. 541)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 72. Mr. Axworthy moved:

Motion No. 72

That Bill C-130 be amended in Clause 123 by adding immediately after line 29 at page 90 the following:

""87.2 The Parliament of Canada may require a minimum percentage of issued end-use certificates to be investigated annually to ensure compliance with section 87.1.""

The House divided on Motion No. 72, which was negatived on the following division:

(Division No. 542)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner

Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 73. Mr. Axworthy moved:

Motion No. 73

That Bill C-130 be amended by deleting Clause 127.

The House divided on Motion No. 73, which was negatived on the following division:

(*Division No. 543*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 74. Mr. Axworthy moved:

Motion No. 74

That Bill C-130 be amended by deleting Clause 128.

The House divided on Motion No. 74, which was negatived on the following division:

(*Division No. 544*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper

Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Scheilenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 75. Mr. Axworthy moved:

Motion No. 75

That Bill C-130 be amended by deleting Clause 129.

The House divided on Motion No. 75, which was negatived on the following division:

Canada-U.S. Free Trade Agreement

(Division No. 545)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper

Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 76. Mr. Axworthy moved:

Motion No. 76

That Bill C-130 be amended by deleting Clause 130.

The House divided on Motion No. 76, which was negatived on the following division:

(*Division No. 546*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 77. Mr. Axworthy moved:

Motion No. 77

That Bill C-130 be amended by deleting Clause 131.

The House divided on Motion No. 77, which was negatived on the following division:

(*Division No. 547*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)

Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 78. Mr. Axworthy moved:

Motion No. 78

That Bill C-130 be amended by deleting Clause 132.

The House divided on Motion No. 78, which was negatived on the following division:

(Division No. 548)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 79. Mr. Axworthy moved:

Motion No. 79

That Bill C-130 be amended by deleting Clause 133.

The House divided on Motion No. 79, which was negatived on the following division:

Canada-U.S. Free Trade Agreement

(Division No. 549)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 81. A vote on Motion No. 81 applies to Motion No. 83. Mr. Axworthy moved:

Motion No. 81

That Bill C-130 be amended in Clause 136 by striking out line 32 at page 104 and substituting the following therefor:

"the purposes of this Act. The Board shall retain the right to accept or reject orders made by Governor in Council."

Motion No. 83

That Bill C-130 be amended in Clause 136 by striking out lines 34 to 37 at page 104 and substituting the following therefor:

"is not binding on the Board."

The House divided on Motion No. 81, which was negatived on the following division:

(Division No. 550)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)

Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. I also declare Motion No. 83 lost. The next question is on Motion No. 84. Mr. Axworthy moved:

Motion No. 84

That Bill C-130 be amended in Clause 136 by adding immediately after line 41 at page 104 the following:

"(5) The Board will have the same status and authority with respect to the Agreement and domestic legislation as the United States Federal Regulatory Commission and Economic Regulatory Administration."

The House divided on Motion No. 84, which was negatived on the following division:

(Division No. 551)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 86. A question is on Motion No. 86 A vote on Motion No. 86 applies to Motion No. 87. Mr. Langdon moved:

Motion No. 86

That Bill C-130 be amended in Clause 136 by striking out lines 42 and 43 at page 104 and lines 1 to 5 at page 105 and substituting the following therefor:

"84.3(1) The Governor in Council must, by order ensure that exports of energy goods to the United States are in accordance with 83(a) of the National Energy Board Act.

(2) The Governor in Council may, by order, declare that the maintenance or introduction of a restriction in the exportation to the United States of energy goods or of any quality, kind or class thereof is required under subsection (1), or is justified under Article 904 of the Agreement."

Motion No. 87

That Bill C-130 be amended in Clause 136 by striking out lines 47 to 50 at page 105 and lines 1 to 11 at page 106 and substituting the following therefor:

"84.6 The Board may not, under any circumstances, issue a licence for the exportation of such energy goods to the United States unless it is satisfied that such exports are in accordance with section 83(a) of the National Energy Board Act."

The House divided on Motion No. 86, which was negatived on the following division:

(Division No. 552)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald (Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall (St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson (Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg (Nanaimo—Alberni)
Schellenberger (Wetaskiwin)
Scott (Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif (Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. I also declare Motion No. 87 lost. The next question is on Motion No. 85. Mr. Axworthy moved:

Motion No. 85

That Bill C-130 be amended in Clause 136 by striking out lines 42 and 43 at page 104, lines 1 to 50 at page 105 and lines 1 to 11 at page 106.

The House divided on Motion No. 85, which was negatived on the following division:

(Division No. 553)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch

Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 88. Mr. Axworthy moved:

Motion No. 88

That Bill C-130 be amended in Clause 137 by striking out line 33 at page 106 and substituting the following therefor:

"countries including the United States."

The House divided on Motion No. 88, which was negatived on the following division:

(*Division No. 554*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 89. Mr. Axworthy moved:

Motion No. 89

That Bill C-130 be amended by deleting Clause 137.

The House divided on Motion No. 89, which was negatived on the following division:

Canada-U.S. Free Trade Agreement

(*Division No. 555*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 92. Mr. Axworthy moved:

Motion No. 92

That Bill C-130 be amended by deleting Clause 145.

The House divided on Motion No. 92, which was negatived on the following division:

(*Division No. 556*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)

MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 95. Mr. Axworthy moved:

Motion No. 95

That Bill C-130 be amended by deleting Clause 146.

The House divided on Motion No. 95, which was negatived on the following division:

(Division No. 557)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 96. Mr. Langdon moved:

Motion No. 96

That Bill C-130 be amended in Clause 152 by striking out line 22 at page 122 and substituting the following therefor:

"tion (1) unless the Governor in Council, with approval of the Parliament of Canada, is".

The House divided on Motion No. 96, which was negatived on the following division:

(Division No. 558)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell

Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost. The next question is on Motion No. 100. Mr. Axworthy moved:

Motion No. 100

That Bill C-130 be amended by deleting the Preamble.

The House divided on Motion No. 100, which was negatived on the following division:

(*Division No. 559*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray
(Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

NAYS

Members

Andre
Beatty
Bernier
Binns
Blackburn
(Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark
(Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald
(Kingston and
the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall
(St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson
(Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Schellenberger
(Wetaskiwin)
Scott
(Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif
(Charlesbourg)
Taylor
Thacker
Towers
Tupper

Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

Mr. Speaker: I declare the motion lost.

Hon. John C. Crosbie (Minister for International Trade) moved that the Bill, as amended, be concurred in.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 560*)

YEAS

Members

Andre
Beatty
Bernier
Binns
Blackburn (Jonquière)
Blouin
Bosley
Bourgault
Boyer
Bradley
Brightwell
Browes
Cadieux
Caldwell
Cardiff
Chartrand
Clark (Brandon—Souris)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Desjardins
Desrosiers
Domm
Dorin
Duguay
Duplessis
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Gagnon
Gervais
Girard
Gormley
Gottselig
Graham
Gurbin
Gustafson
Halliday
Hamelin
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jepson
Jourdenais
Kempling
King
Landry
Lawrence
Layton
Lewis
MacDonald (Kingston and the Islands)
MacKay
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McDermid
McDougall (St. Paul's)
McKinnon
McKnight
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nicholson (Niagara Falls)
Nowlan
Oberle
O'Neil
Oostrom
Pennock
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
St-Julien
Schellenberg (Nanaimo—Alberni)
Schellenberger (Wetaskiwin)
Scott (Victoria—Haliburton)
Scowen
Shields
Speyer
Stackhouse
Stevens
Stewart
Tardif (Charlesbourg)
Taylor
Thacker
Towers
Tupper
Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Warner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise—142

NAYS

Members

Allmand
Althouse
Angus
Axworthy
Benjamin
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Harris
Heap
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Langdon
Lapierre
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nystrom
Orlikow
Parry
Penner
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Skelly
Tobin
Waddell
Young—48

Mr. Speaker: I declare the motion carried.

* * *

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Epp (Provencher) that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the second time and referred to a legislative committee; and the amendment of Mrs. Martin (p. 18222).

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I would like to take a few moments tonight to speak to the Government's proposed child care legislation and to offer my Party's response to the same issue. The major social challenge facing Canada today is the urgent need of average Canadians and their families for reliable care for our children. Over 1.8 million children whose parents are in the labour force do not have access to quality child care services. The inadequate number of child care spaces is failing our children and makes it even more difficult for women to participate equally in the workplace. Canadian men and women want government action that responds to the real needs of their families. The Conservative Government of Canada has put forward a charade.

Mr. Speaker: I presume the Hon. Member would like the House to hear the Hon. Member for Thunder Bay—Atikokan. The Hon. Member from Thunder Bay—Atikokan has the floor.

Mr. Angus: Thank you, Mr. Speaker. I want to thank my colleague for her intervention drawing the attention of the

House to child care. It is a very important issue in Canada today and one that is not being dealt with appropriately by the Conservative Government. This Government's so-called national strategy on child care is an excellent example of Conservative broken promises to Canadian families. After waiting four full years for this Government to keep its promise, or for the Conservative Party to keep the promise of the 1984 campaign to introduce an effective national system of child care, Canadian families have been disappointed once again. Canadian parents and their children need greater access to quality care at lower costs. This Government's scheme will create fewer child care spaces after seven years than would have resulted without it.

The Conservatives have promised to add 200,000 non-profit child care spaces to Canada's existing 240,000 spaces by 1995. That is a growth rate of less than 10 per cent annually. In fact, child care spaces in Canada are already doubling every five years. The average rate of growth over the last four years was 15 per cent.

What is happening under this Conservative smoke and mirrors in child care is that we are actually going to have less child care spaces created throughout Canada—urban Canada, rural Canada, northern Canada, native Canada—than would have been created under the existing Canada Assistance Plan. That is very regrettable. The Government had the opportunity to take a very progressive step to ensure that those families, whether they be mother-led families or father-led families or two-parent families, had the opportunity to have their children looked after in a quality manner by staff who are appropriately trained and appropriately reimbursed for their education and their labours while the parents went out, whether it was one parent or both parents, to work outside the home in order to meet the economic realities of today.

For those of us who come from the larger urban centres of this country, child care is a norm, and there are child care centres in our communities. Some are profit, some are non-profit, some are municipally run, but there are other communities, particularly in the distant locations, rural locations and the North, where there is no formal child care at all. In the community of Atikokan, one of the communities that I represent in this House, there is not a child care centre or a day care centre; there is only informal care giving through babysitting. While there is every good intention by those care givers, the reality is that most often or not they do not have the skills to provide the kind of quality experience that one can obtain in a municipally operated or a non-profit child care centre that is child focused and family focused.

There is a need to expand the programs. There is a need to ensure that child care is provided not as a means to make profit but as a means to provide services, much needed services to the families of this generation.

I mentioned earlier that the Government's child care program is less than what the current program offers. In fact, it actually puts a ceiling on the amount of child care spaces that the Government will support. Even worse, the Conservatives are asking the provinces for any commitments as to quality in return for federal funding.

Would you, Mr. Speaker, if you were in private business, give money to a subsidiary company and not ask what it is going to do and not require that it do certain things? Would you, as a banker, give money to a company without having strings attached? Of course not.

What we have been saying and what was provided for in the Meech Lake round of amendments to the Constitution was that national standards be included in the legislation, not standards that would say that you would have to have a child care centre that is 300,000 square feet and employs five staff, but one that would say that if you are going to get federal funds, you must create spaces, you must create new spaces and fund new spaces. We need to develop in rural Canada the kind of spaces that are needed to meet the variations of lifestyle, to reflect the seasonal kind of economy on the farm when children need to be away from the farm so that both parents could work on complicated and dangerous machinery and to keep the young children from underfoot and out of danger. It also applies to a small northern community that has a single industry to function with, to survive with, that operates around the clock, for example, a pulp and paper mill in a community like Terrace Bay where there is need for more than just eight o'clock in the morning until five o'clock in the afternoon kind of child care and a need for overnight services.

There was an opportunity to develop national standards that every province would have to adhere to in order to get federal tax dollars returned to their taxpayers, but they chose not to do that. They chose to be wimpish about it and leave it to the province to say "we cannot interfere". We on this side of the House reject that kind of mentality.

The Conservatives also claim that they are going to give parents choices by spending $2.4 billion through the tax system. In the first place, more than half of this goes to existing tax measures. In the second place, most of that new money will go into a program which gives parents a maximum of $200 per child per year. As a parent I know that in this day and age $200 does not go very far. One child care advocate appearing before the committee reviewing this legislation indicated that a parent would be lucky to buy two snowsuits with that money. If you think about the growth rates of young children, you know that two snowsuits a year is not unheard of. Children grow quickly and put a great deal of wear and tear on their clothes. So this amount is a pittance. The money would have been better used to provide child care spaces in quality and affordable child care centres for the young children of Canada.

• (1840)

There is a better way, Mr. Speaker. I realize my time is running out so I will be brief. We want a program that will meet the real child care needs of Canadians and give Canadian

men and women real choices. Priority on child care spaces means a good child care program to establish a base on which we can build good quality child care in Canada, not the ceiling in the government plan. The New Democrat's plan would provide 50,000 new child care spaces per year, on average, resulting in 200,000 new non-profit spaces by 1992. I emphasize non-profit. We would establish a set of national principles in the federal funding legislation which would guarantee quality child care. The legislation should require a provincial child care program and conform to the following national objectives: comprehensive, quality, affordable, accessible, flexible, non-profit, and accountable child care.

These principles are modelled on the principles in the Canada Health Act and are consistent with the Meech Lake Accord. Enhanced maternity and parental benefits are policies which give parents real choices. The Government does nothing about paid parental leave. New Democrats would increase opportunities for parents to stay at home with an infant child by providing enhanced and extended maternity and parental leave benefits under the Unemployment Insurance Act.

Finally, we propose 10 days paid family responsibility leave through the Canada Labour Code. These proposals are all designed to spend more time with our children, but when we cannot, it will ensure that children have quality child care available whether they are in Toronto, Thunder Bay, Atikokan, or wherever.

Mr. Holtmann: Mr. Speaker, I would like to comment—

An Hon. Member: There are no questions or comments.

Mr. Holtmann: There are no questions or comments?

Mr. Deputy Speaker: No questions or comments.

Mr. Holtmann: I will make a short speech which will all add up to the same sensible argument that we have put forward on behalf of our Party on child care.

Mr. Deputy Speaker: The Hon. Member for Selkirk—Interlake.

Mr. Felix Holtmann (Selkirk—Interlake): Mr. Speaker, earlier in the day the Leader of the New Democratic Party (Mr. Broadbent) rose and said that the program announced by the Minister of National Health and Welfare (Mr. Epp) was a fraud.

Mr. Angus: That is right.

Mr. Holtmann: He also indicated that the Tories have no concern and are not interested in the welfare of families of Canadians. I want to point out to Members opposite, particularly members of the New Democratic Party, that it was this Government which has created so many jobs in the workforce. If the Members opposite would realize how jobs really help families in their ability to cope, they would know how significant the Government's program under its new economic growth for Canada was able to come up with a child care program for children.

In any event, the Leader of the NDP also said that the people who look after young children today, the baby-sitters, sit home and watch television. That is what he said this afternoon in his speech to the Canadian public. Baby-sitters sit and watch television. What a slam against the women of Canada, Mr. Speaker. The New Democrats think that anyone who stays home and looks after children sits and watches television. In other words, they are not providing any quality day care. I do not know who will vote for the New Democrats in the next federal election if the Leader of the New Democratic Party thinks that people who look after children do nothing but watch television.

Mr. Althouse: When did he say that?

Mr. Holtmann: He said it this afternoon in the House. I have some difficulty with the New Democratic Party's new proposed child care program. I understand that the Leader and his Party will pay every person who has a child to stay home, someone to give quality day care. It will not be television watching time any more under the New Democrats. That will not happen, but the New Democrats will take the wealth which the Tory Government has created with its growing economy and throw it in every nook and cranny and claim that that will help Canadian families. That is the way the New Democrats will do things. The people who are now looking after young children, as far as the Leader of the New Democratic Party and his Party are concerned, just stay home and watch TV. There is no quality health care there at all. I thought he took a pretty big slam at a lot of women in Canada who I think are doing a tremendous job.

We want more health care for Canadians and we want to invest quite a bit of money. There is a debate still going on in many parts. Some of my constituents say that in certain areas they really do not necessarily need more but they need some assistance.

I am sure many Canadian women were quite surprised to hear the Leader of the New Democratic Party claiming that the Tories are not great people and that we have no concern for family life. I think the Tories demonstrated in this House not long ago on the issue of abortion that we are very concerned about family life. It is the New Democratic Party which collectively believes in abortion on demand. That is the philosophy of the New Democratic Party.

Some Hon. Members: No.

Mr. Angus: Mr. Speaker, I rise on a point of order. Without wanting to engage in debate, I would ask that the Member, if he is going to state policy of another Party, do it correctly. Our policy is that the issue is between the woman and her doctor. They are the ones who will decide.

Mr. Holtmann: Once again, I have riled up the New Democrats. Why is the Hon. Member's Leader deciding what

the Tory Government thinks about families? The Member should stick to the subject. This New Democratic Party has no handle or exclusivity on who represents Canadians and families.

Mr. Angus: Ask your spouse.

Mr. Holtmann: Even the Liberals have to admit that this was a very bold policy that our Minister brought forward—

Mr. Angus: They wouldn't lie as much.

Mr. Holtmann: The Liberals are prepared to accept it. I am sure many of the New Democrats, when they get out on the hustings, will be told not to throw money away recklessly. They are going to be asked to put a price tag on what they propose to do and will be told to make sure the money is used in a very effective and efficient way. Obviously Canadians are not prepared to give that Party an opportunity to start spending Canadian dollars. Never will they do that.

When their Leader announced this great day care policy, I believe a couple of weeks ago, I did not read any editorials about how great it was. The policy seems to have finally died. It will be comical during the next federal election to know where the New Democrats will get all the money for their day care promises and all the things they have proposed. They have not figured how to keep people working or how to create more jobs. They will just borrow money like the former Government did.

Canadians will never give the New Democrats the opportunity to implement some of these wild, woolly, witchy, wacky ideas which they scheme up, I guess in their caucus rooms, and whoever else schemes them up. Their policies are not sound and they probably never will be sound. Their Leader basically condemned most of the women in this country for staying home to look after their own children, saying that all they do is watch TV and that is not day care. That is the New Democratic Party policy of the way they think of women in this country. A mother does not look after her own child well enough. She is considered a poor person in the provision of quality day care. That is the attitude of New Democrats. They are going to get somebody else to do it.

• (1850)

The Government will spend the money and provide this new, wonderful, quality day care. Probably New Democrats are not capable of looking after their own children. They need a lot of assistance. They cannot do it on their own. They need help from the Government. They need some expert to tell them how to change diapers and what their children should eat. That is what the New Democrats want.

I think we know now where New Democrats stand. We know their game. It is just fuddle-duddle promises and that is all it will end up being.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I am pleased to rise to speak to the child care program the Government says it is putting in place. I find it rather sad that from a Government that is supposed to be trying to put a new face on its activities and to keep its promises, we have a Bill that is full of puffery. It is window-dressing and trickery with figures. It will not meet our present needs, and it puts a cap on the natural growth that was already in place.

Under the Canada Assistance Plan, without this new program, the federal Government would have spent, assuming an inflationary factor of only 5 per cent a year, $17 billion over the next seven years. The total federal spending over that same period of time could now be slightly more than $22 billion or 4 per cent per year more than we now have without this new program.

On top of all that, there is a catch. We do not know if even one nickel will be spent in each of the provinces. It takes a federal-provincial agreement with each province to put this into place. As Marjorie Nichols points out, we have to use a conditional tense when talking about child care anywhere within Canada. Certainly we will not have a national child care system with national standards and objectives which must be met.

We talk about the low birth rate in Canada. We talk about our concern for the family and the family structure. We talk about children as being our future. One of the most important building blocks in our society is the child care system, whether it is for pre-school children or for school children with two working parents, children called latchkey children.

I become dreadfully sad when I recall going before the royal commission on the status of women, chaired by Senator Florence Bird. We brought the concern over latch key children into the public view, and we discussed how important it was to ensure that these children had good supervision after school hours so that their parents could work with free minds. Their parents needed two salaries to make ends meet. At that time, we were talking about the working poor but now we are talking about all families. The traditional family with the mother staying home is only one out of every ten families. We are not facing the reality of the society in which we live.

We will not end up with a national program; we will end up with 10 separate agreements with 10 different standards. According to the Meech Lake Accord, we were supposed to have national objectives. This new look at the Constitution would provide for good cost-shared programs with the thought that across Canada there would be equivalent programs. There is no dazzling multi-billion program for day care across this land.

The spending increases will be absolutely minimal. In fact, they are paltry, to use the word of Marjorie Nichols. About $570,000 a year would be made available beyond what is already available under the Canada Assistance Plan. Further, the provinces that want to enter into the national day care

program have to opt out of the Canada Assistance Plan. A cap has been put on the growth of this very key sector in society.

I believe that when Conservatives are out on the hustings and have to face the electorate, they will be very embarrassed by the fact that no one will be tricked into thinking that saying that they have put in a great national child care system means that they have really done so, because they have not. In reality, this let's pretend child care program is supposed to provide $6.4 billion over seven years, but $2.3 billion of that total is in the form of new tax deductions on credits announced in the February Budget of the Minister of Finance (Mr. Wilson). I am not against that, but those are certainly not new dollars for new child care spaces.

The child care legislation we are addressing today contains exactly $4 billion. However, we have forgotten that $1.9 billion of that $4 billion is already being spent annually by the federal Government through the Canada Assistance Plan on child care items. We have in reality a provision for $2.6 billion in new federal funds for direct spending, from which the $1.9 billion that is already being spent annually is subtracted, ending up with that marvellous amount of $560,000 a year being made available for new programs. That new money will certainly be sufficient for the much needed 200,000 spaces, but that will not answer the needs of another one million children who need this service.

Our Party feels that parents should have the right to choose, but they should also have the right to choose child care services that will be of quality, that will be affordable, and that will have standards for the teachers who will be paid commensurately as they provide the loving care that is needed for young children, and they should have programs in which they will have a say. None of those things have been articulated in this Bill, and I regret the sleight of hand, the use of language which is not reflected in reality in this Bill.

The unvarnished facts are embarrassing to the Government. I hope that each and every government Member will feel the discomfort as their constituents ask them about this not-national, not-good, poorly-conceived child care plan which they think will help the development of Canada and its future. I would suggest that when this Bill goes into legislative committee, government Members carefully consider the kinds of amendments that will truly reflect the needs of our children and their futures in Canada.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, I appreciate having the opportunity to say a few words on the child care Bill, Bill C-144. I will take my allotted time to speak particularly about rural Canada.

This time of year in rural Canada should be time of rejoicing and abundance while in the process of harvesting the crops. Right now, however, the farm community is not a happy community, and there are good reasons for this.

For the last five or six years, the impact of the economy has been building up to the point where farm communities are in a very bad state. Prices have risen considerably in the last little while, but that is not having the impact it should on the farm community.

• (1900)

Rural Canada is made up of something over 200,000 farms and the villages and towns with their schools, churches, and medical facilities which serve those farms. For the last several years an average of eight farmers per day have been leaving the farm for reasons such as bankruptcy, foreclosure, and so on. That has not slowed down. In fact, the number is increasing each year. Consequently, farming communities are becoming more isolated. It is because of this situation that farming has become one of the most stressful occupations in the country. The farm suicide rate has tripled since 1981 and now stands at double the national average. There are many cases of rural family violence, much more than we ever thought would happen on the farm.

The bulk of farmers having financial problems are those between the ages of 30 and 45 years. They are highly productive farmers who have committed themselves to farming and they produce a great deal, but they are unable to keep up. It is those same families who have young children that need care.

Those farmers who are staying on the farm and those people in the small communities surrounding the farms are the people we are concerned about right now. A lot of the people leaving their farms are just moving into the surrounding towns or the nearest city. However, a lot of them are attempting to hang on, and they are the ones we need to talk about specifically.

There are probably three categories that we can point to of people who are attempting to stay on the farm and need some assistance with child care. There is the family where one or two members go to the nearest town or city to work. At the same time they attempt to keep the farm going.

There are farm families who move to the city so that the man, in most cases, can drive out to the farm and keep it going. There is a third group which has to be recognized as well. This group stays on the farm but attempts to eliminate all outside help. They try to keep the farm going with the family alone. Every member of the family has to take some responsibility for keeping the farm going.

Right now some farm men and women, in fact perhaps more women than men, are actually doing three jobs at the same time. They are working at a store or office in town, teaching school or driving a school bus to bring in some cash. They also take a certain amount of responsibility to keep the farm going. They do regular farm work and assist in keeping it going. They also take care of the children, raise the family.

Right now child care is a very unpopular concept in rural Canada because there is nothing in this Bill that indicates that rural Canada will be taken care of. There is nothing to indicate that they will have child care in those areas. As one lady told me yesterday, this is another federal program which we in

rural Canada will not be able to access. In most cases this involves small towns and villages of 50 to 75 people.

That is one of the things wrong with this approach to child care. We need to look at the specific requirements of rural Canada and make sure that either child care spaces or other arrangements can be made to make sure that the family is able to stay together and keep the farm going.

The federal Government spends huge amounts of money on things which are far less important to Canada than the raising of a family. We should not hesitate to pay people to assist the parents in raising their children. Doing that is a good investment for Canada. We should do it in such a way that it reaches out to those areas and those people who need it most.

Right now many people in rural Canada need assistance in raising their families. They need child care. Consequently, we should provide the spaces or provide the people or the money so that they are able to do a good job of raising a family. This Bill does not indicate to the rural community that any real care has been taken with respect to child care in rural Canada.

Mrs. Mary Collins (Capilano): Mr. Speaker, I am pleased to have the opportunity to participate in the debate on this legislation, the Canada Child Care Act. I believe it is an initiative which will enable our Government to implement a major part of our new national child care strategy, which includes not only the provisions of this Act but the creation of 200,000 additional child care spaces. As well, there is the tax assistance to families which will be of great benefit to many men and women across this country, and the child initiatives fund.

It is interesting to look at the whole issue of child care and who should be responsible. I am pleased to see a change in attitude across the country on this issue. Recently the Vancouver Board of Trade, the largest business organization in Vancouver, issued a copy of its report making a case for quality child care services in British Columbia. It notes in its report that by the year 2000, 80 per cent of all new workforce members will be women, minorities, or immigrants, and that one-half of all women employees will have babies while they are employed. These facts translate into a need for employers of all types and sizes to deal with child care issues for their own self-interest. In fact, the Board of Trade quotes from some studies done by *Fortune Magazine* which report that 41 per cent of parents surveyed lost at least one day's work in the three months prior to the poll in order to care for sick children, and nearly 10 per cent took three to five days off for such purposes. Child care problems were also a major cause of unproductive time at work or the production of lower than normal quality work. Obviously, by addressing the child care issue, businesses can achieve greater stability and productivity in their workforces.

• (1910)

It is very interesting to note that the Vancouver Board of Trade goes on in its brief to suggest certain initiatives that the provincial Government should take to respond to our new federal child care strategy and it went on to outline what it believes employers should be doing. The whole issue of child care is a relationship of four parts: the family, the parents, the employer, and the federal and provincial Governments. Each has a role to play in order for us to address the situation.

I am pleased that the legislation before us provides for the implementation of the goal which was announced last December, "an additional 200,000 new subsidized spaces which will require a federal commitment of some $3 billion". However, on the basis of the plans submitted by the provincial Governments over the last six months, it has become clear that additional financial assistance would be required if we were to meet the goal of 200,000 spaces, as well as ensure the quality of the system as a whole and that the existing spaces continue to improve.

We are aware that just last month the Minister of National Health and Welfare (Mr. Epp) announced on behalf of the Government that we were committing an additional $1 billion to the child care program. We are not prepared to sacrifice quality for quantity. Both are equally important to parents whose children will be utilizing the child care system.

Just to share some information about how this new system will work, during the next seven years, which we are calling the "boost period", we intend to support the creation of 200,000 additional subsidized child care spaces. In effect, this will double the size of the current subsidized system. It has taken about 15 years for us to reach the level of 200,000 spaces and in seven years we will double that.

To assist the provinces, because delivery of the services is a provincial responsibility, we will provide 75 per cent of the capital costs involved in the development of new spaces in non-profit child care agencies during the seven year period. As well, we will provide for 50 per cent of ongoing operating costs for both non-profit and commercial agencies. There have been a lot of questions of why "both", and certain groups have said only non-profit agencies should be eligible for the subsidies. However, we made the decision to include commercial agencies under the terms of the legislation. We recognize that we cannot ignore the basic fact that a full 40 per cent of subsidized child care spaces now being provided are being provided by the commercial sector. The reason our national policy on child care is a workable policy is that it builds upon a system that currently exists and adapts to the regional diversity of this country.

I must say, Mr. Speaker, from my involvement with child care, there is obviously some agencies that are better than others, but I have found excellent child care facilities operating in the commercial sector and excellent facilities working in the non-profit area. I do not believe that either side should be penalized, and I am pleased to see we have included both in our strategy.

This legislation will also permit the Government to increase the rate of cost sharing for certain provinces based upon a

national average entitlement per child formula. We have included this special provision to assist parents and children who reside in provinces which are attempting to catch up to other parts of Canada in what they spend on child care. This is a national strategy. We believe that child care facilities and services should be more available in all parts of the country.

I might point out that Clause 4 of the legislation sets out the various terms and conditions which will form part of a negotiated agreement between the federal Government and each province. These will include the annual federal commitment to the province, the number of spaces to be created during the seven-year period, and the basis for subsequent cost sharing agreements with respect to child care services.

I wanted to respond as well to some comments made earlier by the Hon. Member for Mount Royal (Mrs. Finestone) who indicated that the current provisions under the Canada Assistance Plan would have resulted in $3 billion a year being spent on child care services. She is wrong. That is not the reality. The reality is that at the moment, between the federal and provincial Governments, we are spending about $480 million of which $160 million is federal money. Therefore, the provinces are spending $320 million a year. There is no way the provinces are going to be able to increase their expenditures, so they could theoretically take advantage of the maximum CAP funding. That is just not the real world.

In fact, the present CAP provisions do not include funding for the capital cost for the building or renovating, so there is no assistance there. There is no incentive for the creation of new spaces. Even in the operating area where it is 50 per cent of eligible costs, there are many costs which are not eligible. What actually occurs is that the federal Government ends up subsidizing only about 35 per cent of the total costs. The changes in the new child care strategy in the legislation we have before us, as I mentioned, are 75 per cent on capital cost and 50 per cent on operating and new criteria for establishing that 50 per cent. In the first year alone our contribution will double, and by the end of the seven years it is estimated that the federal contribution will be in the order of $800 million a year.

We will have spent, then, the estimated $4 billion for the creation of those spaces. This legislation is important to the women, to the parents, and to the children of this country. I would ask my colleagues on all sides of the House to give it early consideration so that the system can go into effect, the provinces can complete their negotiations, and those who are involved in establishing a child care agency and child care spaces can get on with the job of creating the spaces and the opportunities for families to have child care available to them.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I too would like to participate in this debate. I would like to preface my comments by thanking my Liberal colleagues who have allowed me to speak first so I can go home and spend some time with my daughter. We talk about Parliament and the opportunities for women being equal with men, but the reality is that when we are having sitting sessions until ten o'clock every night, week upon week, to try to shove some government Bills through, that is simply not happening. That is just a practical note, Mr. Speaker.

I would also like to spend some time outlining what I consider the giant fraud being perpetrated on the people of Canada in the over-all area of child policy. Let us not forget that this so-called child care policy is coming from a Government that has done everything in its power to cut back the purchasing power of the ordinary family. It has cut back on the child tax deductions from about $370 to about $60 over the course of its time in office. It has cut back on family allowances. What we should really be seeing here tonight is an over-all policy for children which really does permit parents to make real choices.

Government Members tried to deindex senior citizens' pensions and they were not successful, but they were successful in doing it with the family allowances because families with children are not necessarily the most powerful voices in our society.

I only have 10 minutes so I would like to focus on what I consider to be the glaring contradictions in this so-called national policy for children. When parents are put in a position, either by choice or by economic necessity, of working outside the home and having to put their child in care other than their own, they want to be sure their child is safe.

• (1920)

I think that is the paramount concern of every parent. That is why the Government must include some national standards in announcing a policy. Yet, it has failed miserably in doing so because the Minister of National Health and Welfare (Mr. Epp) is introducing a Bill that permits the provinces to set whatever standards they want. There is no national level of care whereby parents in Corner Brook, Newfoundland, should have the same level of care for their child as a child in Toronto. That is not the case because there are no national standards.

According to the preamble of the Bill, the Government caps the amount of spending. Rather than indicate that the program will expand, it is putting a lid on it.

The previous Liberal Government established a program of subsidized child care spaces that was geared toward low-income earners. There was no limit on that program. The Hon. Member for Capilano (Mrs. Collins) was wrong when she said that the only difference between the previous Liberal program, which was instituted at a time when we were not even sure about the so-called child care crisis, was spending an amount of about 4 per cent per year.

There are no national standards in the Tory child care plan. There are rather generous tax deductions. The tax deductions are being doubled from $2,000 to $4,000 a year per child. As a parent who is earning a salary that is significantly above the

national average, I stand to benefit much more directly from the Government's child tax deduction than a woman in my riding who is working at the Hamilton General Hospital and may be earning $6 an hour.

If I am in the 50 per cent tax bracket and I get a $4,000 tax deduction, that is money in my pocket. However, a woman who is earning $6 an hour and is paying only 15 per cent or 20 per cent in income tax, her benefit is cut by two-thirds. We believe that the tax deduction system is wrong and should be replaced by a tax credit system which would see direct payments to parents, but would start by giving the most money to those parents who are at the lowest end of the income scale.

When one considers the lack of national standards and the fact that the child tax deduction will benefit the rich, it provides a rather clear picture of what policy the Tories want to establish. It has no national objectives.

What have we seen from the New Democratic Party? Its Leader announced that he would like to cut child care spending by about 30 per cent. He wants to spend about 30 per cent less than the Conservative Government, and will do that by eliminating any direct payments to families. A steelworker in my riding who gets a $2,000 tax deduction would lose that under an NDP Government.

Under an NDP Government, the Liberal initiative of a tax credit which would be more beneficial to the low and middle income earners would also be gone. The NDP does not believe in the right of the individual to make choices for themselves. It believes that everything should be run by the Government in an institutionalized fashion.

Ms. Mitchell: Wrong, and you know it.

Ms. Copps: Let me speak from personal experience. I have a terrific child care giver in my neighbourhood in Ottawa. Her name is Clotilde Keklikian. She has just given birth to another child of her own and now has three children. I probably could not have found a better care giver than her under any circumstances. She happens to have voluntarily associated herself with a licensing service. She would meet the need for national standards, but because she receives payment in her home, according to the NDP definition she is part of the massive profit-making conspiracy that would, of necessity, not be allowed under their policy.

Ms. Mitchell: Is that making a profit?

Ms. Copps: I am very happy to hear the NDP defend its policy because I am rather shocked that it would introduce a situation in which a woman like Clotilde Keklikian would not be able to qualify under its system.

Ms. Mitchell: Mr. Speaker, I rise on a point of order. The Hon. Member knows full well that the NDP supports family home day care. The woman to whom she is referring sounds like an excellent care giver. There is no reason why she should not be licensed. In fact, she would have many advantages with extra subsidies under our plan if she were licensed as a family day care giver.

Mr. Deputy Speaker: Perhaps the Hon. Member for Vancouver East will make a few comments on this matter later tonight. The Hon. Member for Hamilton East has the floor.

Ms. Copps: The NDP has not answered the basic question. Why is it cutting $3 billion from a child care program? There are parents who are currently spending thousands of dollars. Certainly it is very difficult for a steelworker in my riding to come up with the money that is necessary, yet under an NDP Government, that steelworker would probably see a reduction in his disposable income by some $1,000 to $3,000, depending on the number of children. The NDP is wiping out any direct tax credits or tax deductions to families. If that is the case, I would like the NDP to explain why its Leader said last week that he would be spending about one-third less of what is being spent under the Government's program.

There are some fundamental differences. The Liberal Party wants national standards. We also want tax credits as opposed to tax deductions. I have not heard the NDP speak out on this. According to the NDP definition, those who are in family care, who meet national standards and may be making a small profit, would be out of the picture. We believe that those people can also give good care.

Most important, the Liberal Party would introduce a child policy that supports all families and that offers women real opportunity and real choice, not simply a government program, which, over seven years, will result in a near 4 per cent annual increase in spending.

We want to see a program directed not only toward women and families who are working outside the home, but also toward women working in the home because we believe their contribution is just as valuable.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I welcome this opportunity to take part in the debate on Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof.

I think we can conclude after what has been said so far, Mr. Speaker, that all three Parties agree on the substance of this Bill. We all agree that today, day-care is becoming an increasingly essential service. However, we do not agree on how funding should be allocated and made available to the public.

Mr. Speaker, I think that first of all, and this is very important, it is a matter of philosophy. I heard my colleague speak earlier about deductions and tax credits. We have opted for tax measures. Other political parties, groups and individuals who made their positions known across this country told us we should focus on establishing a national service paid for by

the State, to ensure the availability of such services and provide a number of guarantees. That is more or less the position taken by the NDP. However, in the first place, it is a matter of philosophy, a matter of how we look at the services to be offered to the customer and how we react to an increasingly pressing need.

Mr. Speaker, we can either provide the money or provide the opportunity to spend that money. We have opted for the former.

I remember, and I think we have lived long enough with a Liberal Government to understand the Liberal approach, when we had an economic problem. The Government invented the Canada Works projects, so-called winter works, in the belief that by creating temporary jobs, it would be able to deal with economic problems, and so billions of dollars were spent every year. The Government spent enormous amounts of money on Canada Works projects which tended to come back every year, with a few new ones. That was one way of looking at the problem.

The Conservative Government and its Prime Minister, Brian Mulroney, decided to opt for another solution, more in line with the philosophy of the Conservative Party, which is a philosophy of free enterprise, a philosophy of supporting developers. It provides Canadian decision makers with the economic conditions that tend to attract investors. That is the big difference. Our opponents however, would set up a program and then they would decide to index it . . . all of a sudden they discovered indexation. That was a wonderful discovery. After sliced bread, indexation is just about the best thing ever invented in Canada. Indexing means that starting today, tomorrow will be like yesterday, but indexed, a little better than yesterday. We cannot build an economy that way! I have never bought clothes from a tailor by saying that I would pay last year's price, indexed. I never bought a car that way, but we have built an economy that way. My colleague was just talking about it. He talked about family allowance, old age security pensions, the MPs' pension fund. It covers everything!

But in my opinion, it is not the right way to develop the economy because it does not teach individuals how to fish—it gives them fish. If in one year they needed a certain amount and the next year the economy has grown by 3 per cent, automatically they are given a 3 per cent increase—that is indexation. We, for our part, give people the opportunity to choose. And in doing so, Mr. Speaker—our program was so popular, we wanted to add about 200,000 spaces and we will have to give out money; we have to give out more money because of the very positive response from the provinces.

We must not forget, Mr. Speaker, that child care is a provincial responsibility. And so on . . . We could not stick our nose in a field of provincial jurisdiction even if we wanted to. We can set up a national program that the provinces could join, that the federal Government could participate in and that would gradually bring people up to the national standards.

The Liberals suggest directly administering a program in a field of provincial jurisdiction. They are telling the provinces that they are incapable of running day care facilities, just as they are unable to read the Free Trade Agreement, so the Liberals would do all that for them. They tell the provinces not to worry, that they will decide for them and run the day care centres, even if it is a provincial responsibility, and they will force the provinces to accept national standards.

We too, Mr. Speaker, would like to have national standards of quality, and they are being developed, but this necessarily involves each of the ten Canadian provinces and each of the territories. This means that we will end up one day with quality standards that already exist in many provinces, but we will reach them at different rates. That is another foundation of the policy put forward by the Party, that we respect the rate at which each province progresses.

It is clear that Quebec, Ontario, New Brunswick, Prince Edward Island and Newfoundland have different rates of growth for a social product or program. One only has to look at a province's wealth and existing services, how developed its education services are, what work opportunities there are. Because of all that, the rate and support . . . support at that rate will start for a national program, and that is important for federal programs. All the policies we put forward, that sometimes lay in a grey area between federal and provincial jurisdictions, always led us to respect provincial rates of action, and this is what makes this Government different.

In my first year here, Mr. Speaker, I was Parliamentary Secretary to the Minister of Employment and Immigration, the Hon. Flora MacDonald, with whom I worked more closely at that time. We opened negotiations with the Province of Quebec, among others, on training programs. You are fully aware training programs are a long-standing contending issue between federal and provincial Governments, training being a provincial matter. Our greatest difficulty was to somewhat make up for the past because we were dealing with provinces that had been irked to the limit by standards that had always been forced upon them by the Canadian Government, because it had the spending power, it was at the top, it knew about all the needs, and had the means.

We succeeded in harmonizing and setting up new programs, a new job strategy ensuring that instead of having programs strictly to distribute the money to the people, we put forward programs that still sent the money to the people but that led the people to better themselves. Such has been the new job strategy, and the same job strategy was developed among students where the priority is to favour jobs that suit the student's career profile.

But the same thing applies to child care services. Ontario and Quebec will develop their own quality standards. They will not be all that different, but basically different. And what makes this country great is the fact that we have ten provinces and two territories each one as important as the other, each one having its priorities and its standards. There will be

fundamental differences between them but they will remain consistent with the general principles we care to set. And they will be encouraged.

We therefore support a system which will give parents the opportunity to help others, to tell them: Listen, in the field of child care, we are experts. Come and see us. We will take care of everything because we know what you really want.

That is the big difference and, as far as I am concerned, I am all for it. We could even pass it tonight. I am speaking, of course, of Bill C-144.

• (1930)

[*English*]

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, I rise to participate in the second reading debate on Bill C-144, an Act to provide child care to Canada. This is one of those Bills on which we have had an indication with respect to which form outweighs substance.

The Minister has portrayed the Bill as a bold new initiative. He has said that he is making great forays into assisting the families of Canada. As we looked at what he is proposing and as we looked at the kind of family assistance that his Government has provided we began to form quite a different opinion of what the Government is doing for families.

Over the years we have watched the previous Liberal Government and then this Conservative Government continue the practice of reducing the proportion of the family deductions on the income tax form. At one time those deductions would feed and clothe a child. That is what their original intention was. As the years went by that was eroded to the point now where, for most families, the child deduction barely provides the clothing that they need each year. This is the same group of people who are in the defence of the Canadian family.

In my home province of Saskatchewan they fought medicare, one of the programs that probably did as much as anything to provide equal access to full medical care for young people, old people, members of families, whether they could afford to see a doctor, be hospitalized or have a serious expensive operation. Medicare made that possible. It was both Liberals and Conservatives in our province who fought the introduction of that program.

During the past four years we have watched this Government attempt successfully—211 outvote 70—to deindex family allowances, further eroding the spending power of families. The provisions of family allowance have been in place since 1948-49. They were introduced as an attempt to equalize incomes and make poorer families more equal, give them access to goods and services on a more equal basis with the rest of the country's families. This is the Government that deindexed family allowances. It is also the Government that has gone a long way in increasing taxes on ordinary families, particularly those families who find it necessary for both mom and dad to work.

• (1940)

The other day I did some quick calculations. A family with mom, dad, two kids, and both parents working most of the time, earning in the neighbourhood of $35,000, and a great many of our population are earning that type of salary and less, with the discovery by the Government of the ease with which it can extract taxes from ordinary people by increasing sales tax, that family is now paying more than $1,000 per year more in taxes than four years ago before the Government came to power. This Government purports to be the Government that stands up for families, yet it is taking more than $100 a month from the average working family with two children.

It is an unfortunate reality that a great many of our population is in the position where both mother and father have to work for wages. When we look at the statistics it can be seen that there are 856,000 two-parent families where both parents work. If either of those parents stopped working to stay home to devote all their time to child care and raising the family, the family income would go below the poverty line. Working mothers and fathers are not only a reality, but in most families they are also a necessity.

I wish to spend a little time talking about the special needs of the farm families that I know best, many of whom I represent in a rural riding such as I have. They will find any federal or provincial program suspicious, because they are not certain that their needs for child care will be recognized in any program that has been proposed. These farm families may be described by some people as traditional families, and to the untrained observer it may appear that the mother is not working. However, I assure you Mr. Speaker, that all farm wives probably have the equivalent of two or three jobs. They contribute not only to the income and the labour force required on the farm, but they are also required to look after the children. The main child-rearing role still falls on farm mothers. Farm fathers help as much as they can, but they are engaged in what are generally too dangerous pursuits in which to include children.

While farms are great places to raise children, and I would not have chosen to raise mine anywhere else, they can also be very dangerous places to raise children. Every season I hear of terrible accidents where young children, sometimes as old as 10 years old, but usually 10 and younger, are killed in the most horrible farm accidents that occurred largely because there was no supervision for them, or no one to help look after them. The parents were too busy trying to earn a living to keep full track of the children, or they were trying to involve them in some of the farm activities where an accident resulted.

We all know of instances where children have been inadvertently run over by a tractor. There are also combine or baler accidents where they become entangled in power shafts. Not

too many years ago in my neighbourhood there was an incident where a fairly old child of nine or ten fell into a load of flax as it was being unloaded out of a 10-inch auger. He was immediately drowned. Flax flows like water and it was impossible to extract him. We also know of unfortunate incidents with manure pits around hog barns. There are sewage lagoons in some farm yards where open pits are still used for disposal of sewage. Most farms have ponds, dug-outs, or dams where it is possible for children to get into trouble. It is especially worrisome to parents in the busy times of the year when there is seeding or harvest time when mother and father are involved, as well as the older children, in trying to get the harvest in. Sometimes the children are on their own.

Any program proposed under a day care system, and I do not see any reference to it in this particular proposal, has to be flexible, accessible, affordable, and available in those small rural communities. The type of day care system that will fit those needs has not been attacked by this program or, I submit, most of the programs that I have seen. I do admit that my colleague, the Hon. Member for Vancouver East (Mrs. Collins), does have a section in her policy where she is at least prepared to put some money, study, and action into experiments in the rural areas to establish the workable day care and child care system that can work in those outlying, scattered rural communities where the population is scattered, but where the need is very great.

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, I am pleased to participate in the debate on Bill C-144, the so-called day care Bill. I say the "so-called day care Bill" because this Bill is not a day care Bill. It is a "promise" care Bill. It is an attempt to care for the promises made by the Government four years ago when it first sought office as a governing Party, and when it promised a comprehensive, adequate, and accessible day care program for Canada.

Anyone who understands the need for day care today, accessible, quality day care, or anyone who has any idea of what is required and who is able to read this Bill, in either official language, will quickly discover that there is no relationship between the need that continues to grow as the nature of our economy evolves, and what is delivered in this Bill.

The country needs, and is going to need, some 2 million day care spaces. The Bill delivers 200,000 day care spaces over the next seven years. The requirement is for 2 million. The Bill delivers at best 200,000. The Bill does not recognize that society has dramatically changed in the past 20 years. Today less than one in six Canadian families fit the traditional view and pattern of the wife at home with the children and the husband off working. Many families today are headed by single parents, and most of those parents are single young mothers. While more than half of all women with pre-school children work outside the home, only about 20 per cent, two in ten, of those children are served by an accredited day care centre. Raising children is more expensive than ever before, whether one or both parents work, and providing child care is one of the highest costs.

• (1950)

This Bill fails to recognize the tremendous need in the country today. Indeed, there is an excellent editorial in *The Ottawa Citizen* by Marjorie Nichols. The headline was "Epp"—referring to the Minister of National Health and Welfare (Mr. Epp)—"at last decides his figures for child care program". It is an excellent article. It points out that one should get past the flimflammery. Once you have shattered the mirrors, once you have blown away the smoke, once you have seen through the orchestrated series of press events and numbers, you can see that the country does not have a child care program.

In 1966 medicare was established in this country. It worked because the national Government of the day, I am pleased to say a Liberal Government, established a set of national standards, established the principle that whether you are a Canadian living in British Columbia, Toronto, Montréal, Quebec City, Saskatoon or in St. Anthony, Newfoundland, your access to medical care, the kind of standard that you could expect as a Canadian, one of the qualifiers, one of the things that we held in common no matter where we lived, was a level of medical care that would be consistent right across this land. We set national standards. It was a national social program.

Nowhere in Bill C-144, the so-called day care Bill, is there anything establishing any national standard whatever across this country. Nowhere is there any guarantee that if you live in St. Anthony, Newfoundland, to the extent that you look to your federal Government because you are a citizen of Canada and your access to day care will be equivalent to the access of someone who lives in Toronto, Ontario, by comparison a much wealthier province, you will have those standards. They are not there, Mr. Speaker.

What is more shocking and what most Canadians do not realize is that there is absolutely nothing in this Bill to ensure that if you live in St. Anthony, Newfoundland, in Cape Breton, Nova Scotia or in Manitoba or, for that matter if you live in Ontario, your province will even participate in a national day care program. Indeed, this Bill makes it not only possible but I would submit plausible, if not likely, that we will see those provinces with the fiscal capacity to participate in the program to the extent it meets any of the needs, but will do so only at a level of about 10 per cent, and we will see those without a fiscal capacity to participate not sign on board. Some provinces will determine that their fiscal capacity and priorities are in other directions and Canadians in some provinces of Canada will not be participating in this day care program.

We in this Party insist upon national, enforceable standards, similar to what we have in medicare. I heard my colleague in the New Democratic Party who just spoke, a Member from western Canada, refer to his own Party's day care proposal. He

said with respect to rural Canada—I represent a rural constituency—that his own Party's program makes some attempt and shows some willingness to experiment to see whether or not we can provide some services to rural Canadians. He said quite rightly that rural Canadians are very suspicious about day care policies no matter from which Party they come. They have this notion that we are talking about young, upwardly mobile professional working couples who can afford things like day care.

Mr. Harris: Like the Member from Hamilton East.

Mr. Tobin: There is really nothing for rural Canadians because in rural Canada the vast majority of day care in rural Newfoundland, almost all day care, is provided in home by people who open their homes and establish, in almost all cases that I know of, a quality level of day care for couples who are working or for a single mother who requires day care. The New Democratic Party's proposal makes no provision for that kind of day care.

The NDP proposal does not have the flexibility to develop that kind of day care. The NDP proposal wants to institutionalize right across this country a model based on a model that works perfectly in Toronto—God bless Toronto.

Rural Canadians need access—not to tax deductions because if your income is low you cannot claim it anyway—to tax credits. That has to be part of the proposal. While I fundamentally do not disagree with my friends in the New Democratic Party, who share many of the concerns the Liberal Party feels about this Bill and who recognize many of its gaping flaws, we must deal with the reality of Canada as we find it. We cannot afford the luxury as we develop laws and social policy for this nation of living in a false Utopia concocted by some pollster or academic living in an ivory tower in some fabled urban setting. We must recognize—

The Acting Speaker (Mr. Taylor): I regret to advise that the time for the Hon. Member has expired.

Mr. Tobin: I regret it too, Mr. Speaker. Thank you.

The Acting Speaker (Mr. Taylor): The Hon. Member for St. John's East.

Mr. Jack Harris (St. John's East): Mr. Speaker, it is my pleasure to join in the debate on this important issue of child care for Canadian families. It is my pleasure to participate because I do have some very important things to say which I think will outline the total inadequacy of the Government's approach to this issue. In doing so I want to talk about the kind of families that we mean when we talk about families in Canada.

I am sure this Government has no idea what most people in this country need because it probably did not ask the families themselves what kinds of needs they have. There are approximately 16,000 families in my riding of St. John's East with children living at home. That is comparable to other ridings across this country. In my riding of 16,000 families, 3,600 of them are single parent families. Over 20 per cent are single parent families who are living in a situation where there is not a Mom and a Pop and two kids and two incomes and all those things that a lot of people take for granted when they talk about child care. We have to look at a program that meets the needs of single parent families, of two parent families, of situations where everything is not straightforward and even where two parents are working and where those kinds of choices which the Minister keeps talking about may or may not be available.

What we need to recognize is that for families who have children to look after and who need to work the biggest issue in their lives is how to find affordable quality child care. I know that from contact with people in those kinds of situations who have to struggle from one situation to the next who cannot find quality child care, who cannot find care they can afford and with which they can be satisfied and comfortable.

We heard the Hon. Member for Hamilton East (Ms. Copps) who spoke about what a wonderful situation she had as an upper middle-class Canadian in a two-parent working family. She was able to find this caregiver who was adequate and provided quality care. That is a marvellous and a wonderful thing. It is a situation which could adequately operate under a New Democratic Party child care proposal. It is a situation where an individual, a caregiver, can associate with a licensed facility, be given assistance to provide quality care in terms of facilities and equipment for caregiving, and in terms of ensuring that that caregiver is given an adequate income.

• (2000)

That is the kind of flexibility that our Party would support and has proposed. It would provide quality and would be affordable, not only to the Hon. Member for Hamilton Mountain (Mrs. Dewar), who has indicated that she makes an income quite substantially higher than that of the vast majority of Canadians, but for average working men and women who have to look after their children. They too should be able to afford quality care, and should be able to exercise a choice. The situation of a woman who is at home and is already looking after one or two children would quite adequately be met by providing assistance to the care giver at that level to ensure quality care giving as well as an adequate income for the care giver. Those are the kinds of choices our policy represents.

The Government suggests that one of the choices available to this mythical family composed of mom, pop and the kids is whether to work or not to work. The choice goes something like this: "We will give you a child tax credit of $200 per year if you decide to stay at home and look after your own children at home". Of course, that amounts to $16.66 a month. This is a real choice. I can see the women of Canada for the next three weeks mulling over whether or not to quit their jobs, stay at home and look after their children for the sake of $16.66 a

month. Those are the kinds of choices that are in the proposal the Government has put forward.

We would provide a national child care system which has a number of essential characteristics including accountability to parents. The child care system would be established on a non-profit basis. Those who are already involved in profit-making centres would agree to a transition period for setting up non-profit centres with control by parents and the care givers themselves. That would be desirable because this is a basic and fundamental service which meets a basic social need. It should be met on a non-profit basis. Most of the people who are now involved in child-care giving on a for-profit basis would do better in terms of personal income under a non-profit system based on the proposal of the New Democratic Party.

The essential features of such a system would be the requirement of minimum standard applicable all across Canada, specifically training standards and parent and community ownership and control of non-profit services. This would provide quality, affordable services. The next requirement would be that the system be accessible, that it would be available to those in St. Anthony, Newfoundland, as well as to those in Toronto. Parents need access to the kind of care that is standardized, provided that care givers are licensed so that parents will have some assurance that the people providing the service do adhere to training standards and are trustworthy and acceptable people.

Those elements are essential to a proper child care program. They are all missing from the Government's program. There is an absence of national objectives. There is no vision in the offering of child care choices that are needed. In fact, it imposes restrictions on the increases in child care spaces. It does not allow for an expanding and developing market, and for the first time has imposed restrictions on the amount of government assistance that will be offered to child care workers. This makes it impossible for us to support the Government's Bill. It does not do anything to enhance the position of child care workers, positions which are at best marginalized by the policies which allow for individuals to use the tax system to pay people minimum wages or less to look after children across Canada. That itself speaks for low standards and does not do anything to increase the quality of training and care.

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, truth comes in strange ways and at strange moments. I think my colleague across the way just laid a little truth on the table. I think he said that they are against the Bill because it does nothing for child care workers. Does he mean all child care workers? Does he mean babysitters, the teenagers who sit for other people's children, the friends and neighbours? Are these child care workers? Are mothers child care workers?

I suspect that the NDP definition of a child care worker is someone who works in an institution and belongs to some kind of association which verges on being a union. Whether it is free trade or child care, the NDP represents a leadership element in Canadian society. It represents people with pretty big salaries, union leaders, who drive pretty big cars and travel to pretty good hotels. The behaviour of Members across the way is conditioned on behalf of those people, the union leaders who belong to their political Party. It is time for them to join the rest of us in speaking out on behalf of all Canadians, not just a small portion of Canadians who happen to be in that fortunate position but on behalf of all Canadians.

The child care policy of this Government is a policy on behalf of all children, children who are cared for in their homes by their mothers or fathers. We are offering some help for them to raise their children. This legislation deals with the provisions of child care services in a more formal sense. The basic philosophy of this piece of legislation is that Parliament will provide money to the provinces to set up the services which the provinces need for the people who live in those provinces.

Living in Tuktoyaktuk is not the same as living in downtown Toronto. Living in Barrhead, Alberta, is not the same as living in the City of Calgary. What the NDP and Liberal Members are asking for when they talk about national standards is some kind of minimum qualification for the workers in the system, not for the good of the children. Children are well cared for by parents, no formal schooling required. They give love, care and attention. Children are well cared for by teenagers. Children are well cared for by relatives, by friends, by neighbours—

Ms. Mitchell: Not always, they aren't.

Mr. Hawkes: "Not always", she shouts across. They are not always well cared for by licensed, accredited child care workers or teachers or university professors. She knows that and I know that. We belong to that profession, and some of our colleagues go wrong. Some of them do terrible things. Some of them end up in jail. There is nothing legislation can do to ensure the quality of people, but we can tell the parents of Canada that they must accept some responsibility for determining whether the care their children are about to receive is the kind of care that they value. Is it consistent with your personal attitude and philosophy? This Bill encourages that kind of choice. This Bill says that we will enter into an agreement with the provinces to provide money to meet the child care needs in those provinces. This will be done in a way that fits.

• (2010)

What the NDP is saying is, let us let the population centres of the country decide, the areas with the most MPs, Toronto, Montreal, Vancouver, places with high density apartment buildings, lots of jobs in manufacturing, and a certain kind of lifestyle. They produce the most MPs because most people live in those kinds of centres, and the bulk of those MPs shall decide on a standard for the rest of the nation; for a fishing village in Newfoundland; a prairie agricultural community; a northern mining town. Let us have a standard that fits the cities. It may not fit the children but it fits workers because

you can control the supply and raise the wages of those who are lucky enough to be inside the system.

That is what the NDP represents. NDP Members would have you believe that they can produce a day care program which meets the same goals of this program for less money in virtually half the time. That proposition is an absolute joke. First, because the federal Government has no business in the day care business. It has no jurisdiction under Canadian law and the Canadian Constitution to run a day care system. In the same way it has no jurisdiction to run the public education system. Our forefathers gave that jurisdiction to the provinces so the politicians would be closer to the people when dealing with human and health services.

As a federal Government we can contribute. We can recognize a need and provide money. How can the NDP propose to do, for less money in a shorter period of time, more than what is proposed in this legislation? Have they had a single consultation with a single province? Have they been out there discussing with the provinces their needs, their priorities, their capacity? The NDP intends to provide all the money because this Bill does not provide all the money. The people of a province put up some of the money and the federal Government puts up some of the money. It is a partnership so that the program remains sensitive to the needs of the people in the province.

That is a long, slow process. We lived through 17 years of government where the Parliament of Canada thought it could intrude on provincial jurisdiction and do what it liked. We brought a different spirit to this land. We said we will come to office in a spirit of co-operation. Let the federal Government be the helpmate of the provinces. Let us discuss, let us work it out, let us avoid duplication, let us save taxpayers' dollars by co-operating and building together.

If the results of all those consultations and this legislation is to produce 200,000 new day care spaces for this dollar amount over a period of seven years, it does so because the consultation process has produced information from the provinces about their capacity, their needs and their willingness to proceed. Without that consultation with respect to doing something in an area of provincial jurisdiction you are simply saying to the Canadian people: "I have an idea. It is a pie in the sky idea but hopefully some of it will stick. It is not based on facts. It is not based on reality. Hopefully Canadians will believe me".

I think Canadians have their feet on the ground. I think Canadians know how much time and effort it takes to set up a new organization, a collection of parents, to create a new day care centre with a good board, good constitution, good facilities and adequate staff. Those things take months. You cannot stand in Parliament, decree it to happen and expect it to be there the next day. These are community endeavours of some complexity requiring participation on a voluntary basis by a lot of people.

The organizations that exist today to help are provincial Governments and the departments of those provincial Governments. They have the staff on a daily basis working with these kinds of groups. They know how long it takes. They know how expensive it is. I say to Canadians: When it comes to child care you really have a choice. In the next election you can vote for the Party who cares about their child care workers and their union bosses, or you can vote for the Party who cares about children and parental choice.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am happy to have a chance to speak on Bill C-144, the Canada Child Care Act. There is no question that this is a very important subject to literally millions of young couples who have children of school age or pre-school children. We learn as we look across the statistics that 44 per cent of families have two careers. Some 63 per cent of all mothers who work today, two million women, have children under 16 years of age. Almost half of all the women with pre-school children require day care.

What we need is an accessible, high quality, affordable day care system. Although we have some 250,000 licensed day care spaces today, the actual need approaches some two million across the country. There are lots of problems with the present system under CAP which is operated through the provinces. It is not very satisfactory for those in the middle income group because it is a welfare system. If you are above a certain level of income you cannot utilize it. Of course, other private day care systems are just too expensive for those middle income families.

The whole system today is not adequate to deal with the situation as we see it in rural Canada. Farming communities and resource areas certainly do not have an adequate day care system. The shortages are growing worse every year.

The plan before us today is an interesting one because when it was announced last December it was $1 billion less. There was a famous cabinet Minister who said: "What's a million"? In this case the Minister of Finance (Mr. Wilson), who has probably at his disposal more computers, more technical back up, than any other Department of government, erred by $1 billion. He announced a program of $5.3 billion. He discovered four or five months later that he was $1 billion short. The interesting part of that is that if we read the article written just a couple days ago in *The Ottawa Citizen* by Marjorie Nichols, the program put forward by the Government, involving some $4 billion for actual day care service itself, if you extrapolate it out over the seven year period, actually amounts to $570,000 per year above what is being paid out by the Government now under the Canada Assistance Plan. That takes into account inflation over the seven years. Imagine, Mr. Speaker, how much less it was before he added the $1 billion.

• (2020)

So we really have a proposal before us which probably will not do anything different from what we have under the present system. Of course, provinces that opt into this new proposal

will have to opt out of the Canada Assistance Program permanently. So we have a very questionable system which has already proven it is $1 billion short. The whole proposal is based on the provinces picking up this $4 billion. If the provinces do not have their share, then, of course, the $4 billion will not be spent.

There are a lot of problems with this proposal. First, there is no proposal to have national standards. So even if one has a rinky-dink system, one still receives the money because there are no national standards established by this program. There is very little help for the mother who stays at home. In fact, in this fiscal year, as I understand the proposal, they receive exactly a $100 refundable tax credit. Next year it will be $200. The Hon. Member opposite, who is shaking his head and who raves every day about the socialists, may think $200 is enough to allow a homemaker to stay at home and take care of the children, but anyone who stops to think about it can see it is obviously not enough. That is why our distinguished critic, who served on the committee, proposed refundable spousal deduction. It is not only a tax credit but it is a refundable tax credit. If the deduction for a spouse is now, say, $4,000, and the tax credit basis is at 30 per cent or 40 per cent, they would receive that as a refundable tax credit in their own hands. If the spouse is not working or does not have any other income, she still receives the income. So there is an incentive there for homemakers and mothers to stay at home and raise their children, especially during the pre-school years.

The present system, which is going through the tax reform now in the Bill before the House, increases the exemption from $2,000 to $4,000 per year. Of course, it is a very regressive system. It is much more advantageous if one is in a high-income bracket. The New Democratic Party wants to cut that out. The NDP thinks it should only be maintained at the $2,000 limit. That is even more regressive because it does not provide the assistance for those who want to stay home.

What is more important, the proposal before the House does not carry enough new spaces. We need at least a million spaces. This proposal only creates 200,000 new spaces over a period of seven years. The system does not equitably share the burden. There should be more assistance for those low-income families.

We believe that this proposal, although it may have some useful features to it, it is not adequate. It simply does not meet the need. It is regressive. It is unfair and, most of all, it does not really provide a great deal of new money. According to Marjorie Nichols, who writes a column for *The Citizen*, over the life of the seven year program only $570,000 per year of new money is added. I think we have a very inadequate proposal before us tonight. It may be $570,000 better per year than the present system, but surely that is not a massive new national day care program. We know it is not. It does not provide much extra money and it does not provide any national standards. It is simply inadequate to deal with the massive responsibility which is before the country. It just does not adequately meet the needs of young families who cannot afford proper day care when, because of economic necessity, both members of the family, both parents, have to work outside the home.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the question of providing an adequate day care system is of crucial importance to the people of Canada. The fact is that 60 per cent of the mothers of children under the age of three are now in the workforce. Most of these mothers are not just single parent mothers, but mothers in families with a joint income where both the husband and wife are working and mothers in families where both mother and father are middle-income earners who are working.

Why is that happening, Mr. Speaker? Well, to a large extent it is because it is almost impossible for a young couple to buy their own home and meet the mortgage payments with only one member of the family working. This is true even in the City of Winnipeg where the price of a home is probably just one-half of what it is in Ottawa, or a third of the cost of a home in Vancouver and probably a quarter of the cost of a home in Toronto. In the newer parts of my constituency the people who live there are almost entirely young couples between the ages of 25 and 40 years. One could shoot off a cannon during the middle of the day and there would not be a single person come out of the house to see what was happening because there is no one home. Both husband and wife are out working so they can meet the mortgage payments.

So Members of Parliament or people out in the community who believe and talk about really having a choice should realize that the choice for most parents is some system of day care or home care. They just do not realize what is happening. The choice is no longer between day care, public or private, adequate or inadequate, and home care, because home care is no longer a viable, possible choice. The alternative to day care is some kind of arrangement, leaving the child with a neighbour or getting some high school student in to look after the children or getting someone from the Philippines or some other country to come and look after the child, and these parents have no knowledge at all about the adequacy or ability of that person to give careful care and supervision of the children.

• (2030)

These are the facts. What are the needs? Health and Welfare Canada, which is not a preserve of wild-eyed radicals by any stretch of the imagination, states that the number of children with parents working more than 20 hours a week is over two million. According to Health and Welfare Canada, there are presently only 250,000 child care spaces. That means there are 1.75 million children of working parents for whom there are no child care spaces.

I find it amazing that Conservative Members of Parliament who talk so glibly and often about the family and how much they care about the family are prepared to ignore the problem or bring forth a proposal to deal with the problem that is

completely inadequate. It simply does not meet the needs of the people.

If one listens to the Parliamentary Secretary who spoke a few moments ago, one would think that the proposals put forward by members of the NDP are impractical, unaffordable and were somehow pulled out of thin air.

I want to put on the record the principles of a national day care policy as enunciated, not by the New Democratic Party, but by the Canadian Day Care Advocacy Association. They say about universality:

> All children should have access to high quality child care services regardless of family income or parent's employment status. Parents should determine the nature and extent of their children's participation.

They say about quality:

> To ensure high quality, child care services should be licensed and regulated, reflecting the best current knowledge about early childhood development as well as the varied cultural and linguistic backgrounds of Canadian families.

One need only drive through the core areas of the major cities in Canada to see that the days when the population of the cities was 95 per cent white are long gone. In some of the core areas in the City of Winnipeg, for example, 95 per cent of the children attending elementary school are either immigrant children from Caribbean countries and South America or native children. They must have a care system that meets their needs, not one that is dictated to them by a government from Ottawa. They need a system that is developed in consultation with the local community and parents.

The Canadian Day Care Advocacy Association discusses affordability. It states:

> Cost should not be a barrier to access for any family. User fees should diminish over a realistic time frame, with a small parent fee to remain. Assistance with this fee should be provided to low-income families.

We know that there are many low income families in the cities. Unfortunately, there is an increasing number of low income families in rural areas.

The Canadian Day Care Advocacy Association says about working conditions:

> Child care staff should receive salaries and benefits commensurate with the value of their work and educational qualifications.

Let us deal with the question of cost and how we will pay for it.

We believe the federal Conservative Government has rejected the principles of organizations such as the one I just referred to, and has rejected the very fundamental principles it advocated when it urged Canadians to support the Meech Lake Accord.

Let us consider how these programs will be financed. Of the almost $5.5 billion being committed by the federal Government to the program, almost $2.5 billion will be spent through the tax system. Day care advocates and the former Manitoba Government estimated that if this had been committed to creating new services, another 170,000 spaces could have been created for day care.

A large percentage of the almost $5.5 billion that the Government says it proposes to allocate to day care facilities is not new money. The federal Government presently spends $170 million every year through the child care expense deduction. Thus this would come to approximately $1 billion in new money.

Furthermore, the larger percentage of the money being proposed by the Government is going into a doubling of the child tax deduction. The Government's program already gives the greatest benefit to well-to-do families and gives nothing to low income families. That should be of no surprise because since day one, after its election, the Government has demonstrated quite clearly that it believes in the trickle-down theory of economics, that if you only give enough to people at the top through large salaries and tax breaks on investments or capital gains, the money spent by those with high income will somehow trickle down to those in the lower income brackets. That has not worked before and it will not work now.

Less well-off families will be given an increase of $100 for the first year for the child tax credit and a further $100 in the second year for baby-sitting or parents at home. A $200 increase is absolutely meaningless in terms of giving women real choices. If they are wealthy, $200 means nothing. Those who are in the lower income bracket need a great deal more than $200.

We have made it very clear that the Government's proposals are simply inadequate. We have proposed an alternative that meets the criteria and principles enunciated by organizations such as the one I have mentioned and by people who work in the existing day care centres who know the needs of the children who are in their care.

I, along with my colleagues, intend to oppose this legislation and do everything I can to see a much better system in place that will meet the needs of Canadian children.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to have the opportunity tonight to take part in this debate and to try to convince my colleagues from the Progressive Conservative Party that we should reject the Government's Bill and draft one that will be better and fairer for all Canadian families.

Mr. Speaker, the day care system has existed in Canada since about the Second World War, when then-Prime Minister Mackenzie King decided to establish a system of "day nurseries", as they were called at the time, to encourage women to find work, because there was a labour shortage, particularly during the Second World War.

When thing returned to "normal" after the war, or at least after the Armistice, when people resumed their more traditional roles, the day nurseries were closed because it was then

believed that there was less need for them; the day nurseries were closed. But gradually, as women entered the labour force in much larger numbers, the need for day care arose again. And again, the Liberal Party, which was in power, helped set up a system, in co-operation with the provinces, to encourage the development of day care facilities. That is the system which exists to this day.

Mr. Speaker, these days, in 1988, in 44 per cent of families, both parents work outside the home; I am informed that 63.8 per cent of women with children under 16 have a job, which means that two million women with children work outside the home.

• (2040)

[*English*]

Those two million people who are working outside the home require day care spaces for their children. In the large majority of those cases both parents work outside the home. That is actually the case wherever there is a traditional family with both spouses in the home type of unit.

In the cases of sole support parents the decision there is even more crucial. The mother has to work in order to be gainfully employed. As we know, apart from everything else, the cost of living is very high. The traditional system of obtaining funding from the parent who has left in the case of a sole support parent is not functioning. Maintenance orders are not being enforced as they should be enforced. Thus mothers are left without income.

We have a situation in which most women in the country who have children work, either by choice or where there is no choice. Whether it is a case of choice or not, whether they need to work outside the home or not, it is their decision. That is one thing. It is time that we accepted as a society that if a woman wants to work outside the home, or any one of the two parents, they should be able to do so with an established system of offering child care for their children. In the 1850s in Canada under the leadership of Edgerton Ryerson a school system for children aged six and older was established. Society took care of the children for a portion of the day. The children were taught the necessary academic knowledge they required from that age on. In the few years afterwards the system became compulsory. No one questions today whether or not we need a publicly-funded established educational system.

In the case of day care the debate, unfortunately, is still raging on. It deals with whether or not we need day care. I think the answer is fairly obvious with just the statistics that I gave moments ago. We do need a day care system.

But we need a day care system quite different from our educational system. It must be very flexible in order to accommodate the largest number of Canadian families possible. I totally disagree with those who think for one minute that the only way to have a day care system is to have a system in which the state runs it totally from one end of the spectrum to the other similar to our school system. I think it should be funded in a way that permits as many families as possible to participate. But it should be flexible to accommodate a large number of Canadians. I would like to elaborate on that.

A day care system should be able to accommodate families in rural settings. That would not necessarily be the same system as one designed to accommodate civil servants who always work the same specified hours of the day. The Liberal Party has recognized that by the tremendous leadership and initiative demonstrated by my distinguished colleague, the Hon. Member for Outremont, (Mrs. Pépin), who proposed to us the establishment of a foundation which would oversee the establishment of day care centres in the various regions of our country and which would take into consideration local needs.

I was describing a while ago a potential day care kind of situation in the civil service setting, say in the west end of my constituency where a large number of my electors work here in the city. Perhaps they would require a day care system which would be structured in such a way as to bring their children there at 7.30 or 8 a.m. in the morning and pick them up at 4.30 in the afternoon. In the case of my rural constituents in the farming community that system could be totally different.

First, the traditional farm family cannot be stereotyped the way we are able to do with some families. Sometimes one of the two parents works full time on the farm. Sometimes the other parent works either in the village, town or elsewhere. However, even in the cases in which both parents work on the farm their role on the farm is far different from what it was a number of years ago, with the women often participating directly in the operation of the farm machinery, the actual management of the farm and so on, and not always available in the home as they would have been at some point in the past.

In the agricultural community the system must be able to accommodate the seasonal needs when both parents sometimes work very long hours during a certain period of the year, whether it is at seeding time or harvest time, and then the system would accommodate the fact that during certain periods of the year the need for day care would be less because it would be required for fewer hours.

As you can see, Mr. Speaker, just in the examples I have given, a totally structured system designed to be the same for everyone would not be appropriate. Let me give Hon. Members another instance in the constituency which I represent. In the eastern end of my riding there are a number of textile mills. Some of those mills operate in the daytime. Some operate evening shifts. I also have a steel mill in my riding in L'Orignal. It works 24 hours a day with three shifts. Therefore we can see that the child care needs have to be structured in such a way as to accommodate the needs of the various kinds of communities that I have described.

Our caucus has disagreed through our spokesperson on this issue with the proposal of the Government simply because the Government's program fails in many respects. First, we have to remember that the Government is not re-inventing the wheel. It has not discovered the universe. It has not discovered

brand new way of providing child care. What the Government has done is to package an announcement, make a Bill around it and do so in a manner that is not totally filled with substance. As a matter of fact, I would say that it is largely devoid of substance. Then it decided that it would make this announcement, pretending that all the funding that it would provide toward day care is something brand new that did not exist in the past.

As my colleague from Outremont, I am sure, would want me to say, that is not the case. The Canada Assistance Plan assists now. It has no capping in terms of maximum funding. Whatever funding the province gives is matched at the present time by the federal Government under this program. What the Conservative program, apart from everything else, fails to do is to provide adequacy in terms of funding. Because of the caps that have been provided, my own Province of Ontario will be losing 12,000 child care spaces. That is far from being an adequate program. Who would think from reading the Government's literature, junk mail and everything else that it produces, that we would end up with fewer child care spaces? The Government does not brag about that.

• (2050)

Unfortunately, the time accorded to me has expired. I want to tell my colleagues in the House that we need more child care spaces. The program must be flexible, but it must be meaningful, and not an empty announcement such as the one we have had.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I am pleased to speak this evening on Bill C-144, the Canada Child Care Act. The debate this evening is certainly a hallmark in history when Members of Parliament rise to see who can outdo whom, and who loves children and mothers the most. Surely this must be great news to many children and many mothers and fathers who are seeking child care, and who seem to be the people I meet in my constituency with many concerns.

I rise this evening to speak against the Canada Child Care Act proposed by the Government. Despite the fact that we have heard from other Hon. Members that opposing this Bill seems to be against motherhood, against children, and against choice, I seem to be in very good company. The Canadian Day Care Advocacy Association, which represents day care associations across Canada, and I am proud to say also from the Yukon, has raised very serious concerns about this Bill, which they have relayed to the Prime Minister (Mr. Mulroney).

This association, many of whom are women, but who are a cross-section of people, have stated that this Bill ignores the child care needs of Canadian families, and does not encourage the development of a national child care system. They also acknowledge that child care is an issue of national importance and deserves the full public scrutiny available through the legislative process. Organizations that have joined in this letter to the Prime Minister include the National Action Committee on the Status of Women, the National Anti-Poverty Organization, the Ontario Coalition for Better Childcare, the Ontario Federation of Labour, the Public Service Alliance of Canada, the National Federation of Nurses Union, and others.

As I reflected on the comments that I would like to make on this issue, having been involved in the child care issue for many years, first with my own children, now with my grandchildren, and certainly as a community advocate, the debate in a sense reminded me of something that Groucho Marx once said. He stated: "This would be a better world for children if parents had to eat the spinach".

I would suggest that if the Prime Minister and his colleagues had to utilize low-quality child care, deal with constantly revolving child caregivers, inadequate child care spaces and facilities, and be forced to pay high child care costs, we may have a very different child care Act before us, and indeed a better world for children.

Other speakers today have stated that, in their constituency, 85 per cent of their constituents are happy with the choices which they have to utilize the child care of their choice. Obviously, we live in very different worlds. It is true that there can be a range of options: Home care, family assistance, neighbours, family day homes, and child care centres. Every one is a possibility, but not all of them are real choices.

I do not need to reiterate that there is a child care crisis in Canada today. The very fact that the Government has brought forth this Bill acknowledges that there is a crisis. I do not think it is very fruitful to debate who cares most about whom, but rather to look at the Bill and see if it will address this crisis. In reviewing how far this Bill will take us in addressing the real crisis, I have to say that in sum this Bill is simply an articulate voice of the past.

Approximately one year ago I had an occasion to read a history of the development of public education in Canada. Many of the arguments put forth tonight about child care in general were arguments that were raised in those debates about public education. As the previous speaker so aptly said, we are not exactly saying that child care will be analogous to the public education system, but there are certain principles which are being advocated, just as were done in the public education system. Those are principles of national standards in order that Canadians and their children from coast to coast will have affordable, accessible child care.

Situations do indeed vary in communities. However, under this Bill there will be 12 different agreements. Again, that is not in and of itself a bad focus, because situations do differ between rural, urban, and appropriate cultural situations. However, covering those separate agreements there must be some type of national focus and standards, as we have very appropriately in other areas, which does not necessarily spell out every factor that will appear in those agreements, but will at least give a framework for a national objective in child care.

Situations do vary in communities. For example, in my own constituency of the Yukon, 12 per cent of Yukon families are single parents; 16 per cent of the families in the Yukon operate on the traditional male breadwinner with the female at home full-time model. This is not to denigrate in any way that model. Again, it is the choice that people make, or that they choose to make. It is a valid choice.

However, the problem is that the tax breaks offered in this Bill for a homemaker who stays at home, whether it is a man or a woman, will not benefit those with lower incomes. Obviously, it will be of greater benefit to those with a higher income. Those with a middle income will not benefit nearly as much, as other speakers have pointed out, from this particular tax concession. A tax credit would make more sense if we are to equalize the benefit.

The Bill illustrates that support for the family under this Bill means that there will be no substantive national standards, and that there will be a cap on federal spending. It is important to point out that, in this particular Bill, under the Canada Assistance Plan, as it presently is, jurisdictions must opt out of the Canada Assistance Plan if they are to participate in this Bill. For some jurisdictions this will mean that they have less ability to provide child care rather than more ability.

There is one very important area I would like to bring to the attention of the Government, and I hope it will be discussed thoroughly in committee. It is the provision for native services for individual Indian bands. In an analysis prepared by the legislative library several important concerns are pointed out in that area. That is an area that must be very closely examined and analysed when the Bill is in committee.

This Bill has many inadequacies which have been reiterated many times tonight. It must not be supported in its present form. It must have very full and adequate amendments that will be discussed in committee. Therefore, I cannot support this Bill, as my Party does not, and request that the Government listen to those people in the field who have called this totally unacceptable in meeting child care needs in Canada today.

• (2100)

[*Translation*]

Mr. Deputy Speaker: The Hon. Member for Saint-Denis (Mr. Prud'homme), who always likes to wind up the debate, has the floor.

Mr. Marcel Prud'homme (Saint-Denis): I listened with great interest to all the speeches, since I make a habit of listening very carefully, when we are considering an important matter, to what Members on both sides of the House have to say.

An Hon. Member: You wanted to wind up the debate.

Mr. Prud'homme: Of course, I could . . . No, I am not going to wind up the debate. But I could of course quote all the figures that were given. Some people say: Too much, while others say: Not enough. The statistics . . . I wonder, considering the little time we have left, whether we should not reflect together on the important subject of day care today.

Instead of dwelling on statistics, on the number of children attending day care centres and how many parents work, I would rather draw the attention of the population and Quebecers who are listening, and of course of Canadians, to the importance of this new phenomenon. Day-care is a new phenomenon. It is a whole new philosophy of life, because Canada is changing. Society changes and we must be prepared to meet the needs of the people. Perhaps I may give you an example. I see my colleague from Quebec who is listening carefully, as usual . . . Only a few years ago here in the House of Commons, a disabled person could not visit Parliament. Why not? Because we didn't realize that the disabled also had the right to visit Parliament and to have complete access. Why? Because there were stairs all over the place, because there was no way . . .

[*English*]

It was impossible to attend as so many people did tonight. We were not against the handicapped. We did not think of it. We were not prepared for a changing society. Who would have thought that big builders must now provide easy access to buildings? We did not think of it. We were not against people having easy access to any federal, provincial, or municipal building. It did not come to mind that a group of people could not do that. Now people who build must be prepared to provide easy access. In Montreal, Ottawa, Toronto, and every other city there are sidewalks. Why did we not have easy sidewalk access for people with wheelchairs? We were not against it; we just did not think of it. That was not part of our society then. It was not part of life not to have someone to assist those who were not easily mobile.

Society is changing, Mr. Speaker. I am not against what is being put to the House, but I am not for it. It does not provide for easy access to those who need it. They have a right to expect services from their Government.

[*Translation*]

So I wonder why this debate is dragging on. It is just because some people still refuse to realize that society has changed. It isn't what it used to be. I come from a family of twelve children. At that time, in my family, we were raised by our parents. And there were people in our family to look after the kids. My father was very busy. He was a doctor. He delivered over 9,000 babies. He was busy, and my mother was involved in all kinds of activities, but there were always people to take care of us at home. Things are different today. Things have changed. Society is different. This means that the federal Government has a duty to provide equal services to all Canadians.

[*English*]

Canada is not made up only of Toronto, Montreal, and Vancouver. Canada is made up of Foam Lake, Saskatchewan;

North Kapuskasing, Ontario; Thompson, Manitoba; and, my God, name me places that I love to visit in my country. People should expect equal access to services if they are to be comfortable and happy to call themselves Canadians. Otherwise we will hear them say that others are better treated. When people feel that another group is better treated, they start thinking that Canada is not what it should be and it is not equal in all parts of the country. This is a philosophical debate. I know that many Members of this House do not yet have the openness to express what they feel, but that does not mean they are not good Members. They are not yet ready to accept that the good old society to which they were accustomed is not the society that exists today. We must have a program that gives easy and equal access to people and treats those who need it most better than those who can afford certain projects or programs.

People talk about natural resources. Is there a greater resource than our young people? We must be ready to invest in the future of this country. What is better than to invest in our children? They will make this country better known in the world. It will be more open and more generous. Many are not ready to accept that the country is changing. Many are not yet ready, we know here in the House, to accept that more people from other countries will come to this country. The best way to integrate them into Canadian society will be to help them. They should understand that you can have black skin, yellow skin, come from a different culture or follow a different religion. You usually cannot do that when you are past 50. You have to start when you are very young. That is why it is capital—

[*Translation*]

We must realize that soon we will have to invest a lot of money in what we prize most in our society, our young people.

That is why, Mr. Speaker, I hope this debate will soon come to an end, so that we can take this important Bill and consider the details in committee.

[*English*]

We must not have a closed mind. We must be prepared to change, if necessary, in committee. I will conclude because I know my time has expired, but if I may I will just take the 30 seconds left to say that I hope for once that all Members of Parliament start accepting that committee work is not an exercise in frustration. You do not arrive with a Bill, discuss it for three months, and come back to the House with the same Bill. I love doing committee work. I love to listen to my colleagues in every Party who can come up with better proposals than the ones I put forward. If democracy is to listen to people, it is also not to have a closed mind. One must be ready when this project goes to committee to change it.

I see an hon. friend, Mr. Stevens—I like to call Members by their names. We were together on the foreign affairs and national defence committee. We were always ready to listen to good ideas coming from other Members. It seems now that people have closed minds. They are not ready to go to committee and give up on an old idea by saying that this one is better and therefore that is what I recommend to the House of Commons so that at report stage and third reading there will be a better Bill.

• (2110)

I thank you very much, Mr. Speaker, for allowing me to put forward these thoughts, thoughts that are connected with the Bill but that do not deal with exactly how many dollars are involved. God knows you have listened to that for quite some time, and I think you will listen to some more.

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I appreciate this opportunity to join in the debate on Bill C-144. It would be appropriate for me to observe at this hour on a Tuesday night that it appears it is only members of the opposition Parties who are joining in the debate. The Tories have given up on it. It is rather a shame, because if they wanted to do something that would be significant, the best thing they could do is to continue making speeches on the importance of child care.

The Bill that is before us does not deserve to be passed if Conservative Members take the principles and the fine words of their speeches seriously. If they want the people of Canada to know how committed they are to all these fine principles of support for the family, they should keep on making speeches. If they continued to make speeches, this Bill, that is designed to damage child care rather than expand it as it needs to be expanded, would be talked out, as it deserves to be. I would encourage all of my Conservative colleagues to get back into the debate, keep it going and talk the Bill out so that it dies the death it so well deserves.

We in the New Democratic Party are profoundly opposed to Bill C-144 and will do all we can to prevent it from becoming law. We are opposed to it because we recognize the very great need for good quality child care that exists and we are convinced that the proposals the Government has put forward in its so-called national strategy on child care will actually produce fewer spaces over the next five or seven years than we will have if we continue with the Canada Assistance Plan arrangements.

The experience of the last four years has shown a growth, on average, of 15 per cent in the number of child care spaces created year by year. The proposal of the Government will limit that to 10 per cent. Surely any plan that purports to meet the needs of families but limits the growth to a lower rate than we have known over the past four years and caps it at that rate is not a plan nor is it a national strategy for child care.

The Minister of National Health and Welfare (Mr. Epp) has claimed, as the press has informed us, that he is determined to put this into effect. This indicates to me that this is a Minister with very limited concerns for the children of Canada. He is more concerned about saving the federal Government money. He is quite prepared to write off the

enormous need that exists for child care spaces, over and above the limited additions the plan will make. He is more concerned about providing some additional tax breaks, though those are very limited, to middle-class families who manage by one means or another to find some kind of care for their children.

Again, this Minister speaks fine words about the family. However, when it comes to the crunch, it is his responsibility to provide the arrangements that are needed in every province, city, town, and rural area. For all of this talk about $6 billion plus over seven years, that need will not be met. The tragedy of this is surely the enormous need that has developed for child care.

A dozen years ago, perhaps 30 per cent of families with children under three had both parents at work. It is conventional, and I suppose acceptable, to put this in more sexist terms; that is to say, a dozen years ago, only 30 per cent of the mothers and families with children under three were in the workforce. What do we find a dozen years later? We find a doubling of that figure to 60 per cent of mothers who are getting back into the workforce very soon after the births of their children and are looking for care for babies, never mind for children who are two, three, four or are in kindergarten. There are also needs beyond those ages when children are in school. Children who go home from school at 3.30 are alone for an hour or two hours before their parents arrive. This need runs to hundreds of thousands of children.

Let us consider the statistics. There are perhaps 240,000 spaces and 1.6 million children who are under the age of 13. I recognize here that the older children, those who are 10, 11, or 12, should not be left on their own. One worries about them when they are left by themselves for lengthy periods of time.

One can make all the fine speeches in the world about the desirability of mothers being home with their children, and Tories are past masters at making those speeches. However, they have done absolutely nothing positive to encourage or to enable mothers to do that. In fact, the tax increases of $1,000 per year per family of four that the Minister of Finance (Mr. Wilson) has laid on Canadian families in the three and a half years plus that he has been responsible for the finances of this country, is surely an additional economic pressure that keeps both spouses working. Now a tax break will be added to the existing arrangements of a maximum of $200 per child. How far does $200 per child go toward covering that $1,000 in additional taxation that has been laid on families?

All the fine speeches that Conservatives make have done nothing to assist mothers who wish to stay with their children, to say it in that gender-oriented way again. That is an enormous social tragedy, but the Tories have done nothing about it except to make speeches. Then, when they bring a strategy forward that is designed to deal with it, they produce a plan that over seven years envisions another 200,000 spaces. If the Canada Assistance Plan arrangements continue over that period of time, without the Government's strategy, we might actually have over 300,000 spaces brought into existence. The existing arrangements could produce more than 50 per cent more than the Minister of National Health and Welfare has been boasting about as being his strategy for child care.

• (2120)

Those are the reasons why we in the NDP, recognizing what all concerned about the child care have said, oppose the Bill. One needs a real strategy for providing relief of various sorts just to meet those objectives that Conservatives like to talk about so often but which they have done nothing about. Obviously we need a plan that uses money far more carefully, does not squander it in tax expenditures but creates the spaces. We New Democrats think it should be possible to add 50,000 spaces a year to achieve in only four years what the Minister is going to be proud of doing over a seven year period. That is what the people of Canada have to contemplate, a program that will really meet the need and do it in a far more imaginative and creative way than the Minister has laid before this country.

[*Translation*]

Ms. Lucie Pépin (Outremont): Mr. Speaker, I rise for the second time on this legislation because of my conviction this is one of the most important pieces of legislation, Bill C-144, and also because the majority of Canadian and Quebec families feel this is one of the most significant pieces of legislation that is now before us.

Of course, the more I look at it, the more its flaws stand out. One of the most apparent flaws in the Bill has been the perception that the Minister of National Health and Welfare (Mr. Epp) in July added $1 billion because people thought the Minister was adding more money in order to get still more child care spaces. And when we know that in fact, he was adding that kind of money to make the program he tabled in December complete because there had been an error—the original additions were wrong.

So at the start, the expectations were very high and if you look at the legislation, you realize as the majority of people do, and we have been hearing this for a number of days, that over one million children have no child care places. Currently, the Government is offering to create only 200,000 spaces over seven years.

In 1988, we currently have 240,000 licensed day care or unlicensed home care spaces. That the Government is adding 200,000 new spaces over seven years will not help solve the problem in my view, because after seven years we will end up with twice as big a gap as before. And above all, those new spaces will not be created with low- and middle-income family children as a priority.

As we know—and this has been substantiated by a number of studies—a child from a low-income, less educated family that is put into a good day care centre will be motivated, will go to school without being side-tracked, and probably will also

be taken off the social welfare ghetto. Therefore, child care is also preventive care.

Currently, the priority that used to be with low- and middle-income families is removed by the legislation. Of course, once that priority is removed it will be a matter of first come, first served.

My concern is that a number of companies intend to set up commercial child care centres, and what can come out of that? We will end up with child care chains, as we have McDonald chains—commercial child care centre chains. We know that currently, proposals to that effect have been submitted to provincial Governments.

And when we know, looking at the legislation, that no quality standards are required from provinces, I am somewhat amazed because when we set up health care, objectives were established. In this case no objectives exist, although this is an important piece of legislation, Mr. Speaker.

Looking at senior citizens, we realize that currently, according to their financial means, they either have good senior homes or they have homes where they are ill-treated, where the food is bad and where our senior citizens lead a very sad life.

With such a Bill which does not set any standards, we run the risk of having two kinds of day care centres, one for the children of affluent families, and one of poor quality for the children of have-not families. Because no priority is given to low and middle income families, we will be faced again with the same situation as with our senior citizens. As for standards, I insist again that they should be written in the Bill, in the agreement between the Federal and Provincial Governments, because the quality of services may vary from one day care centre to the next in the very same province. I suggest that the Bill should provide for standards because of the money the federal Government is investing in this day care project.

However, glances at this new Bill realizes its significant lack of flexibility. The Government has stated that it wants to create 200,000 spaces over the next seven years. Yet, if you read this Bill carefully, you will realize that part of the money which was not spent on any given year cannot be spent the following year. I choose a number arbitrarily. Suppose, for instance, that a province which had agreed to create 200 day care spaces the first year, could create only 150 and told the federal Government: "Next year, I am going to create 250, because the program will operate better . . . ". They will not be able to use us the second year that part of the money which was not spent during the first year, with the result that at the end of seven years, the objective of 200,000 day care spaces might very well not be met. I suggest, therefore, that the federal Government should demonstrate more flexibility, consistent with the provinces' wishes.

I wish to emphasize the fact that this Bill is quite silent about latchkey children. I was here when the Prime Minister told us how important it was to have programs to fight drug abuse and deliquency which start, when the children are left unattended, right between the ages of 6 and 14. In fact, 57 per cent of all children are left alone and without supervision after school hours. The Province of Quebec was the only province which allowed school principals to keep their facilities open after school hours to offer these children shelter. In fact, clause 2 of this Bill clearly states that there will be cutbacks in education funding, wich means that in a given province, there will be simply 30,000 spaces which will no longer be operational. When I heard the Prime Minister's statement, I felt that the first thing we had to do, as a preventive measure, was to look after these kids, and I just do not see why we could not do it. All the studies and task force reports initiated by both Liberal and Conservative Governments over the years have come up with similar recommendations.

I was a member of the special committee on day care services where representatives of the three political Parties made significant recommendations which the Government did not even consider. Its Bill reflects none of our recommendations. On the contrary, our children are deprived of what they have. After that, what will happen to them? Putting a delinquent child in a foster home costs $40,000 a year. Since the Government realizes that it is a lot of money, we feel that an ounce of prevention would go a long way. It would cost a lot less if we had programs to supervise these children until the age of 14. And it would cost the Government a lot less.

And further on we can see that parental leave has been recommended by a number of commissions. Not a word of this, nothing at all about parental leave. People are being urged to have more children, but the Bill does not even mention parental leave. Like the Rosalie Abella Commission, the Katie Cooke Commission, and the commission made up of Members from all three Parties, we all recommended the same leave extension from 17 to 26 weeks. Instead of maternity leave this would be parental leave so that either parent can remain with the child for 26 weeks after birth. Unfortunately the Government did not see this as a priority and did not even mention it.

Others who have been left out are native children. Indeed, native people made a number of representations when the committee was travelling. They asked for day care centres where, particularly in the case of pre-school children, their culture would not be ignored. Of course, we know they have very particular problems, and there was a time when native children would be taken from their families to be looked after by white non-native people, with the result that they were completely cut off from their own cultural environment.

Mr. Speaker, nor has there been a word about day care centres in the workplace, yet we know the absenteeism rate would be reduced to a minimum and both parents would be able to look after the child. We know that in some provinces, particularly in certain cities in Nova Scotia where the fishing industry is a major employer, both parents have to work during the summer and some of them came to tell the committee that their 11-year-old child had to look after a 2-year-old infant

because there is no day care centre. They cannot even get someone to look after them at home. Nothing was said about that either. I am sure you have heard of companies—Lavalin, Bell Canada, Canadian National Bank, to name a few—providing day care centres at work. Why did the federal Government not think of allowing tax deductions for day care facilities in the workplace? I think that is another very important aspect which the new Bill has missed completely.

• (2130)

[*English*]

The Acting Speaker (Mr. Taylor): I regret to advise the Hon. Member that her time has expired.

[*Translation*]

Mrs. Pépin: Two minutes then. I simply want to say that when I ran in 1984 my platform was day care centres and the environment. I will just have to run on the same platform at the next election because I feel that the Conservative Government simply fails to meet the needs of Canadian families with this Bill.

[*English*]

Hon. Donald J. Johnston (Saint-Henri—Westmount): It may seem odd to you, Mr. Speaker, and to other Members of this House that I should have appeared this evening to speak to Bill C-144, but I simply could not resist the temptation. It is well known that I have had major objections to the constitutional proposal, and the Meech Lake Accord, which Members of this House have supported in vast numbers and which is designed to limit the federal spending power in areas of provincial jurisdiction. It seems to me that I should get into this debate about child care. The federal Government, through its taxing and spending power, has the opportunity to establish effective standards and criteria to ensure that child care becomes a reality and responds to the needs to which so many Members of this House have spoken.

I have heard people like my colleague from Saint-Denis and others who would not be expected normally to be involved in these issues recognize the significance of child care, as we all do.

However, some Members are indulging in what I would call intellectual schizophrenia. On the one hand, they support the Meech Lake Accord which tells us that the federal Government will no longer have a role to play in establishing national standards attached to the spending power. On the other hand, they say that we should be telling the provinces that they should be applying standards which meet the demand of Canadian families. Sadly, we cannot have it both ways.

It is perfectly clear to me, as I look at Bill C-144 and at the position taken by the Conservatives, that this is very much in the spirit of Meech Lake. I thought I might have to wait many years to turn to Members of this House with whom I have had many arguments and be able to say: "Obviously, I was right". I did not realize it would be handed to me immediately with Bill C-144.

Bill C-144 is totally in keeping with the spirit of Meech Lake. The federal Government is to tax. The federal Government is to state broad objectives. The federal Government is going to leave it to the provinces to meet the needs of Canadians. It may be different in every province. There will be no national vision. There is a total absence of a national will, about which our former Prime Minister spoke both before the joint committee of the two Houses and the Senate. There is a total absence of a national will to establish effective criteria from coast to coast to ensure that the obvious child care needs of Canadian families are met. This is the spirit of Meech Lake.

I raise this because Meech Lake is not yet a reality. A Senator from the other place said: "This is a seamless web and, if one pulls on one of the strands, the whole thing will unravel". That may be his view, but it should not be the view of Canadians who witness this debate and see for the first time that the federal power, the right in fact of Members of this House of Commons to discuss the social needs of Canadians, is going to become totally academic. Almost no aspect of Canadian life which touches individuals on a daily basis is not within the exclusive jurisdiction under the existing Constitution and by virtue of the judicial interpretation that has been given to that Constitution over many, many years.

Education is totally within provincial jurisdiction. Child care is totally within provincial jurisdiction. The granting councils of which we are so proud that do matching grants with the provinces are totally within provincial jurisdiction. It is only the spending power of the federal Government which has permitted the Government of Canada to establish standards and to provide funds that have protected Canadians, that have helped Canadians, that have reached down to Canadian individuals and provided that balance which is so essential in a federation. However, all of a sudden we are looking at a child care Bill, and we are all concerned. We are transferring billions of dollars to the provinces and as long as it meets some vaguely defined national objectives, agreements yet to be established, we will be satisfied. Well, I am not satisfied, and from the debate in this House I do not think Members are satisfied, either.

I know that Canadians would not be satisfied if they realized the extent to which our capacity as a Government, a federal Government, and this place, to reach into the households of Canadians to help them where they need help with some kind of national standards, is being gutted and destroyed by the constitutional amendment which is moving like a Juggernaut through the process at the present time.

I think it is fortunate that this debate has arisen because we should recognize that we cannot have it both ways. We are going to have a country where we will tax and they will spend, where we will make suggestions but they will decide what the national objectives are to be and what standards are to be applied, and I should say apropos that:

• (2140)

[*Translation*]

In the speech he made at the National Assembly, Mr. Robert Bourassa, the Premier of Québec, said without hesitation that national objectives will be set in consultation with the provinces.

[*English*]

He made it perfectly clear. He hid nothing.

Why are we deluding ourselves? Mr. Bourassa believes that national objectives will not be established in this place. The program will be established by the Parliament of Canada out of the provisions of the Meech Lake Accord, after the provinces have decided what those national objectives are to be. That is the way of the future. Let us not fool ourselves. I think it is wrong.

Many here may think it is right, and I know many who do. That is a legitimate decision and I accept that. If Canadians from coast to coast want the provinces to assume entire exclusive jurisdiction in all matters that affect the daily lives of Canadians in terms of education, research, health, unemployment insurance which never would have been under federal jurisdiction had Meech Lake been in effect in 1940, then they are entitled to it if they want that. However, my concern is that they are unaware of the implications of the constitutional amendment.

This particular legislation with which we are dealing underlines those implications. There are many others. Those who wish to challenge my interpretation of Meech Lake on this subject are perfectly free to do so. However, I can assure you that there are many authorities who would support me, including the Premier of the Province of Quebec himself, according to his words, and others with whom I have had conversations at the provincial level regarding Meech Lake.

Let us go into this with our eyes open. Either we accept that this is the way of the future or, for those who say I am wrong, let us urge the Government once again to make a reference to the Supreme Court to find out what the full implications of the limitations on the federal spending power are—

The Acting Speaker (Mr. Taylor): I regret to advise the Hon. Member that his time has expired.

Mr. A. H. Harry Brightwell (Perth): Mr. Speaker, I am pleased to enter this debate. While my children are well beyond the stage when we might be using child care facilities, I have grandchildren on the way.

I have listened to members of the opposition Parties criticize the Government's proposal. It is a proposal that will increase the amount of spending for child care from some $170 million a year to $800 million a year. That is a significant increase in spending in this particular area.

The New Democratic Party suggests a program that would be almost like another school system, providing a place for every child up to the age of 14, including latchkey children. While I agree that it is a major problem, it appears from their approach that New Democrats do not want parents to make their own decisions about how their children are handled. Perhaps they believe that every child must attend in order to be properly developed.

I have great confidence in the ability of parents to decide. I do not want a Government that implements a system in the belief that every child should go to day care and should not stay in a home environment.

Our Party has already done a great deal in the area of child care. For instance, we have increased the refundable child tax credit to parents. This is paid before Christmas, an important time of the year.

Another benefit is the great economic turn-around we have achieved since we became the Government in September, 1984. I am sure the Opposition will want to be reminded that 1.25 million jobs have been created in that time. I remind them that some 800,000 less people are on the poverty list. I remind them of the great confidence Canadians have in Canada, and their willingness to invest and proceed to plan for a strong future. This Bill caps off what we have accomplished in those four years.

One Member suggested that we should push standards on the provinces and that there should not be any services that do not have national standards.

I am a graduate of a university on which Governments have spent moneys for its support. No federal standards were applied to my education, nor to that of doctors or of nurses. There are no standards in the Canada Health Act under which we spend a lot of money. This legislation is no change. It is an example of programs that have been put into our system for many years.

The Liberal Party has proposed alternatives to the Bill but has not really suggested how it would derive the funds or encourage the provinces to co-operate. It has not said how much money it they would have to pay the provinces to produce more of these day care spaces.

I am sure that my colleagues in the Opposition are very eager to have this Bill go to committee where it can be studied properly. Therefore, in accordance with Standing Order 9, I move, seconded by the Hon. Member for Calgary North (Mr. Gagnon):

> That this House continue to sit beyond the normal hour of adjournment for the purpose of completion of second reading stage of Bill C-144.

Mr. Deputy Speaker: The Chair must rule the motion out of order. The reason is that the mover of the motion said at the end of the motion: "for the purpose of completion of second reading". That is what the Chair finds out of order. He may propose the continuation but not the completion.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): On a point of order, Mr. Speaker.

The Deputy Chairman: The Hon. Member from Saint-Denis (M. Prud'homme) on a point of order.

Mr. Prud'homme: Mr. Speaker, I submit to you with the utmost respect and to the House Leader in a friendly manner that if he has something to say, he should remain in his seat. The same thing goes for the distinguished Parliamentary Secretary. If he has recommendations to make to the Chairman, who knows quite well how to run things, he should know that under our Standing Orders require he should remain in his seat.He has no instruction to give to the Speaker who at this time might want to make a ruling. This applies particularly to the House Leader who has no business going up to the Speaker in order to influence his decision. If he has representations to make, he should make them from his seat. I repeat, I say this in a friendly manner.

Now, since the Hon. Member who spoke before me did not present his motion as he should have, I submit to you respectfully that the Hon. Member who rose now has the right to speak since the Hon. Member who made the proposal, which by the way is not in order, has lost his right to vote by out talking. Any Hon. Member who would like to speak now should be recognized.

• (2150)

[*English*]

Mr. Robinson: Mr. Speaker, I rise on the same point of order. Surely to goodness it is appropriate that the Speaker recognize the Hon. Member for Regina East (Mr. de Jong) who wishes to speak without the intervention of the Government Minister attempting to tell the Table what to do.

Mr. Deputy Speaker: The Chair will decide who the Chair recognizes. The Chair recognizes the Hon. Member for Cape Breton Highlands—Canso.

Mr. Lawrence I. O'Neil (Cape Breton Highlands—Canso): Mr. Speaker, in accordance with Standing Order 9, I move, seconded by the Hon. Member from Haileybury:

> That this House continue to sit beyond the normal hour of adjournment for the purpose of consideration of the second reading stage of Bill C-144.

Mr. Deputy Speaker: It was moved by Mr. O'Neil, seconded by Mr. Gagnon, in accordance with Standing Order 9:

> That this House continue to sit beyond the normal hour of adjournment for the purposes of consideration of the second reading stage of Bill C-144.

That motion is in order. Will those Members who object to the motion please rise in their places.

And fewer than 15 Members having risen:

Mr. Deputy Speaker: Fewer than 15 Members having risen, pursuant to Standing Order 9(4)(b) the motion is adopted.

Motion (Mr. O'Neil) agreed to.

Mr. Gagnon: I rise on a point of order, Mr. Speaker.

Some Hon. Members: Question.

Mr. Deputy Speaker: The Chair recognizes the Hon. Member for Calgary North on a point of order.

Mr. Gagnon: Can you repeat who the seconder was, please?

Mr. Deputy Speaker: Yourself.

Mr. Gagnon: Mr. Speaker, I think you should check with the Hon. Member for Calgary West (Mr. Hawkes).

Mr. Deputy Speaker: Very well.

Is the House ready for the question?

[*Translation*]

Mr. Prud'homme: On a point of order, I strongly recommend that my colleagues from both parties leave the House to protest this mockery of the Standing Orders.

[*English*]

Mr. Hawkes: Mr. Speaker, I would like to respond to my hon. colleague. I think this is perfectly within the rules. It is an obligation on the part of the Government. What we are dealing with here is the case of children. There has been ample time to debate at second reading. It is time for it to go to committee where there can be consideration of all of the details of the program. If there are problems and flaws, they can be corrected.

Certainly, Mr. Speaker, it is the middle of the summer. We have put up with so much stalling for so many months. That is why the rule is there. That is why we have moved the rule.

Mr. Deputy Speaker: On debate, the Hon. Member for Regina East.

Mr. Simon de Jong (Regina East): Mr. Speaker, certainly my impulse is to walk out in protest at the abuse, I feel, of the parliamentary tradition and what this House is all about.

Some Hon. Members: Go ahead.

An Hon. Member: No one will miss you.

Mr. de Jong: Rather, Mr. Speaker, we hear the jackasses braying across the way on an extremely important matter. We have seen a cabinet Minister address and scold the Chair not from his proper place. We have seen a Member stand up and move a motion which was ruled out of order. I was standing in my place. I was not recognized. Instead, another government Member was recognized in order to repeat the motion in a proper form.

I suggest that what is happening with the institution of Parliament and particularly what is happening tonight shows how the erosion of this institution has occurred particularly

during these past summer months. The rule book has been torn up because the Government insisted that Parliament sit through the summer. Normally, Parliament would not have sat through the summer because none of the pieces of legislation can surely be considered as crucial. Normally, the rule book would have allowed Parliament to be called back in cases of emergencies. The Government is now insisting that we deal with this legislation tonight. We see this continual erosion of what Parliament is all about. I suggest that it is not surprising coming from the Tories.

We are dealing with an extremely important piece of legislation. It is the child care legislation. I have been a single parent, one of the few male single parents I must say who has had to deal with carrying on with my employment as well as ensuring that there was proper care given to my twin boys when they were younger. I had to deal with the various types of day care that were available to me. I have had my children in private day care, the name of which I picked up from a laundromat. I have had to wait several months before my children could gain access to a co-operative, non-profit day care centre where there was some quality of day care. I had to be concerned with what happens to my children while I had to be off earning an income.

What I experienced as a parent, a single parent, is repeated by hundreds and thousands of parents across the country. We are raising a generation of children whose life patterns and life training is so radically different from anything that has preceded it. Statistics show that some 60 per cent of families in the workforce have two income earners in them, whereas in 1976 that figure was only 30 per cent. We have seen the social and economic and industrial changes all the way starting from the industrial age and that broke up the traditional tribe and the traditional grouping in which children were raised in a sense of community.

We have seen the progression to where, now, even the nuclear family is in many ways threatened. Vast numbers of children are being raised in a single parent situation. As well, those families where there are still two parents in many, many cases, both incomes are needed in order to put the basic roof over their heads and food on the table.

It used to be that one income earner was enough to be able to afford the mortgage and to be able to put food on the table, but in this day and age it is necessary—it is essential—for vast numbers of Canadian families that there be two income earners. If there were only one income earner, hundreds of thousands of families would slip below the poverty line. It is not an easy life. It is not an easy life for working parents. Many of them work in hard jobs where they are on their feet. Very often they work boring, long, gruelling hours, then they must go home and prepare supper for their children, and be able to provide the love and attention and the warmth, the type of emotional nourishment that a child so desperately needs. It is not an easy life.

• (2200)

I am afraid that we are raising thousands of children who will not have had the opportunity to experience the human love and warmth that is so essential for the growth of a human being. I warn that as a country we will pay the price. The lack of the experience of human love creates psychotic behaviour. A psychopath is a person who has not had the experience of human love, and who does not know the difference between right and wrong. They have never had an opportunity to learn that. A human tragedy is in the making. Thousands and thousands of our children are dropped off at centres where there is no licensing and no guarantee of any quality care whatsoever.

I am sure many people who provide private day care facilities are well meaning. I have met many who love the children. Very often there are a dozen or so children in a home and one person cannot deal with all the emotional needs of those 12 children for a working day. It is too much to expect from individual people. That is why it is so essential that we provide quality day care in order that those parents who, through economic necessity have to go out and earn an income, at least know the children are being looked after by caring and qualified people, that the children will not be physically, emotionally, sexually abused or mishandled, and that there is a guarantee that the children will receive quality care while the parents are at work.

I find it unfortunate the manner in which the Government has dealt with this legislation tonight and the very legislation itself. Surely the Government must recognize the need. At least politically perhaps it recognized the need because perhaps the polls indicated it, but the Government's approach to the problem certainly shows that it does not understand what is needed out there. The Government does not understand the terrible hardships that both parents and children are going through. If the Government understood the problem, we would not get this type of legislation in front of us, we would not hear the type of speeches we have heard from government Members, and we would not hear the jackasses braying as they have done tonight.

A society shall be judged on how it treats its old and its young. The Government will be judged on how it treats its old and its young. This is the Government that tried to deindex old age pensions. This is the Government that is passing off a phoney piece of legislation as child care legislation. This is a Government that dares to introduce a motion and suggest that it is doing all those grandiose things for children, while at the same time it actually reduces the number of child care spaces that it will be providing. Under this legislation it will take some seven years to double the number of day care facilities and spaces available. Under the existing system it would take five years to double the number of spaces.

It is with cynicism that the Government has approached a very serious problem that is facing us in a post-industrial society. I believe that Members of the Conservative Party in

their Conservative thinking feel that we must revert to a traditional society. Even if that could be so, out of choice many of them would question that.

The reality is that most people, not out of conscious choice but out of necessity, find themselves in that situation today because of the social and economic forces of the industrial society. Those same forces started with the industrial revolution, and broke up the community and the tribe. It sent families to live in isolation from each other. It has further eroded families so that aunts and uncles are now spread from coast to coast, and there is not the familial support system that would allow children to be raised in warmth and love from the family. A vacuum has been created in society that must be filled by our collective society as a whole. Unfortunately, what we have in front of us today not only fails to do so, but in a cynical way attempts to take political advantage of the tremendous need that Canadians have, and pretends to do something about a problem, whereas in reality it is doing a disservice rather than a service to the children of our nation.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Mr. Epp (Provencher), seconded by Mr. Wise, moved that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the second time and referred to a legislative committee.

Canada Child Care Act

Mrs. Martin, seconded by Mrs. Sparrow, moved:

That this question be now put.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

And more than five Members having risen:

Mr. Deputy Speaker: Call in the Members.

During the ringing of the bells:

Mr. Deputy Speaker: I have been asked by the Acting Whip of the Official Opposition to defer the vote until tomorrow at 3 p.m., and the request has been granted.

It being 10.10 p.m. the House stands adjourned until 2 p.m. tomorrow, pursuant to Standing Order 3(1).

The House adjourned at 10.10 p.m.

HOUSE OF COMMONS

Wednesday, August 24, 1988

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 21

[*Translation*]

CULTURAL AFFAIRS

TWENTIETH ANNIVERSARY OF TREMBLAY-BRASSARD COUPLE

Mrs. Lucie Pépin (Outremont): Mr. Speaker, last night a big family party was held in Lafontaine Park to celebrate the 20th anniversary of the Tremblay-Brassard team. As reported by Jocelyne Lepage in today's *La Presse*, the family turned out in large numbers and brought together the whole Quebec theatre community.

Mr. Speaker, it must be said that the play *Les belles-soeurs*, first presented 20 years ago, in August 1968, marked a major turning point in the history of Quebec theatre. It was a decisive turning point, as actress Rita Lafontaine said, and she added, "We did not know it would become such a historic monument."

It is true, Mr. Speaker, that when *Les belles-soeurs* came out, many of us were shocked by the language. But since then, that play and all the plays by Tremblay and Brassard are part of our culture and our heritage.

So I say to them, "Congratulations and thanks!" Many of us will go to the Outremont Theatre on September 6 to see *Le vrai monde*.

* * *

• (1405)

[*English*]

AGRICULTURE

WESTERN GRAIN STABILIZATION PROGRAM—EXPANSION OF CROP COVERAGE

Mr. John Gormley (The Battlefords—Meadow Lake): Mr. Speaker, following final passage of amendments to the Western Grain Stabilization Program, I wish to recognize the successful efforts of the Minister of State for Grains and Oilseeds (Mr. Mayer) and many members of our western caucus. The stabilization program changes will expand and improve the safety net for prairie farmers by adding nine new crops to the list of eligible crops, by authorizing a $750 million debt write-down, and by increasing the level of payments for rejoiners, new farmers and conditional participants.

Under the new legislation a producer joining the program will now receive a 70 per cent payment. Next year it will increase to 85 per cent. The stabilization program is an important source of income support for western producers. This Government has provided comprehensive, long-term support and leadership in this type of income program.

I want to recognize the efforts of all Members in acknowledging the hard work that this Government has put in on prairie agriculture and the fact that we have worked with and stood beside the farm families of western Canada in a time of need.

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INDIAN AFFAIRS

CONDITIONS IN NORTHERN ONTARIO COMMUNITIES

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, I recently received a letter from the newly elected Grand Chief of the Nishnawbe Aski Nation, Mr. Bentley Cheechoo. This letter details some $11.4 billion in government expenditures proposed for the Defence Department. Grand Chief Cheechoo then points out that the 44 Nishnawbe-Aski communities across northern Ontario are forced to live in inadequate housing, with unhealthy water supplies and unsanitary sewage disposal. That is the situation for the "lucky" communities formally recognized by the Department of Indian Affairs.

For the six so-called new bands in the region, they cannot even get funding for schools, housing, or community infrastructure of any kind, which has led to scores of children receiving no schooling for the last two years.

To quote Grand Chief Cheechoo: "This is a national disgrace and the priorities of the federal Government should be realigned to demonstrate a caring and concern for those citizens in the greatest need . . . " In the meantime, in spite of the Government's declared $40 million for family violence initiatives, four communities, three of which belong to Grand Council Treaty 3, have had funding for their highly successful crisis intervention programs summarily terminated.

Quoting Grand Chief Cheechoo again: "The best defence is a healthy, educated and informed population capable of handling international relations without the need to resort to war and weaponry".

The Government would be well advised to heed that advice.

* * *

ADMINISTRATION OF JUSTICE

ARBITRATION AS DISPUTE SETTLING MECHANISM

Mr. Jim Edwards (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the notion of arbitration is not a new concept for dispute settlement. Many societies, since the earliest of recorded times, have used this procedure as a quick and less costly dispute resolution mechanism. For example, the Hebrew Law of Judges required a judge to ask litigants at the outset of a trial whether they would submit to arbitration to settle their dispute.

Here in Canada arbitration has been recognized as a legitimate and significant part of our legal system. Every province and territory in Canada has an Arbitration Act, and the Parliament of Canada has approved legislation such as the Commercial Arbitration Act which permits the use of binding arbitration as a dispute settling mechanism.

I strongly urge the federal Government and those under federal jurisdiction to consider sourcing the Arbitrators Institute of Canada in all matters where a satisfactory resolution can be achieved through arbitration.

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AIRPORTS

PEARSON INTERNATIONAL AIRPORT—DISPOSAL OF GARBAGE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, it may come as some surprise to the Member for Etobicoke North (Mr. Pennock), but garbage stinks. When I was travelling in my riding on Monday night, in the neighbourhood of Swaru, it became increasingly clear to me that the people of Hamilton are very prepared to deal with their own garbage. They do not want to deal with garbage from other municipalities.

• (1410)

The Hon. Member for Etobicoke North, instead of trying to place the garbage problem on the shoulders of other municipalities, in what I consider to be a form of garbage blackmail, should place the blame for the situation squarely where it belongs, that is on the federal Government, the federal Department of Transport and, in fact, the Minister who continued, over our loud objections, to license international airlines to fly into Pearson International Airport knowing full well that he did not have the facilities to deal with garbage.

We in the Liberal Party believe in one principle. We should be responsible for the garbage that we create.

I would like to ask the federal Minister of Transport (Mr. Bouchard) why he does not ask the airlines to take the garbage back—

Some Hon. Members: Oh, oh!

Mr. Speaker: The Hon. Member for Hamilton East (Ms. Copps) had the floor. I would ask that she be allowed to continue her remarks. Perhaps the Hon. Member could finish off her remarks.

Ms. Copps: We believe it is a problem created by the federal Tories. It is one they have to clean up and we do not intend to be responsible for the garbage at Toronto International Airport, Mr. Speaker.

* * *

[*Translation*]

DANGEROUS SUBSTANCES

OPPORTUNITY TO INCREASE PROTECTIVE MEASURES

Mr. Guy St-Julien (Abitibi): Mr. Speaker, after La Tabatière and Smithville, we again have another PCB alert. A serious fire in a PCB storage facility last night required the evacuation of more than 3,000 residents of Saint-Basile-le-Grand on the south shore of Montreal.

It was total confusion this morning. It is only after a disaster that Governments seem to become aware of the seriousness of the PCB situation in Quebec.

Mr. Speaker, where is public safety? Today, we have had enough; we must all know where PCB's are stored in Quebec and Governments must require that existing storage sites be guarded 24 hours a day.

Mr. Speaker, there is no reason why, in 1988, people's health should be threatened.

* * *

[*English*]

ABORIGINAL PEOPLES

FUNDING OF ABORIGINAL FRIENDSHIP CENTRES

Mr. Keith Penner (Cochrane—Superior): Mr. Speaker, a committee of the Canadian Bar Association has brought to the attention of all Canadians just how badly our justice system deals with aboriginal peoples. Extreme poverty, high unemployment, poor housing, and cultural conflict all combine to bring, in far too many cases, aboriginal people in urban settings into confrontation with the law. One of the few

agencies trying to prevent and respond to this crisis in the cities is the Aboriginal Friendship Centre.

These centres are doing a most commendable job under extremely difficult circumstances. The Government, however, is making their work even more difficult. Five months into this fiscal year, the Secretary of State (Mr. Bouchard) has yet to finalize their funding arrangements. This financial uncertainty is placing the centres under great stress and must not be allowed to continue.

I urge the new Secretary of State to turn his attention to this situation without delay and clarify the funding question immediately.

* * *

CHILD CARE

WHITEHORSE—INCLUSION OF FACILITIES IN NEW FEDERAL BUILDING URGED

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, the Government has said it has a serious commitment to creating quality child care and claims to be making advances in that direction. In the Yukon this issue is very close to our hearts. We have a very young population. Not only do we have the second highest birth rate in Canada but we also have the highest percentage of working mothers.

There is a golden opportunity for the Government to demonstrate that it is willing to be innovative in creating solutions to the child care crisis. The new federal building being constructed in Whitehorse will house federal government offices as well as provide office space for private business. Employees have been unsuccessfully petitioning the Government to include child care space in that new building for well over a year. Numerous studies have shown that in the workplace child care facilities help to reduce employee absenteeism and generally improve the health and happiness of the employees and their children.

I strongly urge the Government to ensure that child care space is made available in this new federal building. It can only make the quality of life better for everyone.

* * *

CANADA POST CORPORATION

GROSSE ISLE, MAN.—SUPPORT FOR NEW RETAIL POSTAL OUTLET

Mr. Felix Holtmann (Selkirk—Interlake): Mr. Speaker, last night about 90 concerned residents of Grosse Isle, Manitoba, gathered in the community hall to discuss proposed changes to postal services in their community. The current postmaster is soon to leave the village.

The residents listened to Canada Post officials describe the options. They heard that they would be offered a retail postal outlet in their community. They heard that there would return all of the current postal services available to them. They heard that they would be able to choose postal lock boxes if they desired, that their addresses would not change, and that delivery would be the same as always. They heard that the new postal outlet would be open for a full 70 hours a week compared to the 21 hours it is now open.

• (1415)

They liked what they heard. With a unanimous show of hands, the residents of Gross Isle gave Canada Post Corporation the authority to implement a retail postal outlet prior to the end of the 90-day consultation period.

Gross Isle residents are joining the majority of rural Canadians who know that our Government has a commitment to improve postal service, and do not listen to the fears of NDP Members.

* * *

THE LEADER OF THE OPPOSITION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, on August 23, 1988, yesterday to be exact, votes on report stage of the Mulroney-Reagan trade deal took place. Some Members of Parliament were present, others were absent. That is not unusual, but one Member of Parliament was conspicuous by his absence.

Some Hon. Members: Order.

Mr. Rodriguez: There was one Member of Parliament who said he would use any means to fight the trade deal. He would fight it in the Commons, he would fight it in the streets, he would fight it in the Senate, but when the opportunity arose to strike down this deal in the Commons, where was John?

Some Hon. Members: Oh, oh!

Mr. Speaker: The question of the Hon. Member for Nickel Belt will rest eternally in the annals of *Hansard*.

Some Hon. Members: Oh, oh!

* * *

[*Translation*]

FREE TRADE

THE POWER OF BOB WHITE

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, yesterday, almost all the socialists, except one, were here in the House to take a negative stand—to vote against free trade. Their chief

fund-raiser Bob White, leader of the United Auto Workers' union and vice-president of the socialist party, must be strong! He must have a lot of clout! With the socialists, as we saw yesterday, money talks—it gives the orders. Bob White's money comes from the free trade in automobiles that has been going on between Canada and the United States for 23 years. The money comes from the union dues paid by the 840,000 Canadians who already benefit from free trade. The socialists have forgotten that 12 million other Canadians want to share in it too. That is why we have free trade. All Canadian workers should enjoy a better life, not only the auto workers of Bob White and Broadbent, Mr. Speaker!

* * *

[*English*]

HOUSING

CALL FOR FEDERAL PROGRAMS

Mr. Sergio Marchi (York West): Mr. Speaker, a coalition of representatives from Canadian housing groups today visited the three political caucuses in Ottawa and outlined in startling terms how the federal Government is abdicating its federal responsibility for the provision of affordable housing for all Canadians.

Over 500,000 people across Canada do not have adequate housing. Over 100,000 people do not have any housing at all and are forced to live on the streets, in shelters, and in church basements.

The Government now provides 19,000 units of non-profit housing in all of Canada when estimates show that approximately 14,000 units are needed in the metropolitan area of Toronto alone. In the urban centres the Government is not releasing federal surplus lands to ease the pressure on housing and on the cost of land. There is no RHOSP-like program to encourage first-time home buyers among young married couples. There are no municipal incentives to encourage developments that facilitate progressive housing policies.

It is time that the federal Government picked up its federal responsibilities in the area of housing and delivered, because there is a social cost of not doing so.

* * *

PARLIAMENT HILL

DEMONSTRATORS' EPITHETS

Mr. Paul Gagnon (Calgary North): Mr. Speaker, freedom is great and we in Canada enjoy that freedom. As an example, there have been two characters parading just outside this House yelling at MPs for the past few weeks. I am sure you have noticed them, Mr. Speaker, wearing a U.S. flag as a cape and a plastic pig nose, hurling insults at one and all.

Yesterday, one called me a Fascist, yes, a Fascist. Then he asked me what my name was. How he could deduce that I was a Fascist without knowing my name, let alone my beliefs, is totally astounding. Obviously he is one of the many on Parliament Hill who do not let the facts confuse their convictions.

Yes, Canada's freedom is great. Even to the extent of allowing an individual to make a complete ass of himself.

• (1420)

ORAL QUESTION PERIOD

[*Translation*]

GOVERNMENT CONTRACTS

BLAIS-GRENIER AFFAIR—PATRONAGE ALLEGATIONS—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, in the absence of the Prime Minister, my question is of course directed to the Deputy Prime Minister. Mr. Speaker, the fratricidal battle in the Conservative ranks rages on!

Yesterday in the House, the Right Hon. Prime Minister said in referring to the call made by his chief of staff to the Hon. Member for Rosemont, and I quote at page 18697 in *Hansard*:

> Mr. Speaker, there was no threat.

The Deputy Prime Minister himself told me that the purpose of the conversation was to remind the Hon. Member of her duty to hand over any evidence she might have to the police.

Mr. Speaker, this morning we read in the press that this was not the interpretation put on the matter by the Hon. Member for Rosemont, since she said, and I quote:

[*English*]

> Mr. White said if I don't issue a public retraction I'll be expelled from the caucus.

[*Translation*]

And the Hon. Member for Rosemont went on to say at her press conference: "The Prime Minister's chief of staff asked me whether what I told the press was accurate. I said yes, but just the same he asked me to state publicly I had been misquoted."

My question for the Deputy Prime Minister is this: Does he maintain that the Prime Minister's chief of staff, Mr. Peter White, simply called to get some information? Does he still maintain no threats were made? Does he still maintain it was simply a courtesy call, considering the circumstances?

[*English*]

Mr. Speaker: I want to make something very clear here before we go any further. The question is in order and I want Hon. Members and others who are watching to know why.

The question is addressed to responses made by the Right Hon. Prime Minister yesterday. It might otherwise not be in order. However, it is in order and I want Hon. Members to co-operate with the Chair in my ruling. The Hon. Minister.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think that question was answered yesterday. As I indicated, and as the Prime Minister indicated, the Principal Secretary did call the Hon. Member. That was before he was made aware of the fact there was a police interview. I was advised about that interview before entering Question Period. If I recall correctly, that was somewhere between ten and eleven o'clock in the morning. My understanding is that the call took place at roughly 8.45 or nine o'clock in the morning.

The thrust of it was whether in fact she was accurately quoted when she said there exists a system of kick-backs on contracts. If she was not quoted properly, she should seek a withdrawal. If she was quoted properly, then she had a responsibility to report it to the RCMP and to substantiate the allegations. If that were not the case, then it would be very embarrassing to all Members to make an allegation without foundation, and particularly would cast a very bad reflection on the Quebec members of caucus. I assume that he indicated clearly that the Quebec caucus would want to deal with that.

Surely the Hon. Member would not want any Member to allege with a broad brush incidents of wrongdoing without having some evidence, or some statements or some concrete proof to back it up. I think that is really what was done, and that was explained to her.

• (1425)

[*Translation*]

REQUEST THAT PETER WHITE APPEAR BEFORE PRIVILEGES AND ELECTIONS COMMITTEE

Hon. Jean Lapierre (Shefford): Mr. Speaker, yesterday, in response to one of my questions, the Prime Minister said in referring to the Hon. Member for Rosemont:

> The same person who said that she had no evidence for the accusations made against people's reputations has no evidence for such a statement.

This was a reference to the allegation that threats had been made by Mr. Peter White. This morning we read in the press that the Hon. Member for Rosemont recorded her conversation with Mr. White. If the Deputy Prime Minister is sure of the facts he gave the House this morning, considering that another Member contradicts those facts and, in fact, did so several times yesterday during her press conference, is the Deputy Prime Minister prepared to appear and to have Mr. White appear before the Standing Committee on Privileges and Elections, to see whether there was any attempt at arm twisting and to find out whether all the rules of ethics were followed? Mr. Speaker, my question is quite simple: Is the Deputy Prime Minister prepared to have Mr. White appear before the Committee, at which time we could listen to the conversation on the recording made by the Hon. Member for Rosemont, which would certainly be a practical way to get at the truth?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I do not have a recording of the conversation. If the Hon. Member has, that is fine. He says he has it. I do not know whether it is appropriate and proper for any individual to record a conversation which takes place between two individuals on a telephone. That may very well be a legal question.

It is quite obvious that the Hon. Member would rather believe the Hon. Member for Rosemont whose allegations have been unfounded, who has been discredited, and who still wishes to stick to her original allegation without providing proof or evidence. The police have looked into this and found that there was absolutely no evidence.

As a matter of fact, it is rather strange that she has also charged that public servants, lobbyists, and Ministers and members of former Governments are involved in this. Is the Hon. Member of such certainty right now that he confirms that the Government of which he was a member was involved in wrongdoing? If he is accepting her word, that is precisely what he is accepting, the fact that former Governments were involved in kickbacks and wrongdoing. He may want to come clean and give us his evidence about past Governments.

[*Translation*]

Mr. Lapierre: Mr. Speaker, the Deputy Prime Minister should listen to his own rhetoric and look at his own contradictions. We asked for a royal commission of inquiry on the whole patronage issue, including past allegations. We in the Liberal Party are not afraid of a royal commission of inquiry.

POSITION OF PRIME MINISTER'S PRINCIPAL SECRETARY

Hon. Jean Lapierre (Shefford): Mr. Speaker, my third question for the Deputy Prime Minister is this: Since the Hon. Member for Rosemont claims that . . . She said the same thing happened to another colleague, in referring to threats of expulsion, and she said: "I am not unduly surprised or troubled", did, for instance, the Hon. Member for Duvernay or the Hon. Member for LaSalle get the same kind of courtesy call from the Prime Minister's principal secretary? Did Mr. White, for instance, translate the English word "prison" for the Hon. Member for Duvernay? Was this approach used in the case of all three Members who were visited by the RCMP, prior to those visits? What was the attitude of the Prime Minister's chief of staff? Is that the way you deal with your problems, trying to put out the fire before the RCMP gets there and the investigation is finished?

[*English*]

Mr. Speaker: I would ask the Hon. Minister to wait for a moment. I am not going to stop the Hon. Minister from responding if he wishes. However, I do want it clearly understood that as long as I am Speaker questions on matters of great importance to this country will be asked in this chamber. I am, however, bound by the rules. As I clearly indicated, the Hon. Member's first two questions were completely in accord with the rules. His last question is getting once again into an area which may go well beyond the administration of government. I will certainly hear the Hon. Minister.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, that which has been circulating in the last couple of days is pretty well described by Mr. Bill Johnson of *The Gazette* when he wrote: "We have not often seen her likes before in this country but her style is familiar from a well-known figure in the United States, the late Sen. Joseph McCarthy".

Some Hon. Members: Hear, hear!

Mr. Mazankowski: Mr. Speaker, I know that the Hon. Member is the epitome of high morality and high integrity. If that is the case, I wonder why he and his colleagues are so silent about what is going on in the other place with regard to a Senator who happens to be a member of their Party.

* * *

• (1430)

[*Translation*]

POLITICAL PARTIES

ALLEGED CONTRIBUTION OF ELECTIONS PRESIDENT TO CONSERVATIVE MEMBER

Hon. Bob Kaplan (York Centre): Mr. Speaker, my questions are also directed to the Deputy Prime Minister. Today the *Journal de Québec* reports that a few days after the Prime Minister apppointed the returning officer for Hochelaga—Maisonneuve, the latter gave $4,000 in cash, without a receipt or acceptable justification, to the Conservative Member for the riding, as part of the money raised at a political fund raising dinner for the Party and the Prime Minister. Is the Prime Minister or the Deputy Prime Minister aware of this fact? What have they done or what do they intend to do about this?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am not sure what this has to do with government business.

Mr. Andre: Nothing.

Ms. Copps: What about ethics?

Mr. Speaker: I listened carefully to the question. I have some doubt as to whether it has anything to do with the administration of government at all, but of course the Hon. Minister is quite entitled to reply if he wishes to do so.

Mr. Mazankowski: Mr. Speaker, I am not sure whether I can respond to every news story and allegation that is trumpeted by the Liberals and their friends, any acts of wrongdoing, without first obtaining the facts. I do not think credence should be given to any of these stories until they are properly analyzed and until the facts are brought forth.

It is my understanding that in the same article the Member confirmed that the funds in question were in fact deposited in the association account and that receipts were issued. I know as well that the Hon. Member appeared on a radio station talk show this morning, on CJMS, where he denounced the whole story. I am also advised that the Hon. Member will want to clarify this, as the Hon. Member opposite saw fit to do just a few days ago, because he too is not always dead right.

We are not sure whether these allegations are founded. He says they are not. I think he has the right, and deserves the opportunity to make a clarification if he so desires, as a Member of this House.

GOVERNMENT POSITION

Hon. Bob Kaplan (York Centre): Mr. Speaker, other than the statement that the Deputy Prime Minister is making right now, has the Government, the Prime Minister, the Deputy Prime Minister, or Peter White—have the RCMP been alerted and brought in on this case—

Some Hon. Members: Oh, oh!

Mr. Andre: Order, order.

Mr. Kaplan: What steps has the Government taken in the light of this allegation?

Some Hon. Members: Oh, oh!

[*Translation*]

Mr. Speaker: Please, please! Order!

[*English*]

I interrupted the Hon. Member for York Centre two days ago on a number of occasions. I was exercising what I thought was the obligation of the Chair. I interrupted him yesterday. The Hon. Member accepted those interruptions.

The Hon. Member just asked a question which is in order. I would ask Hon. Members to exercise as much self control as they can when we are discussing issues which are as difficult as these issues are for your Speaker.

They involve matters of public importance. They also involve matters of people's reputations. As I have said before on appropriate occasions, I am going to try to conduct the questions in such a way that the Opposition has a right to ask,

but that nobody is unduly slandered. It is not an easy line to find in a House of Commons which traditionally has the right of privilege, which is the right to say anything Hon. Members want no matter what the consequences may be.

I am trying to put some rational constraint on that, but I have to say to Hon. Members that the Hon. Member, who has been admonished by the Chair and has accepted that admonition, has just asked a question which in my view can be asked in the House. I would ask Hon. Members to accept that. The Hon. Member for York Centre.

Mr. Kaplan: Mr. Speaker, I had concluded my question. To put it again more clearly, and to come right to the heart of it, in the case of the Member for Rosemont the Government indicated that after seeing her statements it called the police, and that Peter White had called. I am asking in connection with this case, nothing more or less, what steps has the Government taken in relation to this apparent—

Mr. McKnight: Apparent what?

Mr. Kaplan: —in relation to this matter? I will leave it at that.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, notwithstanding the admonition, I find the Hon. Member's comments rather cheap and sleazy, I must say.

Mr. Nunziata: That describes your Government.

Mr. Mazankowski: To accuse an Hon. Member without the facts, when the Hon. Member has already issued a clarifying statement, and I believe wants to come to the House to respond and clarify the article, surely to accuse the Hon. Member, a fellow Member of the House, as the former Solicitor General has just done, without facts, is not fair, is not just, and it is not in keeping with the traditions and practices of this House.

* * *

[*Translation*]

DANGEROUS SUBSTANCES

EXPLOSION IN PCB WAREHOUSE—REQUEST THAT HOUSE BE INFORMED

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Minister of the Environment. Last night, at Saint-Basile-le-Grand, there was a very serious explosion in a storage depot for PBCs, which are very toxic substances. Three thousand people in the region were evacuated. Could the Minister inform the House today about the present situation in the area?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I welcome the question because it affords me the opportunity both to express to the House the Government's deep-seated concern, which I believe is also shared by the Opposition, about what has happened, and to bring the House up to date.

The fire itself has been extinguished. The clean-up has begun. A sampling has been taken and analytical work is being conducted by the Government of Canada in concert with the Government of Québec.

Water run-off from the fire collected for analysis and treatment and has been studied. As the Hon. Member will know, people have been evacuated. I am assured by my health experts and environmental advisers that the people themselves are not thought to be at risk. The firemen who were on the scene last night were the most vulnerable. We are following the case with a great deal of care and scrutiny.

The Hon. Leader of the New Democratic Party and the House in general can be assured that everything possible is being done both by the Government of Canada and by the Government of Quebec.

[*Translation*]

REQUEST THAT GOVERNMENT PROVIDE FINANCIAL ASSISTANCE TO EVACUEES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, it is clear there are some serious problems for the evacuees and also for farmers in the area. Does the federal Government intend to provide financial assistance to both evacuees and farmers in the area?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Leader of the NDP will know that the Government of Canada is already assisting in a fairly major way, albeit indirectly. For example, the resources of the Department of National Defence have been made available for those people who have had to be evacuated, to ensure that they have a comfortable and secure place to live until they can return to their homes.

There is a federal program under which, in certain circumstances, the province in question, in this case Quebec, can apply to the federal Government for emergency assistance, in which instance there is a formula that either applies or does not, depending upon the extent of the damage and the hardship on the individuals concerned.

• (1440)

I have asked my most senior people to inquire whether there has been any overture from the Province of Quebec in that connection and, if so, whether such assistance would be possible under the relevant program.

Oral Questions

PCB STORAGE SITE LOCATIONS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I thank the Minister for that answer. My last question is also directed to the same Minister.

Would he confirm the following information that was given to me this morning when my office checked to see if the federal Government has an inventory of all PCB storage sites in Canada? I was told that there is no such inventory. I want to ask the Minister if it is true that the federal Government is not aware of where these very dangerous substances are being stored.

If there is no such inventory at the present, will the Minister assure us that the federal Government will undertake to obtain the precise location of the storage of such dangerous substances? Once we have that inventory, will the minister also ensure that all such substances have the maximum safety requirements to protect the public?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I think the Leader of the NDP probably knows that the storage of PCBs is a matter of provincial jurisdiction. However, because of the strong national interest, and in particular the interest of the federal Government, in the matter, we have provided a lot of leadership through the Canadian Council of Resource and Environmental Ministers, CCREM, both to assess the needs for PCB storage facilities across the country and to arrange for the technology needed for the disposal of the PCB materials themselves.

At present, an installation has been built in Alberta, a site has been chosen in Ontario, and one is in the process of being chosen in Quebec as part of a Canada-wide effort, again with the involvement of the federal Government.

As for an inventory in each province, that is the responsibility of the province concerned. I will take the particular representations of the Leader of the NDP under advisement, and see, together with my colleagues at the provincial level, whether the inventory is complete, and whether there might not be a particular role for the federal Government in that connection, beyond what has already been done, which is significant.

[*Translation*]

EXPLOSION AT SAINT-BASILE-LE-GRAND—DESTRUCTION OF PCBS—GOVERNMENT POSITION

Mrs. Lucie Pépin (Outremont): My question is also directed to the Minister of the Environment. As was said earlier, more than 3,500 people at Saint-Basile-le-Grand were evacuated yesterday because of a fire in a storage depot containing PBCs. I would like to remind the Minister that on May 31, 1985, at a federal-provincial conference of Environment ministers in Montreal, the federal Government made a commitment to speed up the development of facilities for the destruction of these highly toxic substances. I can inform the Minister that today in Montreal and in the general area, there are 350 storage sites for PBCs similar to the one at Saint-Basile-le-Grand. What does the Minister intend to do to speed up the destruction of PBCs, now that we have seen what happened at Saint-Basile-le-Grand, which may be due to the federal Government's failure to act as it promised in 1985?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, with all due respect to the Hon. Member, I do not think that this is an occasion for grandstanding. There is no basis upon which to make the sort of charge that she has made.

The federal Government and every one of the provinces, irrespective of political stripe, have been working together hand in glove for many months on the question of PCB storage. It is a most difficult question. It is not an easy one technologically.

For example, it is very difficult to get communities to accept a PCB storage facility. Even given all the restrictions and confinements, much has been done. For example, a major installation has been completed in the Province of Alberta. It is now pretty well on stream. The Ontario Waste Management Corporation has advanced its work within the Province of Ontario. Now Québec has gone a long way to following suit in the context of a Canada-wide effort in which the federal Government is one partner, but only one.

[*Translation*]

GOVERNMENT POSITION

Mrs. Lucie Pépin (Outremont): I would just like to tell the Minister that I got my information from a press release issued by the Department of the Environment in May 1985.

I would also like to know from the Minister what the federal Government intends to do for the 3,500 people whose health was endangered last night and who were forced from their homes. What does the federal Government intend to do as well to help people if Saint-Basile-le-Grand and the neighboring towns are contaminated? What will you do for the health of the people who have been contaminated?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, we will do what we have been doing. We have been treating it as a prime priority. It was the Government of Canada that was on site within minutes of the accident, of the fire, and of the explosion. It was the Department of National Defence that provided the equipment and the foam to make it possible to extinguish the fire in the first place. There were several Departments, including my own, that made it possible, in concert with the Quebec Government, to evacuate the people, to monitor the situation, to provide up-to-date reports on the situation, and to keep everybody fully informed with every relevant piece of information.

The two Governments—that of Quebec and the Government of Canada—could not be acting more harmoniously than they now are to ensure that the interests of the people who have

been so disadvantaged in this case are uppermost in the minds of Government and of the public of Canada in general.

* * *

[*Translation*]

GOVERNMENT CONTRACTS

PATRONAGE ALLEGATIONS—ALLEGED TELEPHONE CONVERSATION RECORDED BY MEMBER FOR ROSEMONT—GOVERNMENT POSITION

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, my question is for the Deputy Prime Minister and concerns the contradiction between the version of the Hon. Member for Rosemont and Mr. Peter White of the Prime Minister's Office regarding the conversation that took place last Friday. Mr. Speaker, the Member said, and I quote, "He then ordered me to retract or to resign, and when I refused, he told me that I would be expelled from the caucus by my fellow Members."

Mr. Speaker, my question is: Since this conversation was recorded by Mrs. Blais-Grenier, the Member for Rosemont, would the Deputy Prime Minister be prepared to ask Peter White to agree to make the tape recording of this conversation public so that everyone can know exactly what the Prime Minister's representative said?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am sure that Mr. White is not in the habit of recording conversations that go on between him and anyone else. I note that the Hon. Member is being prompted by the Member for Shefford. I can tell you, Mr. Speaker, that the Hon. Member who has put the question has enough talent to rely on rather than relying upon an expert in patronage and the kind of allegations that he would refer to.

An Hon. Member: That's out of order.

Mr. Benjamin: You can do better than that.

Mr. Blackburn (Brant): Not from a Deputy Prime Minister, surely.

Mr. Speaker: Perhaps the Hon. Member for Burnaby would put his second question.

Mr. Robinson: Mr. Speaker, given the record of this Government in the last four years, that Minister is the last person to speak about someone being an expert—

Some Hon. Members: Order.

Mr. Speaker: There are many different ways in this place to say things that one would not otherwise say. I hope that Hon. Members understand that the Chair is also pretty acute when it comes to these matters.

I know the Hon. Member has a serious question, and I would ask him to put his question.

[*Translation*]

ALLEGATIONS OF MEMBER FOR LASALLE—GOVERNMENT POSITION

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, my supplementary question is for the same Minister. The first question has still not been answered, but I will try again! Can the Deputy Prime Minister tell us whether or not the RCMP has concluded its investigation into the allegations made by Mr. Lanthier, the Member for LaSalle, concerning the crumbs that fall from the table, the funds used for just what purpose we do not know; has the RCMP completed its investigation into these very serious allegations and if so, what was the result of this investigation?

• (1450)

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am advised that the RCMP interviewed Mr. Lanthier regarding his allegations and that he had no information of any activity which would justify the RCMP initiating an investigation.

* * *

[*Translation*]

NATIONAL DEFENCE

MISSION IN IRAN AND IRAQ—REQUEST THAT GOVERNMENT INFORM CANADIANS

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, my question is for the Associate Minister of National Defence and concerns the Iran-Iraq conflict.

We know that for about ten days now, Canadian troops have been on the Iran-Iraq border to help bring about a more lasting peace.

Does the Minister believe it might be appropriate to inform Canadians on developments in this matter?

[*English*]

Hon. Paul Dick (Associate Minister of National Defence): Mr. Speaker, I can only say that Canada has responded to the request of the United Nations. We are the only country which has provided two groups, first, the 15 observers who were the first of any of the 24 countries to be in the observer position and, second, we have provided 495 communications experts and 148 vehicles which are being shuffled in by 10 Hercules Transports. That is now in the process of being completed and they are now taking up their positions.

GOVERNMENT CONTRACTS

ALLEGATIONS OF MEMBER FOR ROSEMONT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Deputy Prime Minister. It concerns his job as the Minister responsible for ethics in government. On August 19 the Deputy Prime Minister said in this House: "The Government of Canada under the leadership of the Prime Minister has moved very quickly with respect to various charges of wrongdoing".

Given that I have in hand an article by Pierre O'Neil of *Le Devoir* of February 6, 1988, in which the Conservative Member of Parliament for Rosemont said she met the Prime Minister on September 21, 1987, to make similar charges to the ones she made last week, if it was warranted this week to investigate those allegations, why was it not warranted when the Prime Minister found out on September 21, 1987, or when it was reported on February 6, 1988? Was it not because Members of Parliament asked questions in this House that the issue was brought to the attention of the RCMP as opposed to the interest of correcting what was wrong?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am not aware of the meeting to which the Hon. Member refers, but I suspect that, if she was unable to provide any evidence today as a result of the interview the police had with her, no specific charges—no names, no dates, no places—nor is she willing to be a witness or tell her story to a Royal Commission, if she is not able to provide any evidence today I can only assume she was not able to provide evidence then.

[*Translation*]

PATRONAGE ALLEGATIONS—REQUEST FOR ROYAL COMMISSION OF INQUIRY

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the Deputy Prime Minister told us in the House last week that the accusations were so serious that they required RCMP intervention.

What I want to know from the Deputy Prime Minister, since the same allegations were made a year ago, is why he did not choose to refer the matter to the RCMP at that time. Furthermore, why did the Government not mandate a royal commission of inquiry, as I asked it to do five times in the past, during this Parliament, and as the Hon. Member for Rosemont asked twice, on September 21, 1987 and again last week? Why did they not do what was asked and why did they act only after the matter was raised in the House?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think, if I recall correctly, she said, as recorded in the newspaper, that she had personal knowledge of a system of kickbacks for contracts in government. She also said that it involved interactions among—

Ms. Copps: She said that last year to the Prime Minister.

An Hon. Member: Come on, Sheila.

Mr. Mazankowski: She also said it involved interactions among government representatives, of public sector, lobbyists, politicians and other people close to decision-making processes. When she was asked to substantiate or give evidence, she was unable to do so.

Mr. Boudria: That's what I am asking.

Mr. Mazankowski: Well, what he was asking, Mr. Speaker, is simply the same question in French as he asked in English and it is the same answer.

Mr. Boudria: You replied to neither.

* * *

NATIONAL DEFENCE

PROPOSED ACQUISITION OF NUCLEAR POWERED SUBMARINES—NUCLEAR NON-PROLIFERATION TREATY

Mr. Derek Blackburn (Brant): Mr. Speaker, my question is directed to either the Deputy Prime Minister or the Associate Minister of National Defence. The Minister will be aware that a study released at the University of Southampton in England has added another voice to those who think that this Government's scheme to spend $8 billion plus on nuclear submarines is a threat to nuclear non-proliferation. Will the Government investigate all the consequences of opening a loophole in the Nuclear Non-Proliferation Treaty before deciding on the final design for its submarines?

Hon. Paul Dick (Associate Minister of National Defence): Mr. Speaker, I understand there is a group in the United Kingdom known as the British Base Program for Promoting Nuclear Non-Proliferation, which has come out with such a statement. We have looked at and know that the non-proliferation treaty deals with munitions and explosives. For engines there is no requirement in the non-proliferation treaty, although there is a requirement in the International Atomic Energy Agency and we have indicated we are setting up a system with the International Atomic Energy Agency to comply, and it will monitor how we receive and dispose of the nuclear waste that would result from the engines used in nuclear powered submarines.

INTERNATIONAL CONTROL OF NUCLEAR MATERIAL

Mr. Derek Blackburn (Brant): Mr. Speaker, the Associate Minister of Defence knows that what the Government is proposing in buying these submarines flies in the face of the spirit and regimen of the non-proliferation treaty. It is because of this loophole we are placing that treaty in jeopardy. Canada is already lumped in with India and Brazil as threats to nuclear non-proliferation. How many other countries will have

to use this Canadian loophole, as it is now called, in the non-proliferation treaty before this Government realizes that its nuclear submarine program poses a real threat to international control of nuclear material?

Hon. Paul Dick (Associate Minister of National Defence): Mr. Speaker, the Hon. Member for Brant is a reasonably responsible Member and always has been, but right now he is trying to be rather sensational. We do have a number of nuclear power plants in this country and around the world. We do have to dispose of that waste. We are not breaking the non-proliferation treaty which deals with explosives and ammunition.

Mr. Blackburn (Brant): For military purposes.

Mr. Dick: We are talking about dealing with an engine—

Mr. Broadbent: For military purposes.

Mr. Dick: —something that powers a boat. It could be an engine that powers a truck or an aircraft, if they had invented those yet.

Mr. Blackburn (Brant: You are not turning on a light bulb.

Mr. Dick: This is 30-year old technology and it is known as the "submarine clause" in the non-proliferation treaty.

Mr. Broadbent: Yes, you're right, a submarine clause. It's a loophole!

Mr. Dick: We will be complying with the International Atomic Energy Program and we have already stated that. There is nothing we are doing that is not allowed by law.

* * *

PENITENTIARIES

NEWFOUNDLAND—SITE OF PROPOSED PENITENTIARY

Mr. George Baker (Gander—Twillingate): Mr. Speaker, in the 1984-85 Estimates, money was allocated for the construction of a federal penitentiary in Buchans, Newfoundland. Buchans was announced as the site by the Government of Newfoundland and the Government of Canada.

I want to ask whatever Minister has the courage to answer this question why did the Government of Canada at nine o'clock this morning at a press conference in the largest hotel in St. John's, Newfoundland, announce a $30 million penitentiary, not for Buchans, Newfoundland, but for a riding presently held by a Tory Member, close to St. John's—

Some Hon. Members: Oh, oh!

Mr. Baker: —with no site acquired, in fact, no land acquired, no site even decided exactly? Why has the Government of Canada defied the Government of Newfoundland and betrayed the people of Buchans?

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, it is certainly easy to see why the Hon. Member has a new found interest in Buchans. I understand that is the area in which he plans to run in the next election.

Some Hon. Members: Oh, oh!

Mr. McDermid: That's it, George, you fight for your constituents.

Mr. Speaker: I am sure we are all sympathetic with the Hon. Member's desire to serve the country.

Mr. Cardiff: The people of Newfoundland are very happy to have a federal prison. We have waited many, many years—

Mr. Foster: Yes, for four years.

Mr. Cardiff: —with previous Governments. Since 1949 we wanted to have a prison institution in that province. It has not happened. It is now going to happen and the people of that province are ecstatic about having that location there.

GOVERNMENT POSITION

Mr. George Baker (Gander—Twillingate): Mr. Speaker, both Governments decided in 1984 to put that prison in Buchans, and even this afternoon, following the announcement by this Government, the provincial Government said it wanted the prison to go in Buchans. The people there, some of them, stayed there following the closure of the mines, on the commitment of both Governments, waiting for construction to start.

I want to ask the Deputy Prime Minister if the Government does not realize that this is a very poor way to treat the peoples' lives and the future of a community, and will the Deputy Prime Minister not admit that this announcement today is just a patent political ploy for votes? It is blatant politics and it is an insult to all fair-minded Newfoundlanders.

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, I cannot always answer with the eloquence of some of the Member's colleagues from that province but I will do my best. I would like read a quote of what was said by his Leader, the Right Hon. Leader of the Liberal Party: "I am not going to take sides as to where it ought to be put. I think I will leave that to the local Members of Parliament", which I think was an excellent statement to make.

• (1500)

ECONOMIC NEEDS OF COMMUNITIES

Mr. Jack Harris (St. John's East): Mr. Speaker, my question is for the Deputy Prime Minister and it concerns the Government's decision to build a federal penitentiary in Harbour Grace, Newfoundland. I contrast it with the earlier decision to build a penitentiary in Port Cartier, Québec, in the riding of the Prime Minister.

Why are the economic needs of communities an overriding consideration in the Prime Minister's riding despite the objections of the Correctional Service and yet in Newfoundland the desperate economic needs of a community such as Belle Isle, with over 60 per cent unemployment are ignored even though it meets all the requirements of the Correctional Service?

Why is there one rule in the Prime Minister's riding and one other rule in Newfoundland?

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, it does not matter where that institution is built whether it be in Port Cartier, Harbour Grace, or any other location. It is necessary for the development of those regions. That is the basis for institutions being built in those places.

QUERY ON ACCESSIBILITY OF LOCATION

Mr. Jack Harris (St. John's East): Mr. Speaker, I have a supplementary question. The only concern expressed by the Correctional Service regarding Belle Isle was accessibility due to a ferry service. The Newfoundland Government is building two new ferries to provide more efficient service and Belle Island is closer to needed services than Harbour Grace.

If commuting daily between Belle Island and St. John's is good enough for Belle Islanders, why is it not good enough for correctional workers, inmates, or visitors to that institution?

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, we are working very hard to equalize all opportunities for all Canadians. We feel that the location of Harbour Grace Penitentiary in the vicinity of Harbour Grace is the proper location.

Mr. Speaker: A single question for the Hon. Member for Abitibi, followed by the Hon. Member for Trinity.

[*Translation*]

DANGEROUS SUBSTANCES

SAFETY STANDARDS FOR WAREHOUSING OF PCBS—REQUEST FOR CONTINUOUS SURVEILLANCE

Mr. Guy St-Julien (Abitibi): Mr. Speaker, my question is for the Minister of the Environment. After the incidents in La Tabatière, Quebec and Smithville, Ontario, here we have another PCB alert. Last night, a serious fire in a PCB storage facility forced the evacuation of more than 3,000 residents of Saint-Basile-le-Grand. My question is: Can the Minister tell us whether governmental safety standards for PCB storage require surveillance 24 hours a day at existing PCB storage sites, because there is no reason why, in 1988, people's health should be threatened?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I think the representation made by the Hon. Member is a solid one. It is worthy of consideration both by myself and by other Ministers of the Environment across the country at the provincial level.

The Hon. Member will know that PCB storage is first and foremost the responsibility of the provinces, but because of the legitimate national interest in this question, there has been much co-operation between the two levels of government. In that connection, I will raise the Hon. Member's suggestion at an early opportunity through the Canadian Council of Resource and Environment Ministers and ensure it is given the careful attention it richly deserves.

* * *

TAX REFORM

SALES TAX CHANGES—IMPLEMENTATION DATE

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is for the Minister of Finance. On July 5 the Minister announced that he would be introducing changes to the sales tax effective in November. Now he has put the date of implementation back to April, 1989, and he has not yet said exactly what these changes will be.

When will the Minister make a clear statement of his intentions?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, before responding to the Hon. Member's question, might I, on behalf of my colleague from St. Paul's, congratulate the Hon. Member on her victory last evening.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): I understand it was by a reasonable margin. I do hope that all the energy she put into

that campaign will not get her exhausted for things that might be happening in the future.

Some Hon. Members: Oh, oh!

Mr. Wilson (Etobicoke Centre): The Hon. Member is asking a question on the change to the manufacturers' sales tax. We have had considerable discussions with the private sector. We have had discussions with members of the committee during the course of the committee hearings and it was felt, because the changes that we feel are important to amend the proposal as it now stands are reasonably extensive, that we should delay the implementation.

As to when we will be reintroducing this I cannot give the Member a precise date now, but some time in the not too distant future we will be able to come back with a revised proposal.

REQUEST FOR ANNOUNCEMENT BEFORE GENERAL ELECTION

Miss Aideen Nicholson (Trinity): Mr. Speaker, I thank the Minister for his concern about my energy and, in the same spirit, may I point out that Canadian consumers and manufacturers really do need to know what the Conservative Government has in store for them.

Will the Minister reveal exactly what he is planning in the sales tax before the election?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, that is a very difficult question to which to respond. I have a timetable as to when I might want to reveal my thoughts on that particular subject, but someone else has a better idea as to what his ideas might be on the timing of his thoughts on that second subject.

We understand the concern which the Hon. Member is expressing. We want to move ahead as quickly as we can and make our views known.

* * *

POINT OF ORDER

MOTIONS TO CONTINUE SITTING ON BILL C-144

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I rise on a point of order concerning the events that took place in this House last night at the conclusion of second reading debate on the child care legislation.

Following the speech of the Hon. Member for Perth (Mr. Brightwell), he moved a motion concerning an extension of the hours of the House for sitting, which motion was ruled out of order by the Deputy Speaker following an examination of the motion.

Immediately following the placing of this motion before the House by the Hon. Member for Perth, the Hon. Member for Regina East (Mr. de Jong) stood in his place seeking to be

recognized for purposes of debate. He stood in his place immediately and for some time was the only Member who rose in the House seeking to be recognized for the purposes of debate. Following the decision of the Deputy Speaker to rule out of order the motion by the Hon. Member for Perth, the Government House Leader proceeded to the front of this Chamber in a manner that I certainly found quite offensive, apparently to lecture the Officers at the Table with respect to the rules of the House. In my view that does no credit whatever to this House or to the Member involved.

I hope there will be some recognition of the importance of Members on all sides of this House recognizing the role and the responsibility of the Officers at the Table and of not proceeding to lecture, harangue and harass them after a ruling has been made by the Deputy Speaker in good faith following consultation with those same officers.

I raised a point of order at that time and said:

> I rise on the same point of order. Surely to goodness it is appropriate that the Speaker recognize the Hon. Member for Regina East (Mr. de Jong) who wishes to speak without the intervention of the Government Minister attempting to tell the Table what to do.

At that point the Deputy Speaker then turned and recognized a Member of the Government side. Had both the Member for Regina East and the Member from the Government side been standing at the same time, there would have been no difficulty with that whatever because a number of Opposition speakers had spoken to that point in the debate.

In this case, the Member for Regina East was standing. He was the only member who sought to be recognized for some considerable time. It was only after the ruling by the Deputy Speaker that the Hon. Member for Cape Breton Highlands—Canso (Mr. O'Neil) then stood, motion in hand, and without making any speech, moved to extend the hours of the House.

In my view that very clearly constitutes a breach of the orders and practices of this House. I would have hoped that the Hon. Member for Regina East would have been recognized as he was standing for some time, not to raise a point of order, but for purposes of debate. I hope that we might get some guidance from the Chair with respect to the question of conduct, particularly of Government Ministers and particularly the Minister responsible for government business as to their dealings with the Officers at the Table.

Mr. Speaker: The Hon. Member for Glengarry—Prescott—Russell.

Mr. Boudria: Mr. Speaker, I was here as well last night.

• (1510)

Mr. Speaker: The Hon. Minister of State, who is the subject of the comment of the Hon. Member for Burnaby has risen to be recognized. Perhaps, in fairness, I ought to recognize him at this time. The Hon. Minister of State indicates that he would courteously ask the Hon. Member for Glengarry—Prescott—Russell to continue.

Mr. Don Boudria (Glengarry—Prescott—Russell): Thank you, Mr. Speaker. I was here as well last night in my capacity as acting opposition whip for the next few weeks or so. I was in my chair at the time of the incident in question. It is true to say that with Parliament sitting long hours we sometimes all get a little hot under the collar and impatient. That probably happens not just to the Deputy Government House Leader (Mr. Lewis), as it obviously did, but to a number of us.

In defence of the position taken by the Deputy Speaker last night, it should be noted that no government Member had spoken for approximately an hour before. Obviously, the Deputy Speaker is quite in order to recognize whomever he wishes because, of course, it is his prerogative at any time.

Given the fact that no government Member had spoken for quite some time before that, he could have recognized another Member. It must also be appreciated by the Chair that in the cut and thrust of the activities at the time Members were rising on points of order and so on, which is distracting to the Chair at the best of times, as I am sure that you, Sir, will know.

The point that I am making, to assist the Chair, is that it could be said, of course, that the Deputy Government House Leader was upset with a ruling which was not in his favour. However, it would not be correct to say that the Deputy Speaker did not act properly by recognizing an Hon. Member from the Conservative Party because, of course, one had not been recognized for some time before that.

Mr. Speaker: I think that I probably ought to hear the Hon. Minister of State.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I want to point out that at the time that the question of the acceptability of a motion under Standing Order 9(4)(a) arose in the Chamber, I found myself in the awkward position of not being in my seat. I addressed some remarks to the Chair and to the Table, indicating that I had a great deal of difficulty understanding the difference between the words "consideration" and "completion".

The Chair will know that Standing Order 9(4)(a) uses the word "consideration", and I took the position that since there was a motion to put the question on the floor, the only interpretation that could be taken from the wording was that the words "completion" and "consideration" were the same. I submit and I have always felt that the essence of Standing Order 9(4)(a) is: "Do you have 15 Members to prevent completion of that stage?" That is the point that I was trying to make at the time.

I was making it informally and I was making it reasonably directly. I want to say that I took the precaution of checking *Hansard* to see if there was anything offensive recorded that I might wish, in the cool, hard light of the dawn, I had not said in the heat of the evening. In any event, if there was anything said by myself which was out of order, whether recorded in *Hansard* or not recorded in *Hansard*, I would regret that very much and I would apologize to any person who took offence to what was said. There was certainly no offence intended, because we were well served by the Chair and by the Table. I have had previous correspondence over Standing Order 9(4)(a), and one of these days I will get it worded to the satisfaction of my impatience and perhaps the whole House.

Mr. Speaker: With great regard to the Hon. Parliamentary Secretary, I would intimate to him that I think the Chair has probably heard enough to deal with the matter. However, if it is very important, I will hear him. It does not always happen.

The matter that has been raised by the Hon. Member for Burnaby (Mr. Robinson) of course troubled me last night. As Hon. Members will know, our very excellent Deputy Speaker was in the chair. He is skilful, experienced and is an absolutely superb servant of this place. I know that all Hon. Members would agree with me on that. As is the obligation upon me, of course, I was here and when this matter was brought to my attention, I immediately came into the Chamber. There was no need for me to take the chair because the Deputy Speaker was completely in control of the House. I would point out it was with the co-operation of Hon. Members that he was completely in control of the House. However, I knew some Hon. Members were upset. I want Hon. Members to know that that concerns me, as I think it should. I was here for some minutes in the House during part of what has been alluded to. I was not in the chair, as I say. My hon. colleague was in the chair, but I was here.

I have reviewed the tapes very carefully. I might say to the Hon. Member for Regina East (Mr. de Jong), and I say this in a sympathetic way, that I listened most carefully this morning to the video tape of the Hon. Member's speech, and I say to him that I understand his feelings that were expressed last night. I say this because I think the Hon. Member should know that I understand those feelings.

The Hon. Member for Burnaby has raised a matter, and there are two parts to that matter. First, what happened here is that an Hon. Member from the government side rose on a motion. I will not go into the numbers, but I will try to simplify this for Hon. Members and for the public. Under the rules, within one hour of the time of adjournment an Hon. Member on either side can rise and move that the debate continue—if I can put it in colloquial terms—not that the debate be terminated or that it be completed. If there are 15 Members rising in opposition to that motion, that motion will not be accepted and the debate will end at the appointed hour, which was ten o'clock last night.

An Hon. Member from the government side rose and did not correctly put the motion. As I understand it, the Hon. Member did not carefully repeat the words of the Order and said that the matter be completed, which would mean, if one took those words seriously—and I am sure that it was an error on the part of the Hon. Member, and quite an innocent one—that all matters would have to be completed. That kind of

closure is not anticipated by the rules of time allocation or closure that we have.

• (1520)

Mr. Prud'homme: But the Deputy House Leader did not—

Mr. Speaker: The Deputy House Leader, as the Hon. Member for Saint-Denis (Mr. Prud'homme) is pointing out to me, and I always, as Hon. Members well know, defer with great respect to the Hon. Member for Saint-Denis because, quite frankly, he has been a great amount of strength to me as Speaker and he usually has something of good sense to say, not just to the House but also to the Speaker, and he correctly points out that the Deputy Speaker quite correctly rejected the motion that was put by the Member from the government side because it was incorrect. What followed then was that a number of Members rose to be recognized, including the Hon. Member for Regina East. I am instructed, because I inquired, that there had been seven opposition Members in a row speaking on debate. The Hon. Deputy Speaker, having rejected the motion that came from the government side, then went to the Government and recognized a Member on debate. I know that this has upset some Hon. Members and that is why I am referring to it.

I have to ask Hon. Members to exercise some sympathy for the position of the Speaker. The Speaker is not supposed to be able to divine what will be in the mouth of the Hon. Member that he in fact recognized. The Hon. Member may very well have been rising to continue debate, and it is quite true that the Hon. Member for Regina East and I think others were on their feet. The difficulty the Speaker has is that one has to select someone. In this event, the Hon. Deputy Speaker, for whom everyone in the House has great respect, recognized a Member from the government side. This time, the Government got it right and put the motion to extend debate. It is not for me to say one way or the other as to why these things happen, but I suppose it is not altogether untoward for the Chair to comment that this time, the Government got it right and put the motion that the debate be continued.

First, we have a very strong tradition here that the Speaker does not overrule the Deputy Speaker. Under the circumstances, I think Hon. Members would agree with me that fault cannot be found with the Deputy Speaker. As it happened, debate did continue for a little while and then it concluded.

There is another matter, and that refers to what happened with the Deputy House Leader, as happens with Whips of all Parties and perhaps occasionally some other House Leaders. The responsibility of a House Leader is extraordinary at times, and the public should know this. This place does not function without responsible people in all three Parties working long, long hours to take responsibility for what their own Parties do and for the arrangements that are made intra-Party continually. We have been sitting a long time, and I am not getting into a discussion as to whether we should have or should not have. I am just saying that we have been sitting for a long time. The Hon. Minister of State has admitted that he made statements which the Hon. Member for Burnaby properly brought to the attention of the Chair and the House, statements which he admits he should not have made.

I do not think that I can take it any further except to say that most of the time, most of us, and some of you upon occasion recently have been assisting me, the Deputy Speaker and Acting Speakers, by taking the chair because we have had to call on some help, know that it is a great comfort to the Chair if Hon. Members will refrain from making comments except when they are in their places and they are recognized to be heard. The Hon. Member for Regina East can say that last night he was rising to be heard as were others, and sometimes when there is a lot of people up, it is very difficult for the Speaker to choose. I think the Hon. Minister of State has quite gallantly and quite properly expressed to the House his regret. The Hon. Member for Burnaby, I have to say, had every right to raise the matter and I thank him for the moderation with which he expressed it.

[*Translation*]

The Hon. Member for Saint-Denis (Mr. Prud'homme) made some very interesting comments to the Chair, but he has preferred to remain silent . . . However, I see that may not be the case. The Hon. Member for Saint-Denis.

[*English*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, on a slightly different point of order. I would not like to challenge Your Honour's ruling in any way, shape or form. It is an excellent ruling, of course, as usual. However, I would like to put something to you, Sir, for reflection, and we may get an answer on some other day. I would be afraid that comments arising from what you have just said to us could lead us to some dangerous precedents. I would like to put this to you, and then I too will reflect on it, but I would not like to finish the day without putting it to you openly.

Perhaps in the future, the Government or any political Party might decide not to put up any speakers for a long time and therefore whoever is in the chair would recognize those who rise and would try to alternate between two of the three political Parties. I hope that I will not conclude, after what you said, that in the future, if such were to be the case again, if the Government or political Party would suddenly decide to put up speakers for debate, the Chair would decide that because the Government has not participated and that there were seven Members in a row from a political Party participating, the Chair would recognize six or seven Members of the Government in a row. That is a bit like what happened last night when two government Members in a row spoke because they had not participated for quite a while before. I would hope that we could try to clear that up, not today, but I would not like it to be a precedent because it could be a very dangerous precedent for future tactics for any of the three political Parties.

[*Translation*]

Mr. Speaker: I thank the Hon. Member for his remarks. Of course I have no intention of letting a precedent be created as a result of the situation we had last night. I also would like to express my appreciation to the Hon. Member for Saint-Denis for his comments, and I can assure the Hon. Member that his remarks will of course be given careful consideration.

[*English*]

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, in the comments made last evening, the Hon. Member for Saint-Denis (Mr. Prud'homme) said that a Parliamentary Secretary was approaching the Table to tell the Table what to do. He indicated that the Parliamentary Secretary should remain in his chair if he wants to say something. I just want the Chamber to understand that upon the ruling, I was going to the Table to seek information on the ruling. I was not approaching the Chair and I was not intending to tell the Chair what to do. The Hon. Member for Burnaby (Mr. Robinson) did try to tell the Chair what to do publicly, but that was not my intention.

I would remind Hon. Members that in the first 15 minutes of proceedings today during Statements Pursuant to Standing Order 21, there was a bit of a mix-up and two opposition Members in a row were recognized and then later on, two government Members in a row were recognized as a consequence of that. That is a very familiar pattern in this Chamber. The idea is that we do alternate in a general way, but recognizing two speakers in a row from the Opposition or from the Government is not a practice that is discrepant with past practice.

• (1530)

Mr. Speaker: I think the Hon. Member for Saint-Denis was just expressing the wish of all of us, and this is not always an easy place to conduct our affairs, that decisions must be made, trying as hard as possible to be fair and to do things in an appropriate way.

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed from Tuesday, August 24, consideration of the motion of Mr. Epp (Provencher) that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the second time and referred to a legislative committee; and the amendment of Mrs. Martin:

That this question be now put.

Mr. Speaker: It being after three o'clock, pursuant to Standing Order 13(4)(a) the House will now proceed to the deferred division on the motion of Mrs. Martin.

Call in the Members.

The House divided on the motion (Mrs. Martin), which was agreed to on the following division:

• (1540)

(Division No. 561)

YEAS

Members

Andre
Beatty
Belsher
Blackburn (Jonquière)
Blenkarn
Blouin
Bosley
Bouchard (Roberval)
Bourgault
Bradley
Browes
Cadieux
Caldwell
Clark (Brandon—Souris)
Clifford
Clinch
Cochrane
Collins
Cook
Crosby (Halifax West)
Crouse
Darling
Daubney
de Cotret
Domm
Edwards
Ferland
Fontaine
Fraleigh
Gottselig
Graham
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Halliday
Hardey
Hawkes
Hees
Hicks
Hockin
Holtmann
Horner
Howie
James
Jelinek
Jourdenais
King
Ladouceur
Landry
Layton
Malone
Martin
Mazankowski
McCrossan
McDougall (St. Paul's)
McInnes
McKinnon
Minaker
Moore
Nowlan
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
Schellenberger (Wetaskiwin)
Scowen
Siddon
Tardif (Charlesbourg)
Towers
Tremblay (Québec-Est)
Tupper
Turner (Ottawa—Carleton)
Van De Walle
Vézina
Vincent
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Wise—84

NAYS

Members

Angus
Benjamin
Blackburn (Brant)
Boudria
Broadbent
Caccia
Cassidy
Copps
de Corneille
de Jong
Foster
Harris
Heap
Isabelle
Kaplan
Keeper
Lapierre
McLaughlin
Mitchell
Nunziata
Orlikow
Parry
Pépin
Prud'homme
Robichaud
Robinson
Waddell—27

• (1550)

Mr. Deputy Speaker: I declare the motion carried.

The next question is as follows: Mr. Epp (Provencher) seconded by Mr. Wise, moved that Bill C-144, an Act to

authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the second time and referred to a legislative committee.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

Mr. Boudria: Mr. Speaker, I rise on a point of order. If you were to ask for unanimous consent, I think you would find that the House would be favourably disposed to having the result of the previous vote applied to this vote.

Mr. Mayer: Mr. Speaker, could I have my name added to the Government vote? I was absent for the first vote.

Mr. Gagnon: Mr. Speaker, let the record show that I was present and did not vote.

Mr. Penner: Mr. Speaker, I simply want to indicate to the House that I abstained on these two votes simply because the Speaker has asked me to serve as chairman of the legislative committee which will examine clause-by-clause study of Bill C-144, and I have agreed to do so.

Mr. Deputy Speaker: Is there unanimous consent to apply the result of the first vote to the main motion?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Epp) (Provencher)), which was agreed to on the following division:

(Division No. 562)

YEAS

Members

Andre
Beatty
Belsher
Blackburn (Jonquière)
Blenkarn
Blouin
Bosley
Bouchard (Roberval)
Bourgault
Bradley
Browes
Cadieux
Caldwell
Clark (Brandon—Souris)
Clifford
Clinch
Cochrane
Collins
Cook
Crosby (Halifax West)
Crouse
Darling
Daubney
de Cotret
Domm
Edwards
Ferland
Fontaine
Fraleigh
Gottselig
Graham
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Halliday
Hardey
Hawkes
Hees
Hicks
Hockin
Holtmann
Horner
Howie
James
Jelinek
Jourdenais
King
Ladouceur
Landry
Layton
Malone
Martin
Mayer
Mazankowski
McCrossan
McDougall (St. Paul's)
McInnes
McKinnon
Minaker
Moore
Nowlan
Peterson
Pietz
Porter
Ravis
Redway
Reid
Reimer
Roman
St. Germain
Schellenberger (Wetaskiwin)
Scowen
Siddon
Tardif (Charlesbourg)
Towers
Tremblay (Québec-Est)
Tupper
Turner (Ottawa—Carleton)
Van De Walle
Vézina
Vincent
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Wise—85

NAYS

Members

Angus
Benjamin
Blackburn (Brant)
Boudria
Broadbent
Caccia
Cassidy
Copps
de Corneille
de Jong
Foster
Harris
Heap
Isabelle
Kaplan
Keeper
Lapierre
McLaughlin
Mitchell
Nunziata
Orlikow
Parry
Pépin
Prud'homme
Robichaud
Robinson
Waddell—27

Mr. Deputy Speaker: I declare the motion carried.

Bill read the second time and referred to a legislative committee.

ROUTINE PROCEEDINGS

[*Translation*]

EMPLOYMENT AND IMMIGRATION

GOVERNMENT RESPONSE TO SECOND REPORT OF STANDING COMMITTEE—A REVIEW OF CANADIAN JOBS STRATEGY

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I have the honour of tabling, in both official languages, the Government's response to the Second Report of the Standing Committee on Labour, Employment and Immigration on A Review of the Canadian Job Strategy.

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to petitions Nos. 332-5173 to 332-5183 inclusive.

[Editor's Note: See today's *Votes and Proceedings*]

* * *

PRIVATE MEMBERS' BUSINESS

PRESENTATION OF SEVENTEENTH REPORT OF STANDING COMMITTEE

Mr. John Reimer (Kitchener): Mr. Speaker, I have the honour to present the seventeenth report of the Standing Committee on Private Members' Business, in both official languages.

In accordance with Standing Order 36(1)(a), your committee recommends that the following items of Private Members' Business be designated as votable items: Motion No. 113 standing in the name of the Hon. Member for Don Valley East (Mr. Attewell):

> That, in the opinion of this House, the government should consider the advisability of amending the Canada Post Corporation Act so as to make Canada Post an essential public service which would render illegal any strikes affecting postal delivery.

The second item is Motion No. 151 standing in the name of the Hon. Member for Lethbridge—Foothills (Mr. Thacker):

> That, in the opinion of this House, the government should consider the advisability of amending the Constitution of Canada so as to require the government to submit a balanced budget except:
>
> (a) in times of a declared national emergency or disaster, or
>
> (b) if the deficit receives parliamentary approval by a two-thirds majority.

I note that pursuant to Standing Order 36(1)(b), this seventeenth report is deemed adopted when laid upon the table.

* * *

PETITIONS

WITHDRAWAL OF PROPOSED CANADA CHILD CARE ACT

Mr. Derek Blackburn (Brant): Mr. Speaker, pursuant to Standing Order 106, I have the privilege to present a petition signed by a number of citizens from the Ottawa—Hull area who call upon Parliament to withdraw the Child Care Act forthwith because the Bill contains neither national objectives nor necessary funding arrangements, and will not ensure that families have access to high quality child care. The child care Bill is not in the best interests of young children, women or families in Canada.

• (1600)

IMMIGRATION—SPONSORING OF RELATIVES

Mr. Dan Heap (Spadina): Mr. Speaker, it is my honour and privilege to present three petitions under Standing Order 106 on different subjects. The first petition is signed by a number of residents of Toronto and concerns immigration. It refers to the need to allow unmarried sons and daughters of all ages to enter as family class and specifically points out that in 1986 the then Minister of Justice promised that the unfair distinction between Canadian citizens and permanent residents of three years or more would be eliminated so that both groups would have equal rights to sponsor parents of any age, and that this promise has not yet been fulfilled. The petitioners call upon this House to ensure that the Government will fulfil that promise.

OPPOSITION TO BILL C-55

Mr. Dan Heap (Spadina): My next petition is again signed by a number of residents of Toronto and other cities in Ontario. The petitioners point out that whereas Bill C-55 threatens Canada's traditional commitment to assisting refugees and sets out measures designed to keep most refugees out of the country as opposed to ensuring that genuine refugees are given protection, therefore, they humbly pray and call upon Parliament to ensure that the Government will withdraw Bill C-55 and substitute legislation embodying the principles of fair and quick oral hearings of claims of refugee claimants before a refugee board independent of the Immigration Commission, as well as universal access to such hearings for every applicant in Canada and the right to appeal on the basis of fact.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Dan Heap (Spadina): Mr. Speaker, my last petition is signed by a number of residents of Ontario who point out that the very fabric of Canadian sovereignty is threatened by the proposed Mulroney-Reagan trade deal which was not mandated in the last election and would reduce Canada's ability to plan the economic, social and cultural programs we need, and would integrate us further into the North American defence industrial base. The petitioners therefore urge that Parliament ensure that a national debate takes place on this Mulroney-Reagan trade deal before such an agreement is finalized.

LABELLING OF FOOD INGREDIENTS

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, I have the honour and privilege to present a petition signed by some 40 residents of the communities of Winnipeg, Manitoba, Kenora, Dryden and Redditt, Ontario. This petition calls upon Parliament to enact legislation and regulations to ensure the thorough and comprehensive labelling of foods served in

restaurants and take-out shops in order to ensure that those who suffer from severe allergies, which indeed can be life threatening, have the information available to protect themselves.

RESEARCH INTO PREVENTION AND CURE OF SCHIZOPHRENIA

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I have two petitions to present this afternoon. The first petition is signed by residents of Thunder Bay. It concerns the very serious problem of the illness, schizophrenia, which affects about 1 per cent of the population causing severe mental anguish and suffering to the patients and their relatives and costing Canadian society more than $3 billion annually in direct health care and other support costs.

The petitioners note that recent research findings, including those obtained in Canada, show the illness to be a biochemical brain disorder in part caused by genetic malfunction. They are concerned that there is not enough research being done in Canada to determine what possibilities there are of treatment. Therefore, the petitioners call upon Parliament to ensure that research efforts related to schizophrenia will in future be commensurate with the very serious impact of this illness in Canada.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, my second petition is also signed by residents in northwestern Ontario and persons in Thunder Bay and outlying parts of the constituency of Thunder Bay—Nipigon. These are persons who note that the Conservative Government had no mandate from the Canadian people to conclude a free trade agreement with the United States. The Prime Minister (Mr. Mulroney) promised that in the course of the bilateral trade negotiations that Canadian sovereignty would not be compromised, but the petitioners assert that the trade agreement negotiated by the Mulroney Government threatens the very fabric of Canadian political and economic sovereignty by removing the power of the Canadian Government to effectively control foreign ownership, develop Canadian energy resources in the best interest of Canadians, and equalize opportunities between the regions.

Since Canada would be denied this policy freedom by the agreement, the petitioners call upon Parliament to dissolve and allow the people of Canada the opportunity to reject the proposed free trade agreement during a national general election.

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Shall all notices of motions stand?

Some Hon. Members: Agreed.

[*English*]

Mr. Deputy Speaker: Orders of the Day.

Mr. Hawkes: Mr. Speaker, on the Order Paper today there is a motion that stands in the name of the Minister of National Defence (Mr. Beatty). There have been consultations among the three Parties and I understand there is unanimous consent for the Government to move to that motion today even though the normal period for notice is not quite up to what it might have been.

Mr. Deputy Speaker: Is there unanimous consent?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN ARMED FORCES

PARTICIPATION IN UNITED NATIONS IRAN-IRAQ MILITARY OBSERVERS GROUP

Hon. Perrin Beatty (Minister of National Defence) moved:

That this House supports Canadian participation in the United Nations Iran/Iraq Military Observers Group (UNIIMOG) to observe the ceasefire between Iran and Iraq and hopes that Canada's contribution to this international initiative will result in an end to hostilities and a lasting peace.

He said: Mr. Speaker, 10 days ago I stood with the Chief of Defence Staff on the tarmac of the Canadian Forces Base, Trenton, to wish Godspeed to the first of our troops who were leaving for Iran and Iraq as part of the United Nations force in that region. I wish every Canadian could have been with us. The range of emotions present at that time is not surprising.

There was pride because Canada was trying to help to end a war that has cost a million lives. There was sadness at leaving families and friends behind for a foreign tour of duty which could last up to six months or longer. There was apprehension because Canadians know from bitter experience that trying to keep the peace could be hazardous. There was enthusiasm because all of the soldier's training was suddenly made relevant at that moment. And there was hope because it appeared that peace, although far from certain, was now more possible than ever before in a bloody eight-year conflict.

No one should underestimate the sacrifices these troops and their families have been asked to make. Some of them have had to postpone weddings or interrupt honeymoons as the soldiers do their duty outside of Canada. Others will have children born while they are away or will have family crises arise and they will not be able to be there to attend to them. For their families, the burden of a lengthy separation will be compounded by a concern for the safety of the troops. For each of these soldiers, these were sacrifices they were prepared to make to serve Canada and to promote peace. As they take on their heavy new responsibilities, the hopes and prayers of every Canadian go with them.

I have placed this motion before the House today, not to fulfil a legal obligation but because I believe that when such a major new undertaking is given, I have a moral responsibility to report to the peoples' representatives to ask for their support. With your permission, Mr. Speaker, and with the consent of our colleagues, I would like to table in both official languages, the Orders in Council authorizing our troops to be sent in support of the United Nations Forces. If there would be unanimous consent, perhaps I could table those Orders in Council at this time.

Some Hon. Members: Agreed.

• (1610)

What is at issue here? Why did Canada agree to send troops on this mission? Let me, first, report on how events have developed.

On July 21, an informal approach was made to Canada by the Secretary General of the United Nations, Perez de Cuéllar. He wanted to determine our willingness to participate in a peacekeeping operation, if it was possible to negotiate a cease- fire. The Secretary of State for External Affairs (Mr. Clark) and I responded that, if Canada were approached formally, we hoped that a positive response could be made.

On August 9, during the recent parliamentary recess, following the most commendable and successful efforts of the Secretary General, we were indeed approached formally. The Secretary of State for External Affairs and I responded on behalf of the Government that, in keeping with Canada's long established traditions, we would participate in the United Nations Iran-Iraq Military Observer Group, or UNIIMOG, and provide, on a temporary basis, sufficient military signals personnel to satisfy the total requirement of the United Nations force. These signals experts will take up the total signals responsibilities along a 1,200 kilometre frontier. It is a heavy responsibility, but it is one that will be done exceptionally well.

Last Saturday the Iranian and Iraqi armed forces implemented a cease-fire ending eight years of bloody fighting between those two countries. Great losses were sustained, not only among the opposing forces, but also among the civilian population. Our best estimate is that over one million people have been killed in what must surely have been one of the longest and bloodiest conflicts of this century. In the course of this war, peaceful navigation and trade were disrupted in the Persian Gulf, leading to the intervention of western naval forces. This, in turn, gave rise to fears of a possible superpower conflict. Now finally an opportunity exists to resolve this conflict by peaceful means.

Between those two hostile armies, in what was only recently a battlefield, the unarmed United Nations observers will interpose themselves and monitor the pullback operations and the cease-fire. Negotiation of a comprehensive settlement of the underlying issues in the conflict will begin in Geneva tomorrow.

In response to the United Nations request we immediately selected 15 Canadian Forces officers to join a total observation force of 330 from 24 countries, including NATO, Warsaw Pact, neutral, and non-aligned states. The Security Council approved the mandate of the observer group for a six-month period with the option of renewal. If observers are still required beyond that time, a further request would have to be made to the participating countries.

Because of Canada's recognized experience and expertise in supplying communications support to peacekeeping operations, we have sent 500 officers and men, in addition to our 15 observers, to take up positions in both Iran and Iraq. The United Nations has committed itself to replacing our signallers and their equipment with United Nations civilians as soon as an appropriate force can be raised and trained. We expect that the civilianization of the communications elements can be accomplished well within the next year. We will press for the replacement of these troops, who form by far the largest portion of our contingent, at the earliest possible moment, so that they can return to their regular duties.

I am proud to tell the House that our contingent includes Reservists who will be working alongside the regular force members. Indeed, it is the first time that Reservists have been sent into a peacekeeping operation as part of the first wave. The House will know that last year I authorized the posting of an additional 60 Reservists to our peacekeeping forces in Cyprus, and they have acquitted themselves exceptionally well in this theatre. Our increasing use of Reservists in the mainstream activities of the Canadian Forces underscores the vital role they play, and demonstrates that the total force concept, which will give us a fully-integrated military, is proceeding well.

We recognize that this deployment entails risks for members of the Canadian Forces. We have carefully weighed those risks. Our soldiers who have accepted this challenge understand the danger. We believe, as do our military authorities, that they are acceptable in light of what is at stake. As I have already stated, the cease-fire is holding. Should hostilities recommence, however, our troops will be withdrawn at the earliest opportunity.

[*Translation*]

According to United Nations guidelines, officers acting as observers are unarmed. However, for the purposes of self-protection, the signals experts are provided with the new Canadian rifle. To avoid hazardous situations, such as land mines, our troops will take the usual precautions and, as far as possible, travel only on the main roads. When they do not, they will be guided by a vehicle from the host country. As a rule, the Canadian signals experts will be posted behind the front lines, and only officers acting as observers will patrol the front. The host countries will provide liaison officers and will look after the safety of our troops.

[*English*]

I want to turn to an issue that often arises when we undertake peacekeeping activities. The Department of National Defence is proud of its policy against discrimination on the basis of religious beliefs, colour, creed, and sex. This has been clearly demonstrated by the Government's policy toward women in the Canadian forces. Since I have been Minister, I have expanded employment opportunities for women both in the variety of occupations and in the type of units in which they may work.

Some Hon. Members: Hear, hear!

Mr. Beatty: At this time we have female Canadian Armed Forces members serving in the Sinai in Cyprus. However, we face a difficult choice when agreeing to participate in a peacekeeping operation such as the one in Iran and Iraq. The acceptability of Canada, together with the 23 other nations, to the peacekeeping mission is contingent upon being seen as completely impartial, and as being seen as not in contradiction with local customs.

United Nations practice is to respect the traditions, customs, and religious practices and beliefs of host countries where United Nations peacekeeping forces are deployed.

The U.N. expects countries participating in its operations to respect this position. While we will abide by United Nations practice, we will also make it clear that Canadian policy is to ensure that our Canadian Armed Forces reflect the social fabric of Canada. The goal of Canadian observers is to assist in any way possible to end the senseless killing and to help to promote peace. Our choice in this case is very simple. It is either to respect the host country's views regarding the make-up of the peacekeeping forces or refuse to participate and allow the killing to continue. I stressed this fact when the United Nations first approached us, particularly with regard to our signals experts. The United Nations said that Canada was the only country it knew of capable of fulfilling this function. Had we not been prepared to send our troops we might very well have seen hostilities continue. We believe that, if we can help to end a war that has taken a million lives, that must be our priority.

I want to mention another issue that is of great importance to us. You will recall that the Department of National Defence has recently been criticized for its work to improve devices used by our forces to protect themselves against chemical and biological warfare. That work is strictly defensive in nature, and we continue to press for a complete ban world-wide on chemical and biological weapons. But, until that day arrives, sending Canadian peacekeepers into an area where chemical agents have been used underscores the need for the Canadian Forces to be prepared to work in a chemical warfare environment and, in particular, it underscores the need for our research establishments to develop even more effective devices to protect our personnel.

Putting this in the simplest possible terms, if we did not have adequate training for our Canadian Forces personnel, and if we did not have adequate equipment of a defensive nature for our Canadian Forces personnel, we would not have been able to deploy our troops to this region where chemical agents have been used. It would not further the cause of peace to have us unable to send Canadian troops to this region. That is why this work is so important for Canada. I can report to the House that we have issued chemical detection devices, gas masks, and protective clothing to our troops.

[*Translation*]

As announced, the deployment of our forces was without incident. Occasionally deployment in the border zone raised some problems, for instance with respect to the carrying of weapons, and all military peace-keeping personnel were required to carry passports issued by their country of origin. These problems have now been dealt with, and we expect our peace-keeping forces will soon be in place throughout the region. Between now and August 28, we expect all our troops to be at their post, as planned.

[*English*]

Let me underscore this fact for the House. We expect that in any case where peacekeeping troops are being asked to move into a region on very short notice there will obviously be transitional difficulties. I am informed by the Chief of the Defence Staff that our ability to get our troops and equipment in place and operating effectively has been as good in this instance as ever before in any Canadian peacekeeping operation that we have participated in. It is a credit to the Canadian troops and to all of those in the United Nations and to the host countries, that such success has been realized.

• (1620)

Our target of our troops in place and operational is August 28. We expect that our troops will be in place and that the vast

bulk of our equipment will be there and functioning at that time.

I might also indicate that while there have been problems—and I have indicated that earlier—we expected that there would be problems from time to time as such an operation took place.

We see a willingness on the part of both Iran and Iraq to see the cease-fire work. We have received co-operation from both sides, which has facilitated our work, and we are grateful for that.

[*Translation*]

Mr. Speaker, those were the salient points. As such, they do not give us a very accurate picture of the magnitude and importance of the enterprise in which we have become engaged.

[*English*]

Why is it important that Canadian troops participate? Why do we send Canadians abroad for extended periods to serve in situations which clearly entail some risk? In the White Paper which I tabled in this House a little over a year ago, I pointed out that regional instability and conflict have caused enormous human suffering and posed serious risks to the world community.

What better example could we find in the conflict that is raised between Iran and Iraq for over eight years at a cost of more than a million dead?

Could we ever find a better example of a conflict crying out for peacekeeping and resolving disputes by peaceful means?

There are, I know, those who do not share this view. Iran and Iraq have been dismissed as "lunatic countries" and it has been suggested that we should be staying at home, safe and sound, far from danger. I do not share that view and I believe that neither this House nor the Canadian people as a whole would have us shrink from a challenge so worth accepting. We in Canada are not among those who would write off peoples and nations less favoured than ourselves.

The House will recall that White Paper identified the peaceful settlement of disputes as one of the three pillars of Canadian security policy. We described peacekeeping as the vehicle by which the Canadian Forces contribute to that objective. It is an area in which Canada is uniquely positioned to make a contribution. We are not a superpower, but we operate sophisticated military equipment and our forces are highly professional. We are not a colonial power and are, therefore, acceptable throughout the world. We have no vested interest. Our goal is simply to save lives and end human suffering.

This Government is intent on rebuilding the Canadians Forces. We are resolved, and it bears repeating here today, to increase our contribution to peacekeeping.

Last October, for example, we increased our contingent in Cyprus to offset the withdrawal of Swedish troops. More recently, we agreed to take part in the Observer Group in Afghanistan and Pakistan and increased the personnel assigned to the Multinational Force and Observers in the Sinai. With the commitment which we are discussing today, we are at a high-water mark in the history of Canadian peacekeeping. Only once before, in Korea, did we do more.

These efforts in UN peacekeeping are in addition to a wide range of Canadian Forces humanitarian activities which take us throughout the world. Whether it is delivering school supplies, clothing or food aid, in the Caribbean or elsewhere, or the airlift that is currently under way by Canadian Forces Hercules aircraft in Ethiopia, the Canadian Forces have dedicated their equipment and skills and training in their efforts to eliminate human suffering. It is a contribution for which all Canadians should be tremendously proud.

An Hon. Member: Hear, hear!

Mr. Beatty: Moving over 500 men, their vehicles and other related equipment across the world into what was only recently a battlefield is certainly no easy task. It is being carried out with the skill and professionalism that we take for granted in the Canadian Forces. We can but admire the way this operation has been conducted.

I am confident that the members of the Canadian Forces that we have committed to this endeavour will acquit themselves with credit, as they have done so often before in other peacekeeping operations. I am also certain that they will contribute greatly to the peace process which began in Iran and Iraq with the cease-fire of August 20.

As I mentioned earlier, there is another important group that is also making sacrifices for the success of this mission. I refer, of course, to the families and loved ones of our peacekeepers. I know that sacrifices have already been made and many more will be made by service families. To them I promise three things: first, we will do everything that we can to ensure the safety of the troops. Second, we will work to bring them home as soon as possible, and, third, we will do everything that we can to assist the families of those serving abroad.

I have asked the Chief of the Defence Staff to join us today, both to represent the determination of all of the members of the Canadian Forces to see this mission through and also so that he can relay to our troops the wholehearted support and the best wishes of the House as they meet that challenge.

There is no higher calling that any soldier can receive than to be asked to promote peace and to end the suffering of those who have suffered for far too long. Our troops have answered the call, and Canadians stand united in offering them our admiration and respect in sending them our prayers for a safe return from a successful mission.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, we in the Official Opposition support the Canadian participation in this

fine initiative on the part of the United Nations. Reaching back to former Prime Minister Lester Pearson, we find ample evidence that Canadians believe in the United Nations, support initiatives in the defence of peace and are proud of Canada's involvement.

We welcome also the efforts and the continuation of Canada's effort in pressing hard for a ban on chemical warfare, a front on which Canada has been active for several decades.

In the case of the Iran-Iraq mission, our Canadian contingent consists of 498 individuals, including 370 communications personnel, 113 support personnel and 15 observers who will serve on the front. Considering the fact that the United Nations mission is of 850 people, drawn from 24 nations, Canada's contribution represents almost two-thirds of the total force.

This is Canada's sixteenth participation in a United Nations peacekeeping mission, and the task is to patrol a frontier 1,200 kilometres long and to observe that the two parties maintain the cease-fire agreed upon on August 8.

The Minister made reference to the one million casualties on both sides, and he also made reference to the disruption in the movement of ships and air traffic in the Persian Gulf. We regret, on this side of the House, that he made no reference to the recent and very tragic event of the U.S. navy shooting down a civilian passenger plane carrying the Iranian flag, which somehow represented a turning point for international global outrage as to what was happening in this area, and perhaps it was significant in bringing about the negotiations at the United Nations.

If we look to the past, we see that over the past 39 years Canada has participated in 15 peacekeeping missions involving 77,000 military personnel. Over the past 39 years, Canadian personnel went to Kashmir, Korea, Jerusalem, Lebanon, Zaire, New Guinea, Yemen, India, Pakistan, Egypt, the Dominican Republic, Cyprus, the Golan Heights and Afghanistan.

It is important to remember that in the performance of our international peacekeeping duty 78 Canadians have lost their lives and, in addition to that, 312 died in Korea. That represents our contribution until now. As to the future, it is anticipated that as many as 1,000 Canadian troops may be requested next year to oversee the cease-fire in Namibia. Other requests may follow, possibly to serve in Nicaragua, Kampuchea and in the western Sahara.

• (1630)

The Minister made a reference to the White Paper which, if looked at close range, merely affirms Canada's current commitment to international peacekeeping. The Minister of National Defence (Mr. Beatty) proposes that future peacekeeping requests be judged on a case by case basis. While doing that he confirms the mechanics of peacekeeping but does not address the policy of peacekeeping. The White Paper, in other words, fails to recognize the need for developing a more coherent and effective framework for United Nations intervention in regional conflicts so that peacekeeping forces are utilized effectively but not as an indefinite substitute to negotiated peace.

It is interesting to note as an over-all assessment to the White Paper what Professor Keating of the University of Alberta wrote through his following observation:

> The Conservative Government's White Paper is guided by a cold war image of the Soviet threat, a concentration on the instruments of warfare and a rather benign view of American military interests in the Arctic.

What is the Liberal approach? We believe that peacekeeping must be discussed in relation to peacemaking. Canada in this process, of course, could play a pivotal role as a founding member of the United Nations and a leading force behind the creation of the peacekeeping idea. From the very beginning and under the constant and passionate leadership of Canadians in our foreign service and subsequently that of former Prime Minister Lester Pearson, Canada has a special responsibility to reflect on this role and how it could be improved. A Liberal Government would play an active role in encouraging the United Nations to review its peacekeeping strategies with the objective of making them more effective, aware of the change also in the position taken recently by the Soviet Union which is now actively willing to support United Nations peacekeeping activities for the first time.

The Liberal Party has called for Canada to seek re-election to a seat on the Security Council in part as a means to facilitate this initiative. In addition, a Liberal Government will review its own peacekeeping policies in order to give them a better framework of principles and goals which are sensitive to current and emerging trends in regional conflict and the possibilities for resolving them.

Some 20 years ago in his book *Peace in the Family of Man* former Prime Minister Pearson concluded in a manner still relevant today:

> We must apply the science and art of politics to the affairs of the international community with the intensity of personal involvement that we give to domestic affairs.

That is an interesting linkage. He continued:

> In the past, conflicts have led to wars within national boundaries. But normally we don't go to war over such disputes. If we do, we call it civil war. We must reach the point where we consider war between countries as civil war.

I submit to you, Mr. Speaker, that Mr. Pearson was right then as he is right today because we are just beginning to consider war between two countries as a form of civil war affecting the global community, the entire international community.

This debate, which we welcome today, would be incomplete without looking at the United Nations in perspective. The late John Holmes, the former Under Secretary for External Affairs, in his lucid and incisive analysis of the United Nations entitled *The United Nations in Perspective* and published in

the series *Behind the Headlines* wrote the following interesting thoughts:

> A new United Nations, if we could possibly build one, could not be very different in shape from the present one. In the meantime, however, the alternative would be anarchy, the naked clash of national wills, without institutions or rules in place to avert conflict. That was the situation that the great Hague peace conferences at the beginning of the century were intended to correct. The efforts at The Hague came too late to prevent the disaster of 1914, but the lesson was learned.
>
> Out of the First World War came the first try. Although the League was regarded as a failure, it was taken for granted throughout the Second World War that we would try again. The second effort is broader and deeper and has already lasted twice as long. There is no fast track to peace; it requires constant vigilance and invention.

In conclusion, we in the Liberal Party support Canadian participation in the United Nations Iran-Iraq Military Observers Group to observe the ceasefire between Iran and Iraq and hope that Canada's contribution to this international initiative will result in an end to hostilities and a lasting peace. This motion is consistent with the tradition and the history of the Liberal Party of Canada.

We wish our military group well and we hope that their mission will be crowned with success.

Mr. Derek Blackburn (Brant): Mr. Speaker, I rise today to participate in this debate with rather mixed emotions. On the one hand I and my Party are totally in agreement with the move the Government has made with respect to sending peacekeepers to that war-torn area of the world, Iran and Iraq. We support the Government's initiative and we also send our best wishes for a safe and speedy return to the Canadian soldiers serving there. We know they will acquit themselves with both confidence and distinction, but that goes without saying. That is the motherhood aspect of this motion today.

What confuses me or makes me somewhat angry is that we are here today debating a motion with which all three Parties are in agreement. There is no need really for a vote later on today and probably there will not be one when this same Government—I am not directing my anger at the Minister in this case but at the Government itself—closed down debate on the free trade Bill yesterday at report stage by using closure. It has on its plate right now the child care Bill, the broadcasting Bill and tax reform, all very major, contentious issues. All we hear on radio and television and read in the media these days is that the Opposition is somehow dragging out this session and preventing the Government from getting on with its legislative timetable. Yet, here this afternoon, the Government has seen fit to spend several hours, or what was supposed to have been several hours had we gotten started at three o'clock, debating this issue that is not contentious.

• (1640)

I think quite strongly that there is a deep reason for debating this matter this afternoon and that is to deflect public attention away from the very contentious issues in the Government's White Paper, the cold war rhetoric contained in it which relates more to the early 1950s than the to the 1980s and 1990s, and instead bring on a new, refreshing emphasis on the peace aspects of defence.

I agree with the Minister and with the spokesperson for the Liberal Party that Canada has indeed an enviable record in peacekeeping. I also want to stress that the New Democratic Party and its predecessor, the CCF, were very staunch supporters of peacekeeping long, long before Suez, going back to the late 1940s and the early 1950s. That is another reason why we do not quarrel at all with this initiative on the part of the Government.

We know that it would have been a terrible waste had we decided not to send our troops to the Iran-Iraq area, considering how well trained they are, considering the fact that they are experts in communications, and considering the fact that Canadian troops and Canada are highly regarded throughout the world. I will not say it is refreshing, because no one really likes the idea of sending troops to a potentially dangerous area of the world, although we know it is a duty and a responsibility to do so, but I think it is particularly gratifying that Canada was called upon and that Canada has responded in a positive fashion. Had we not, we would have been letting down not only ourselves but, more important, the United Nations.

It is nice to see a revitalization, and I hope it is a genuine one, in respect for the United Nations, respect which has been sadly lacking for the last 10 or 15 years during which superpower politics have dominated the world stage. Here is a golden opportunity for middle powers such as Canada, with the United Nations, to re-enter the international field and to declare to the world that the future of mankind does not and should not depend on decisions taken in Moscow and Washington alone but that we are all members of the world community and we all have a contribution to make toward world peace and keeping world peace.

I mentioned a moment ago that I suspect very strongly that the real impetus behind debating this motion today was to deflect public opinion away from the more controversial aspect of the government White Paper. For a long time now, the nuclear-powered submarine program has been at the forefront of criticism. There are those who are very strongly for it, such as government Members, and there are those who are very strongly opposed to it, such as members of the two opposition Parties, and there is also a split in the academic community and in the general community.

I have another regret. Today we are discussing a motherhood issue dealing with the Canadian military and its capabilities, but we have never had an opportunity to debate fully in the House the government White Paper. That White Paper was introduced some 14 months ago and we have yet to have a full-fledged debate on a Canadian defence policy. I think that is regrettable. I suspect one of the reasons we have not debated it is that, in addition to the nuclear-powered submarine issue, there is another major issue in the White Paper, namely, the total force concept or total force approach to increasing and expanding the Canadian Armed Forces.

Very few people in Canada fully appreciate that according to some experts who have done some arithmetic, it would cost the Canadian taxpayers, to complete that total force concept and put it into practice, not $8 billion as the Government alleges the nuclear-powered submarines will cost, but $27 billion over 15 years. I would hope that the Minister would someday give us an opportunity to debate in full the government White Paper so that the people of Canada will have an opportunity to know what the three Parties think about that White Paper.

The motion before us reads:

> That this House supports Canadian participation in the United Nations Iran/Iraq Military Observers Group (UNIIMOG) to observe the ceasefire between Iran and Iraq and hopes that Canada's contribution to this international initiative will result in an end to hostilities and a lasting peace.

I have already risen in the House briefly to put on the record my Party's thoughts on this issue, so today we are just a little bit late in debating the peacekeeping force. I want to reiterate right now what I said the other day to put in context my remarks of this afternoon. A few days ago, I said:

> Mr. Speaker, this party has always been a strong advocate of the United Nations and its peacekeeping role. That's why I'm very happy that Canada is taking part in the peacekeeping force that's on its way to the Persian Gulf. And I'd like to offer my party's official support for this action. We can only enhance Canada's international reputation as a peaceful nation by helping to supervise the ceasefire between Iran and Iraq. We all hope this will also contribute to the final resolution of this conflict. It might even show other troubled nations that there is a way to resolve their differences peacefully. And it will surely strengthen the role of the United Nations in resolving international disputes.
>
> I wish our troops well. May they have a safe trip and, more importantly, a speedy return. Of course, that depends on Iran and Iraq. They must show the world that they are willing to resolve their differences peacefully. A ceasefire is better than war. But it's not enough. The world needs a lasting peace in this troubled region.

There is no doubt, as far as the New Democratic Party is concerned, that the move made by the Minister and the Government is completely acceptable to us. I suppose I could add one proviso, and that is that I sincerely hope that our presence there will not, if it is extended too long, become a part of the problem rather than the resolution of the problem. That is always a danger involved in peacekeeping, although I am not blaming anyone at this point.

For example, I firmly believe that we should remain in Cyprus. It is an extremely volatile island. I do not know if they will ever resolve their problems, quite frankly. However, it would appear that our presence there along with that of the other U.N. units has, over the years, become part of the problem. We have been responsible, unwittingly, for extending the problem without really having an opportunity to put pressure on the two sides to come to a resolution. As long as we are there, the two sides in Cyprus can say: "Well, at least we are safe, we are not shooting at each other, so let us continue, disunited, and at each other's throats figuratively speaking".

I might add that I was the only representative of the three Parties in the House to make the statement that I just quoted that day. One wonders why, if the Government thought the matter was so important, we did not have this debate two weeks ago when the peacekeeping force was being put into place.

• (1650)

We should also consider what happened yesterday in the House, and I have already alluded to that. The Government just rammed its omnibus trade Bill through report stage. In fact, it used time allocation, commonly referred to as closure, to limit debate. It plans to give us just two more days to speak on the most controversial issue facing Canadians. By the Prime Minister's own admission, it is the most important single piece of legislation ever to come before any Canadian Parliament. The Government says it cannot afford to give us any more time. Yet it has a whole day to devote to this motion. One has to ask why, although I think in my opening remarks I addressed that issue, or at least gave my opinion on it. I also mentioned child care and other Bills such as the Broadcasting Act and so on which are being held up and which I think deserve immediate attention.

For days in advance everyone knew Canada was going to participate in the Iran-Iraq peacekeeping force. It was on every news broadcast and in every newspaper in the country. Yet the Minister had to schedule a big press conference to get his face on television. In fact, he interrupted his vacation to fly back and get in on the act. He even arranged to fly the press corps to Petawawa to get the right visual backdrop for the TV cameras. However, he did not count on the weather. That cancelled his flying circus. Instead of just releasing the details, he rescheduled the whole event in Ottawa and kept his officials and the media waiting until he arrived. Then he told everyone what they already knew: Mission accomplished. It sounds like a Keystone Cops farce but it shows how desperate the Government is becoming.

Mr. Turner (Ottawa—Carleton): Do you never take the high road?

Mr. Blackburn (Brant): As politicians in this House we like to get on television as much as anyone.

Mr. Mayer: We are looking at the farce right now standing up in the House.

Mr. Blackburn (Brant): On an issue like this could it not have been left up to the military to handle the public relations?

Mr. Turner (Ottawa—Carleton): You are a joke.

Mr. Blackburn (Brant): Would it not have been acceptable to the people of Canada to have senior military personnel make the announcement and officially wish the troops good luck and Godspeed without making a big television extravaganza out of the whole thing?

The Government is desperate to get out of the hole it dug with its White Paper on national defence. Canadians were embarrassed by the White Paper's cold war rhetoric and

expensive schemes like the nuclear powered submarine program. It looks as though the subs have been put on the back-burner, at least for the time being, and maybe forever. We do not know. However, I want to take this opportunity to underline the Government's philosophy and show how far out of touch it is with the reality of the thinking in this country today.

The Conservative White Paper said "Canadian security policy must respond to an international environment dominated by the rivalry between East and West. These two groups of nations, each led by a superpower, are in conflict". It went on from there, but I will not quote at length. The Conservatives are still locked in the cold war. Meanwhile, Canadians have left the Conservatives behind in their thinking. They realize the world is constantly changing. For instance, a poll just released the other day shows that most Canadians see the conflict between the superpowers as the greatest threat to their security. The Conservative philosophy does not fit.

Neither does the Conservative cold war have any relevance to peacekeeping. I am tempted to ask: Which side of the cold war are we on in Iran and Iraq? The fact is that Canadians do not want their Government to choose sides and heighten international conflict. They want Canada to be the honest broker working for international peace. That clearly is not a priority with the Government. In fact, if you look at the Government's White Paper you will see that the Conservatives devoted just four paragraphs out of an 89-page document to peacekeeping. That shows you that support for the UN and peacekeeping really is not important to the Government, at least not at the time the White Paper was put together.

Canadians have rejected the Conservative cold war vision of the world, and the Minister knows it. Now he is on his own little media campaign to try to tie his Government's image to peacekeeping. Otherwise, why are we not debating the submarine program here in the House? Why are we not debating the total force structure program here in the House? Both of those issues are contentious. I am not saying the programs are totally wrong. I am not saying they are totally right. I am asking why we are not having a Commons debate so Members can stand up and express their views on these very contentious aspects of the Government's White Paper? Canadians are not going to buy this kind of smoke-screen. They know what the Government believes and this little debate is not going to change their minds.

I would like to point out that my Party has been consistent in its support for peacekeeping and the UN. I would like to contrast our position with that of the Conservative Party by quoting from our policy document *Canada's Stake in Common Security*. It reads: "Canada's primary responsibility in its own defence is to contribute to the development of a just international order. The role of the United Nations is central to this process".

It is in that spirit that I am proud to repeat my Party's support for Canada's participation in the observer force being set up between Iran and Iraq. I would like to see this country doing more of this kind of operation. In fact, I have called for Canada to have forces which might be better structured to respond to international calls for assistance. Some people do not like that idea, but I think Canada's participation in this force shows there is an important role for it to play. There is a need for a highly mobile force which can quickly deploy to trouble spots around the world. It helps the cause of peace. It also strengthens the role of the United Nations. I firmly believe that if the world is ever going to pull back from the brink of destruction it will take a concerted international effort. That is a multinational effort, not just a superpower effort. The mechanism to co-ordinate this effort should be the UN.

I might add that all member nations of the UN, including Canada, are going to have to push for this development. They are going to have to get away from the bi-polar cold war mentality that the Government's White Paper exemplifies. In order to take on an expanded role, the UN is going to have to demonstrate that it can be effective in resolving conflicts between nations. Peacekeeping demonstrates effectiveness. That is why I am pleased to support this motion on its substance, not as a public relations exercise. My Party has supported peacekeeping in the past. It supports the effort in Iran and Iraq. I hope we will have the opportunity to support more of these types of contributions in the future if, when and where they are needed. Peacekeeping is really one of the most important contributions Canada can make in the world today.

I would much rather see our defence dollars spent in a much more cost effective way for peace rather than structuring this total force program which the Minister introduced through his White Paper. It will be extremely costly and it is not geared for peacekeeping. The total force concept is tied into our commitment, I think a very unwise commitment, to the central flank in Europe. That is what is driving the cost. If we were not committed to establishing and maintaining a miniaturized German army or French army or British army on the central flank in Europe, we would not need the vast expenditures for new armour to replace the Leopard I tanks, or for new or better or more motorized artillery and all the other big ticket items that go into the total package of $27 billion.

Why not redirect our energy and our resources, both human and material, toward highly specialized and very effective defensive postures such as peacekeeping and the northern flank and our connection to Norway? To me that is much more credible than what we are trying to do here. Under the White Paper we are trying, quite frankly, to take on too many commitments and spread ourselves too thin at a tremendous cost.

• (1700)

In conclusion, we wish the Canadian troops safety. We know they will be effective. We know they will do us proud. We hope they will be back home as soon as is practically possible.

Ms. Copps: Mr. Speaker, in light of the Hon. Member's strong support of the work of the peacekeeping force, have he and his Party reconsidered their decision to pull out of NATO?

Mr. Blackburn (Brant): Mr. Speaker, I fail to see either the logic or the substantive relationship between NATO and peacekeeping. We are in Cyprus—

Mr. Turner (Ottawa—Carleton): You don't understand one thing about defence.

Mr. Blackburn (Brant): Just cool it. We know you are in trouble in your constituency here in Ottawa, so just cool it.

We are in Cyprus and we are in the Middle East. As far as I know, the Golan Heights is not in NATO, and as far as I know, Syria and Israel are not part of NATO. We are there to keep the peace. What that has to do with being in or out of NATO boggles the imagination.

I thank the Member for drawing this point to my attention. If some day we could disengage from these secret military alliances and their tremendously heavy expenditures we could afford to do more peacekeeping, perhaps in southern Africa, Central America, and so on. We would be freer to act with dispatch. We would have the resources and would not be tied down to any secret entangling military alliance. I do not see the logical relationship in that question.

Mr. Mayer: Mr. Speaker, I would like to make a brief comment. I have been in the House for nine years and have had occasion in the past to spend some time with the Hon. Member for Brant (Mr. Blackburn). I have always regarded him as one of the better parliamentarians in the House. I listen to his speeches with a considerable amount of interest because I believe, as does everyone who has had an opportunity to listen to him in the past, that many of the things he has had to say are well thought out and contain a lot of reason and common sense.

I therefore find it very strange today that he uses such vindictive tones and is so mean-spirited in his comments in the House today. I find that totally out of character for the Hon. Member for Brant that I have come to know, especially on such a non-partisan issue. As he said in his speech, we all wish the very best for our troops. They are performing a function which is very desirable in the world and I find it very unfortunate that the Hon. Member should use such a nasty tone in his remarks and impute motives to the Government and the Minister which are totally out of the context of what we are discussing and, above all, out of context with the Hon. Member that I have come to know.

Mr. Blackburn (Brant): Mr. Speaker, I am angry because we have been waiting for over a year to have a full-fledged debate on the Department of National Defence in the House—not in committee, but here in the House. We have been waiting for that for 14 months now. That White Paper is fraught with all kinds of contentious, argumentative issues.

After waiting 14 months, we have a motion before the House with which no one could disagree. We have a motherhood issue, as I have repeated many times, with which we are all in agreement. In fact, earlier today the Government wanted a vote on this motion in order to dress up its image. The Government suddenly realizes that peace is breaking out and it wants to bury the cold war jargon and rhetoric which was in that paper. The Members of the New Democratic Party are not going to let the people forget that. There is no question in my mind that that is the motive for this motion today. Why wouldn't I be angry?

Incidentally, I take the Minister's earlier statements to heart and I thank him for them. I will respond in kind. I have a great deal of respect for him. I have a great deal of respect for the Minister of National Defence (Mr. Beatty). I only wish that we could have a real debate in this House on the whole defence issue. We are coming close to an election and I think the people of Canada are entitled to that kind of debate.

Today is the only opportunity I have had with the Minister in the House, since the initial response to the introduction of the White Paper, to put some of these criticisms on the record. That is why I am hot under the collar. I am not very pleased with the way in which this motion has been brought forward as if it were the only defence policy on the Government's books at this time.

Mr. Beatty: Mr. Speaker, it was not my intention to intervene on questions and comments, but I think that it may be appropriate that I do so briefly in order to explain again the motive of the Government in moving this motion.

The Government has committed some 500 troops to service outside of Canada, service which is potentially hazardous.

Mr. Benjamin: So?

Mr. Beatty: The Hon. Member says "so?".

Mr. Benjamin: Everybody agrees.

Mr. Beatty: I think it is of interest to Members of Parliament when a commitment like that is made. Indeed, dating back to the time of Louis St. Laurent when a commitment was made to send troops, under the auspices of the United Nations, to Korea, an undertaking was given that when major commitments of this nature were made the House of Commons would be informed and would have a chance to give its approval.

Frankly, I am astonished that all Members of Parliament would not have welcomed an opportunity to be consulted with regard to an engagement such this which involves the commitment of Canadian troops abroad. I am also surprised that they have not approached this discussion on a level considerably higher than that which we have heard.

We have been accused by the hon. gentleman of being partisan. The only mean-spiritedness and partisanship which we have heard today has not come from this side of the House. I counsel other Hon. Members in their interventions today to

get back to the subject. We have a major new commitment which will enable us to promote peace in an area of the world which has been racked by war. We have an obligation as Members of Parliament to examine the commitment, to express ourselves fully and openly on this issue and to eschew partisanship for a change.

I do not find it disturbing that this is a partisan forum. However, there are some issues which should be above partisanship and above exploitation. I hope that all Members of this House who participate in this debate today will avail themselves of the opportunity to put their views on the record in a way which brings credit to this institution.

Mr. Nunziata: Mr. Speaker, in debate the Hon. Member for Brant (Mr. Blackburn) indicated that he was looking for a real debate on the White Paper. Yet, when asked by my colleague, the Hon. Member for Hamilton East (Ms. Copps), he refused to elaborate on his Party's position on NATO. I find that somewhat inconsistent with his statement that he wanted a full and complete debate. He was critical of the Government for not providing the opportunity to debate defence policy, yet when asked about his Party's own defence policy he seemed to shy away. Very simply, why is the Member so ashamed of his Party's position on defence?

Mr. Blackburn (Brant): Mr. Speaker, I did answer the question, as a matter of fact, but I will respond again. It is the policy of my Party, which policy was introduced, debated, and passed by a series of conventions, not hatched in the back rooms as the policy of the Liberal Party is so often written, to eventually, if we form the Government, withdraw from NATO. No one has hidden that. In fact, we are very proud of that policy.

We have said that if we form the next Government we will not discuss or negotiate a withdrawal from NATO in the first Parliament. If we are re-elected in a subsequent—not the subsequent but a subsequent—Parliament—and that is right there in black and white, all one need do is read it, it's been out there since April in our policy paper—we would begin discussions and then negotiations for the ultimate withdrawal of Canada from NATO provided that at the time of the discussions we would not be upsetting the military balance between NATO and the Warsaw Pact. We would hope that our example would encourage others. That is the one track.

The other track is that we would maintain a strong and viable defence. In fact, whenever it has the opportunity the Government accuses the NDP of promoting a defence policy that is more expensive than theirs, which is absolutely wrong.

• (1710)

We are not soft on defence. We are simply saying that eventually, in order to maintain peace in Europe, we will have to develop a better system than simply massive retaliation. That is why we call upon the nations of Europe to begin to work toward the implementation and application of a co-operative and common security.

[*Translation*]

Hon. Monique Landry (Minister for External Relations): Mr. Speaker, I welcome this opportunity to support the motion now before the House. First of all, I would like to expand on what was said by the Minister of National Defence (Mr. Beatty) regarding my Government's desire to unreservedly support this peace keeping mission, namely that this exercise is in line with the many recommendations contained in the White Paper on Defence published in 1987.

Mr. Speaker, according to the White Paper, we feel that the deployment of our armed forces under the auspices of the United Nations or other international organizations, for the purpose of peacekeeping or cease-fire surveillance, serves our own national interests as well as those of the world as a whole. I am sure that my colleagues share this view. That is why on October 1987, we agreed to reinforce our contingent in Cyprus to compensate for the withdrawal of Swedish troops. For the same reason we more recently agreed to join the group of military observers in Afghanistan and Pakistan. And for that very same reason, we did not hesitate to accede to the request of the Secretary General of the United Nations that we participate in the UN Iran-Iraq operation.

We are certainly not rushing blindly into this undertaking. In fact, every operation is considered very objectively. Before the Government agrees to participate, it must establish that the operation is in line with the policies set forth in the White Paper. In this case as in others, the Government made its decision after considering to what extent the Iran-Iraq situation met the following criteria:

First of all, is there a clear and feasible mandate? It is obvious that the two warring factions agreed with the Secretary General on the UN's mandate, which is to supervise the cease-fire so that negotiations can be initiated with a view to a final settlement.

Second, will the principal adversaries, having agreed to a cease-fire, also agree to have Canada take part in the operation? Here again, Mr. Speaker, the answer is yes.

Third, is this operation likely to serve the cause of peace and to lead to a long-term political settlement? Mr. Speaker, there is no doubt that violent, bitter and costly massacres and battles have ceased, and we hope for good. Furthermore, negotiations between the two countries are to start tomorrow, August 25, in Geneva. We cannot, of course, anticipate the outcome of these negotiations, but we can only hope that the outcome will be positive.

Fourth, we try to find out whether the size and international structure of the Force are appropriate to fulfil the mandate it has been given, and whether our participation in peacekeeping forces will in any way harm Canada's relations with other countries. Having heard what the Minister of National Defence (Mr. Beatty) said on this subject, Mr. Speaker, the House will not doubt that this condition has also been met.

Fifth, what we must keep in mind is whether our participation in a particular peacekeeping mission could hurt possible future commitments by Canada. Some of you may be wondering whether we would still be able to fulfil other commitments, given that such a large number of our communications specialists are taking part in this United Nations operation. The answer is yes, Mr. Speaker. Indeed, we have made a very great effort and we also participate in other peacekeeping missions. However, these efforts might limit our ability to accede in the immediate future to a request for peacekeeping forces on the same scale.

Therefore, to meet additional requests, we will have to ensure that United Nations requests for our assistance are as varied as possible. Furthermore, the Government has been careful to make sure that our considerable effort for peace between Iran and Iraq will not prevent us from meeting our other peacetime commitments.

The sixth point that the Government considered before deciding to participate is whether there is an identifiable authority that can support the operation and influence the opponents. In this case, of course, the United Nations is such an authority and it has the support of the Security Council and almost all member countries.

Finally, Mr. Speaker, we must know whether our participation will be adequately and fairly funded and whether the necessary logistic support will be provided. I believe that I can tell the House that the United Nations is seriously attending to this. In addition, Canadian troops will have all the logistic support that my Government is able to provide them.

I believe that I have shown you, Mr. Speaker, that the support given by Members of this House to Canada's participation in this United Nations mission is justified. This participation is based on an objective analysis of the situation and of the results that will likely flow from our efforts.

So, Mr. Speaker, I have no hesitation in supporting the resolution before the House and in urging Hon. Members to do the same without reservation.

[*English*]

Mr. Keeper: Mr. Speaker, I want to remind the Canadians that today we are dealing with a resolution which states:

> That this House supports Canadian participation in the United Nations Iran/Iraq Military Observers Group (UNIIMOG) to observe the ceasefire between Iran and Iraq and hopes that Canada's contribution to this international initiative will result in an end to hostilities and a lasting peace.

I am sure all Members of the House applaud that resolution and the fact that there are discussions taking place in that area of the world. I am sure all Members applaud the fact that Canada can play a constructive part in this endeavour.

One of the sad facts about being a member of the human race is that so much of the resources of nations go toward military activity when these resources are so badly needed for human development and greater justice between the poor nations of this world and the rich nations, of which we are one.

This peacekeeping activity on behalf of Canada is a sign of hope. It is a light in the darkness, showing that there is a possibility to transform the way in which we deal with conflicts in the world. Rather than having to deal with conflicts through violence, we can do it through diplomatic means. Soldiers, who are very necessary in the kind of world we live in today, can be changed into policemen so we can have a world in which people, metaphorically speaking, can walk the streets of this planet with a sense of safety.

• (1720)

I just want to indicate that I think we all should applaud the fact that we have an opportunity as a nation to put some of our resources into a peacekeeping function which can bring some hope that there is a better way of doing things. I must note at this time that it was at the initiative of a Canadian Government and a Canadian Prime Minister that the whole process of peacekeeping on this planet was started. That was, of course, the initiative of former Prime Minister Lester Pearson. He was a Liberal, and I must acknowledge that in the past the Liberal Party has done a number of good things, and that is one of them. I do not want to be partisan about this. I just want to say that this is a beacon of hope for mankind, for the human race. There was a conflict in which we could see no possibility of resolution, but now Canadians are playing their part to help bring about stability and peace to the area.

[*Translation*]

Mrs. Landry: Mr. Speaker, in response to the comments of my colleague I might say that the general feeling is that the people of Canada, the Government and all Members of the House are proud of our country's peacekeeping role. Indeed, ever since our Government took office, we have been firmly committed to promote worldwide peace.

Of course the Hon. Member has indicated that we should also make a concerted effort to foster development. In that respect, as Minister responsible for CIDA I am proud of the commitments made by our Government to support the development of third-world nations. I would suggest that our positions have something in common, in the sense that we all seek to restore peace and stability throughout the world and come to the assistance of poorer nations.

[*English*]

Mr. Nunziata: Mr. Speaker, during his speech, the Minister indicated that not only would the troops be taken care of but that the families of the troops would be taken care of. I find that statement somewhat strange. On June 20 of this year six military personnel were killed in an accident at CFB Chilliwack. Members will recall there was a premature explosion of plastic explosives. One of those who were killed was Lieutenant Dennis Aucoin. His parents lived in New Brunswick and requested the military to pay their airfare so they could attend their son's funeral. The military refused to pay the airfare of the parents so that they could go to the funeral of their son. My constituent happens to be the sister of one of the deceased. So I find it somewhat odd that the Minister

could stand and say he would take care of the families of the troops when not so long ago—

Mr. Deputy Speaker: Order, please. The questions and comments, as the Hon. Member knows, must be on the speech of the Minister of External Relations (Mrs. Landry), not the first Minister who spoke.

Mr. Nunziata: Can she explain why her Government refused to pay airfare for the parents to attend—

Mr. Deputy Speaker: I believe that question is not in order. Resuming debate.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I rise with a great deal of pride as a Canadian, one who has always supported very sincerely the efforts of the Canadian Armed Forces, along with my own Party, in the useful role they play not only nationally but internationally. I think that quite often the image of the Armed Forces is misconstrued. When we talk about the Canadian military community, people have a tendency to think only of getting ready for a war or getting ready for combat of some kind in some part of the world. It is looked upon as having serious rules and regulations that do not always apply in other areas of society. However, that is the reality of any defence community.

Any armed forces must have the solid backing of the Government and the people of the country they serve. They must have strong backing on issues such as the peacekeeping role they are presently playing in Iraq and Iran. That should be in keeping with the role, I would think, of all political Parties in this country and every Canadian citizen.

Through our Armed Forces, we as a nation, are playing an important role in bringing about peace in a war-torn part of the world. Sometimes people ask why we should be involved over there, why not let them go to it? That is an old fashioned way of looking at wars today. Battles going on anywhere in the world must be subdued. Every attempt must be made to keep them under control. Indeed, this battle in Iraq and Iran has not been a small one, particularly in the eyes of the people involved, and it is very important that we do our utmost to bring peace to that war-torn part of the world. By doing so, we will be preventing any spread of that war through accident.

When we review the wars that have started over the years of world history, we can see that many, many accidents have occurred which have been the cause of world wars even though the combatants have been prepared for war. It takes one incident to trigger the whole event.

I would like to say a word about this motion today simply because this is one of many important roles the Canadian Armed Forces have played in peacekeeping around the world. As has already been stated in this debate, peacekeeping on the part of the Canadian Armed Forces was introduced by the Right Hon. Louis St. Laurent, and one of its greatest proponents in international affairs was the late Hon. Lester B. Pearson who became a world renowned diplomat as a Canadian.

I must say something at this time in debate on behalf of the actual participants. I want to say that, living as I do three miles from the Canadian forces base gate at CFB Petawawa, I have a deep sense of pride in the way this whole operation has been put together. A number of dedicated officers formed a committee under a commanding officer and simply started putting certain roles into play. The Minister is in the House today and I am sure he would agree with me that an operation such as this is almost a miniature mobilization plan. A number of people came in from Calgary to join the group. There were approximately 350 personnel to start with at the base at Petawawa. Some 20 personnel came in from the Signals Corps at CFB Kingston. About 40 reserves came in from all across Canada, registered and were assimilated into the force.

• (1730)

There were others from many centres across Canada. In a matter of days these professional people in our Armed Forces put a number of troops together to be sent to a very important task in the Middle East, to observe the lines and the agreement that was laid down by the United Nations and signed by both Iraq and Iran. As observers and communications people on the scene, it is their job to report any infractions of the U.N. mandate as it has been laid down.

That says a great deal for the members of our Armed Forces and our communications role, that they should be chosen to communicate all those messages back to the U.N. and to co-ordinate the efforts of our Canadian peacekeeping troops as they go ahead in their role, working with other internationals. Only approximately 15 of our own Canadian troops are playing the role as observers. The rest are heavily involved in the communications side. Certainly, in an area of the world where communications are practically non-existent, it is an extremely important role for the Canadian Forces to take over.

When this whole operation was started, the manner in which those vehicles were put through a routine was almost like a major automobile company producing cars. A large number of trucks and jeeps were sent to the Middle East. Those vehicles were taken out of training action. They were put through a long building. In the first room they were screened and made ready for painting. They went into the next room to be painted, and when they came out at the far end of the building they were all painted white with the U.N. sign on them. It was a mass production job, and this was part of it.

Then there is the transportation of these vehicles. This does not only involve sending a number of people off to the Middle East. It involves other people here transporting those vehicles and putting them on to aircraft. In this case, many of the drivers went to the Middle East with the vehicle that they would be driving when they got there. All their papers had to be cleared and in order.

I want to say a word or two about publicity. Members of the Armed Forces were seen signing their wills before they left. I believe that that was very crass publicity. It was terrible, and I will tell you why, Mr. Speaker. Quite often when the military community have soldiers leave on military schemes, the CO has the right at any time to ask them if their personal effects are in order. They can check their wills when they leave the country on active duty, and they can check their wills when they go for active duty on peacekeeping. It is a normal routine.

The fact that this was a special move on peacekeeping in the Middle East, that so many media personnel zeroed in on this issue, added to the fear and concern felt by the families of the Armed Forces personnel that those families did not need. The head of the household is going off for a peacekeeping mission for a six-month period and at the end of that period we will see what happens then because it is a very important mission. However, it is important that those families also receive support.

That is another thing that has been put together by the administration on the bases. Mothers who are left at home with families and who do not have a means of going to the grocery store are being looked after. I believe that that story should be told. It is normal procedure for a military community to support its own people. Any questions that are raised in an opportunistic manner about that should be discredited. Those people are not only doing a job for this nation, they are also doing a job for many peoples in the world in their role as peacekeepers.

Many people will talk about the Koreas, Cyprus, and Suez in 1956, which was another very successful venture. There was another operation in the Middle East in 1974 and 1975 when 1,037 peacekeeping troops were in the Middle East. Most of those troops were stationed in Egypt at the time, but many were scattered throughout the Middle East.

In May, 1975, I had the opportunity of travelling to the Middle East. I spent approximately six days with the commanding officer of our Middle East forces. One thing that struck me as we travelled throughout the Middle East at that time was the respect shown to the Canadian forces by people of all nations.

We must remember when members of the Canadian Forces are abroad, they are among the best diplomats that we have in our government service. The Armed Forces are not supposed to be political. However, when members of the Armed Forces go abroad they are totally capable of dealing with nationals on an equal basis, because they learn the system before they go. They are always well briefed. They are also diplomats because they know how to deal with people. They relate to those people. Why? Because they are well briefed on the local situation, and they are well briefed on members of the other nations of the world with whom they will be serving.

As a communications group in the Middle East at the present time, our forces are sending the messages back to the United Nations, back to the national Governments of Iraq and Iran, and back to the commanding officers of the Iraqi and Iranian forces, on behalf of all the military personnel who are serving in the Middle East.

I have mentioned the roles of members of the Canadian Armed Forces politically, diplomatically. Their third role is as professional soldiers. Indeed, they are professional soldiers, and they can play their role well. They can make decisions when decisions have to be made. For this reason they are respected.

I observed our U.N. General go into peacekeeping headquarters in the Middle East. He was totally listened to and totally respected because he knew what he was doing and he knew his business. One morning when we were leaving Beirut at 4.30 a.m. to go to the airport we were stopped in the street by individuals who stuck a sub-machine gun in each car window. The general talked to the individuals, and they backed off and let us through. What a good relationship our troops have with other countries. It was as if nothing had happened; it was just part of their role and part of their duty.

On behalf of our people serving in the Middle East, and certainly on behalf of the people here at home who helped them get to the Middle East and who put this peacekeeping corps together, I want to say that our troops today are playing a traditional role for the Canadian nation that has been going on for several decades.

• (1740)

When we talk about the expenses of peacekeeping, there is one thing about which I am not clear. If the Minister is going to make a closing statement, maybe he could comment on it. I know that when we serviced our own troops in the beginning, we were not given credit for funds spent on the United Nations ledger. It is a good thing that we are serving our own troops in the Middle East because otherwise there would be too much bureaucracy, it would take too long to get the supplies to them, vehicles would be sitting there for weeks or months on end because supplies were not forthcoming as a result of the red tape they have to go through in the United Nations. However, I hope that Canada is receiving full credit in terms of the ledger books of the United Nations for the money spent on maintaining our force while it is there, because I think that is very important. That is really part of our realistic contribution as well.

I think that the key thing that we must all remember on an occasion such as this is that peacekeeping will cost us money. The United Nations will cost us money. But what is the price that the world may pay and that we may pay otherwise? We have been through several major wars in the world, and we know what price we had to pay. Peacekeeping is worth the price. As a nation that is looked upon as a middle power in the world, as one who has many friends all over the world, I do not think that there is a greater tribute that can be paid to our Canadian Armed Forces than for the Parliament of Canada to

say, "Thank you for your efforts and we wish you well", and to prove to them that we are solidly behind them in their mission.

Last week, I make a statement in this House, commenting on that very thing and saying that we all wish them well as they go about this very important task. Let us start looking at these people as being constructive. Let us look upon our Armed Forces not in the image of war or combat, but as having all the other qualities that they possess and put into practice.

Speaking on behalf of the Liberal Party—and I am sure at this time, remembering the efforts of previous Governments of Louis St. Laurent, Lester B. Pearson and so on—let us remember our forces in the Middle East and wish them every success and Godspeed. We know that they will do a good job on behalf of Canada, on behalf of the United Nations and, indeed, be a tremendous tribute to the world.

Mr. Benjamin: Mr. Speaker, I want to congratulate the Hon. Member who has just spoken and other Hon. Members. I want to begin my comment by saying that the *Bible* says, "Blessed is the peacemaker". I submit, and I think that this House would agree, that equally blessed is the peacekeeper.

I want to ask my hon. friend if he would care to comment, and I hope so will the next speaker, probably the Hon. Member for Victoria (Mr. McKinnon), on the continuing readiness of Canada in a peacekeeping and peacemaking role in our Armed Forces. I think there are 76 pages in the White Paper with four paragraphs about peacekeeping. It is a matter of the full-time maintenance of current equipment and the re-equipping of our Armed Forces in the area of communications and transport capacity. I have heard no dispute from the Minister or anybody else about the accuracy of news reports, that our people did not have their equipment, did not even have licence plates, in Iraq or Baghdad.

An Hon. Member: It has to be issued by the host country.

Mr. Benjamin: I hope that the Minister gave each of our personnel a pocketful of change to use the public telephone system, which they had to use in order to report back in the first couple of days on what it was that they were fighting. That just tells me that if the Minister, instead of sitting in his bathtub playing with model toy nuclear submarines, had spent as much time and attention on transport capacity and re-equipping our Armed Forces with the kind of communications expertise that we already have, those kinds of problems would not have occurred in the last few days. I would like to ask the Hon. Member if he would care to comment on that and also on whether or not, as one who walked the green line in Nicosia in 1973, with Greek and Turkish people on each side 20 feet away with fully loaded automatic weapons, the Canadian Forces were fully trusted and respected because we were perceived to be impartial peacekeepers.

It is a role that we can play in a big way. It is not with nuclear submarines. It is the kind of role that Canada can play because of the first-class reputation that we have had. I am proud of people like Tommy Douglas and Stanley Knowles, who, back in the 1950s and 1960s, supported those kinds of peacekeeping operations that we have been involved in.

It is overwhelming. Canadians have always supported our peacekeeping role. They do now and they will continue to do so. I would like my hon. friend to comment about our capacity in that role and whether or not it has been kept up. I would hope that my hon. friend from Victoria would comment on that as well.

Mr. Hopkins: Mr. Speaker, I do not buy the idea that communications and UN vehicles and so on were never in place for the Canadian Forces. As I mentioned in my own speech—

Mr. Benjamin: We did not have them ourselves.

Mr. Hopkins: —the ones that were not in place were the ones being maintained by the United Nations, because it took them about nine months to get repairs. That is why they were not in place.

To answer the Hon. Member's question, as I say, I do not buy the idea that everything was bad in the Armed Forces before this Government took over.

Mr. Benjamin: Who said that?

Mr. Hopkins: The modern communications system will allow the Canadian Armed Forces to communicate back home. They can communicate with the two Governments in Iraq and Iran. They can communicate with defence headquarters of those two countries. They can get back to the UN. That is why they are there, because they are good at communications and they can do the job.

As far as vehicles are concerned, I do not know whether it has been mentioned in this debate or not, but some of the vehicles that are going to be used could very well come from the Iraqian Armed Forces and some could come from the Iranian Armed Forces, because they were willing to give some of their vehicles over to the peacekeeping troops.

I think that says one solid thing. I would like to point this out to the Hon. Member for Regina East (Mr. Benjamin). These two countries are fed up with war. They had to get out of this war by saving face on both sides.

Canadians, having the qualities that I have just described, are ideal to be sent there, because they have to be seen to be putting the same emphasis on Tehran as they are putting on Baghdad, they are supposed to be seen as putting the same emphasis on Iranian problems as they do on Iraqian problems,and this is part of the diplomatic role. I think that as far as peacekeeping in general is concerned we are not all perfect. I think that we as Canadians should support more transport facilities to assist our Armed Forces in their peacekeeping duties. We should not be too hesitant in accepting help from other nations. After all that helps us out in getting our forces there.

• (1750)

Mr. Benjamin: I didn't ask that.

Mr. Hopkins: The Hon. Member asked me about modern communications.

Mr. Benjamin: Getting the equipment we need to have.

Mr. Hopkins: They have the equipment to operate, otherwise they would not be there. To me that is a very elementary question, Mr. Speaker. The Hon. Member asks: "Should we upgrade our communications?" Any Canadian Government or any parliament of any country worth its salt would say that we should always be trying to keep our communications in the Armed Forces up to date. If we are going to be serious about peacekeeping, we should put some emphasis on transport to get them there. We should be learning from our mobilization plans and, as I mentioned in my speech, this is a miniature mobilization plan.

Mr. Benjamin: You don't buy submarines, you buy transport.

Mr. Hopkins: I think we all have a great deal to learn from this. Far be it from me to defend the Government in this case, but a Liberal Government would never be seen to be sending troops abroad and giving them a role to play if they did not have the communication system, the vehicles, with which to work.

With that I think I have answered the questions of my hon. friend. Things will fall into place as the Canadian Forces are there for a few days. Everything will be running smoothly. One must appreciate that it does take a little while to settle in and get things working the way they want them to work.

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, in the few minutes I have available, first let me compliment the Hon. Member for Renfrew—Nipissing—Pembroke (Mr. Hopkins) on his speech. It was in the proper form and stuck to the subject quite well.

As for the Member for whom I have always had a great deal of respect, the Hon. Member for Brant (Mr. Blackburn), the kindest thing I can say about his speech is that it was disappointing. If he feels so keenly that he wants a debate on the White Paper, then I would suggest he speak to the other Member who participated in this debate today and wanted to talk about the White Paper and use one of the opposition days for that purpose. Alternatively, they might have talked their House Leader out of spending five or six days of the time of the House in answering bells he insisted on ringing to ensure that Private Members' Bills which were unanimously supported by the House were voted on.

I would like to bring to the attention of the House Canada's long-standing tradition in peacekeeping. We have been an active and committed member of the United Nations since its inception. We have made an important contribution to world stability by participating in virtually every one of these peacekeeping efforts. It is the manner in which the Canadian Forces have operated that has given Canada a reputation that is worldwide. We have really no competitors when it comes to our very good peacekeeping activities.

Peacekeeping should not be confused with peacemaking, but frequently people do confuse the two. Incidentally, while I enjoyed most of the speech of the Hon. Member for Renfrew—Nipissing—Pembroke, a few remarks about his peacekeeping equipment brought back a memory of the time when I first visited Cyprus, which was 14 years ago. I went on from there to the Sinai Desert where we had another peacekeeping force. The Ghanains were next door to us on the line out in the middle of the Sinai Desert. I noticed that they were better equipped than the Canadian troops of that day, which makes you think that Idi Amin must have been better with his defence budgets than was the Liberal Government of the day.

We are no stranger to intervening between conflicting parties in this peacekeeping role of ours. I would like to mention particularly this one, which I consider to be a more delicate operation than most of the ones in which we have participated. The first thing that must happen about a peacekeeping mission is that both sides must wish to have peace. If one side only wants peace and the other side is still quarrelsome, Canada would run into the danger of being one of the antagonists in the operation, and we cannot afford to do that.

I was very pleased the Minister brought this motion to the House because I have always thought, as many parliamentarians do, that important resolutions such as this should be brought before us as quickly as possible and should always come before Parliament to get the feel of Members as to whether we should or should not participate in certain activities.

I would like to mention one operation in which we took part that was not under the aegis of the United Nations. I am speaking of the time we went into Vietnam in a peacekeeping role in 1973. The then Secretary of State for External Affairs had this to say:

> —peace "depends upon the parties to the peace agreement and not upon the International Commission of Control and Supervision. It is only if the parties are co-operating in a strict observance of the agreement—that the Commission can perform its function with any hope of success".

We went in to Vietnam "to supervise a peace, not to umpire a war". The same thing must apply here. We went there for 60 days and then gave another 60 days' warning that we did not like the way things were going and that we might pull out, and we did.

I want to take just one more minute to relate something about the Middle East and why I consider it to be a more delicate situation than most. There is a story that Field Marshall Slim liked to tell about becoming Chief of the General Staff in the days when Britain had an empire of considerable magnitude. When they appointed a new Chief of

the General Staff they claimed there was a book of secret directions to which he should pay attention, a book he would get when he assumed the office. He finally assumed the office and went into the Chief's office, found the secret box, opened it up and there was a piece of paper with two items on it. It said: "Number One: Never invade Mainland China. Number Two: Never take for granted anything that happens in the Middle East." I trust the Minister will do the same.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, certainly we absolutely and unequivocally support the motion that has come forward. I think our defence critic has articulated the reasons.

I want to speak very briefly on the issue of the composition because I believe the Minister for National Defence (Mr. Beatty) in his press conference left the erroneous impression that the decision to bar women and people of Jewish and Arabic background from serving was a directive from the United Nations. In fact, I was in touch through my office with the United Nations and no such directive had been issued. Unfortunately, it seems to be endemic of this Government that when delicate questions like this come up it tends to go ahead without any kind of UN directive. Frankly, there have been occasions in the past when previous Liberal Governments have been asked to send contingents which excluded people on the basis of religious extraction and they refused.

I would suggest that the Minister either listen to the wisdom on this issue from the United Nations and not parade the fact that it was the United Nations that prevented women, Arabs and Jews from participating in this peacekeeping force because that was a decision taken by the Minister directly and by the Government. We feel that, as an over-all strategy, the United Nations may make that decision, but it should not have been made by the Canadian Government. It is typical of the attitude shown toward Captain Woodley. We think discrimination is something that should be addressed. Unfortunately, the Minister lost the opportunity to do so in this particular case.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed to.

* * *

PRIVILEGE

RETRACTION OF COMMENTS AND APOLOGY

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I rise on a question of privilege. I thank the Chair for giving me the opportunity to raise this question and I will be brief because I know it is now six o'clock.

This morning I attended at a panel session of the Canadian Bar Association in Montréal, Quebec. The panel included the Secretary of State (Mr. Bouchard), Barbara Frumm and Michel Roy. There was a discussion on a variety of aspects of politics and the media and the private lives of members of the public.

• (1800)

During the course of that panel discussion this morning, I made references to certain actions of the Hon. Member for Selkirk—Interlake (Mr. Holtmann) during the evening of Wednesday, July 27, and into the wee hours of the morning of Thursday, July 28. I understand that that Member has in fact taken offence to the references that I made to his conduct at that time, and in the circumstances, I certainly wish to take this first opportunity to retract in full and without hesitation the comments that I made with respect to the conduct of that Hon. Member, and further, to apologize to the Hon. Member for the offence he has taken.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Deputy Speaker: It being six o'clock, pursuant to order made Monday, June 20, 1988, this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6.04 p.m.

HOUSE OF COMMONS

Thursday, August 25, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PAROLE

PROPOSED REFORM

Hon. James Kelleher (Solicitor General of Canada): Mr. Speaker, I would like to table, in both official languages, a draft Bill which reflects our Government's proposed parole reform.

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[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table in both official languages the Government's response to seven petitions numbered as follows: 332-5210, 332-5212, 332-5213 and 332-5217 to 332-5220.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

• (1110)

[*English*]

COMMITTEES OF THE HOUSE

ENERGY, MINES AND RESOURCES—PRESENTATION OF TENTH REPORT OF STANDING COMMITTEE

Mr. Paul Gagnon (Calgary North): Mr. Speaker, I have the honour to present, in both official languages, the tenth report of the Standing Committee on Energy, Mines and Resources.

Pursuant to Standing Order 99(2), the Committee requests a comprehensive response to this report.

The report, *Nuclear Energy: Unmasking the Mystery*, concludes that nuclear power is a vital element of Canada's future energy system.

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT—PRESENTATION OF FIFTH REPORT OF STANDING COMMITTEE

Mr. Lawrence I. O'Neil (Cape Breton Highlands—Canso): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Aboriginal Affairs and Northern Development.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

CORRECTIONAL INVESTIGATOR ACT

MEASURE TO ENACT

Hon. James Kelleher (Solicitor General of Canada) moved for leave to introduce Bill C-154, an Act to establish the office of Correctional Investigator.

Mr. Speaker: Shall the Hon. Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

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

* * *

[*Translation*]

CRIMINAL RECORDS ACT

MEASURE TO AMEND

Hon. James Kelleher (Solicitor General of Canada) moved for leave to introduce Bill C-155, intituled An Act to amend the Criminal Records Act.

Mr. Speaker: Shall the Hon. Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

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

Some Hon. Members: Agreed.

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

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

Some Hon. Members: Agreed.

* * *

CANADA WATER PRESERVATION ACT

MEASURE TO ENACT

Hon. Tom McMillan (Minister of the Environment) moved for leave to introduce Bill C-156, intituled An Act for the preservation of Canadian water resources.

Mr. Speaker: Shall the Hon. Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

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

Some Hon. Members: Agreed.

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

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

Some Hon. Members: Agreed.

* * *

[*English*]

CENTENNIAL FLAME RESEARCH AWARD ACT

MEASURE TO ENACT

Mr. Patrick Boyer (Etobicoke—Lakeshore) moved for leave to introduce Bill C-318, an Act respecting the establishment of the Centennial Flame Research Award, to publicize the contributions to Canadian public life of persons with disabilities.

Mr. Speaker: Shall the Hon. Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Speaker: The Hon. Member under the rules is now given the occasion to make a brief explanation of the Bill. I am sure he will have the attention of all Members.

Mr. Boyer: Mr. Speaker, my enthusiasm to proceed I am glad to see is matched by the willingness of the House to hear me.

Some Hon. Members: Oh, oh!

Mr. Boyer: Briefly, this Bill relates to the Centennial Flame fountain on Parliament Hill into which fountain tourists each year throw coins. Over $1,000 is gathered from that fountain. I was amazed to learn that the coins go into the Consolidated Revenue Fund.

The purpose of this Bill is to do something a little more special with those coins. In effect, a fellowship is to be established with the money obtained from the Centennial Flame fountain on Parliament Hill and each year the amount will be awarded to a Canadian with disabilities to do research on the contributions to Canadian public life and to the Parliament of Canada of individuals with disabilities.

Some Hon. Members: Hear, hear!

Mr. Speaker: I think the Hon. Member has had some expression of the feeling among all Parties for the support of the initiative that he and others are taking in this Bill.

It may be an opportunity for the Speaker to say that what we are trying to do here is in the cause of fellow Canadians who are disabled. I appreciate more than I can say the amount of support that I have received from all Hon. Members from the committee on which the Hon. Member serves, especially some Hon. Members who have put exceptional effort into the cause in which I know we all join. I hope this reflects the kind of leadership that is expected of us in this place.

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

* * *

BUSINESS OF THE HOUSE

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I am tempted to start these remarks by asking whether or not it is Saturday today, but I will not.

Some Hon. Members: Oh, oh!

Mr. Lewis: There have been discussions among the Parties and I appreciate the co-operation of the Opposition Members in coming to the following agreement which I think will meet the acceptance of the Members of the House. Before reading the motion, I should say that there is an understanding among the Parties that the items on the projected Order of Business for today, namely Bill C-148 and Bill C-153 will be dealt with in all stages by one o'clock p.m. today.

The motion I have to put to the House is this. I move:

That the House shall complete its consideration of Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts, by Friday, August 26, 1988, but with any division or divisions deferred until six o'clock p.m. Monday, August 29, 1988;

That Monday, August 29, 1988 and Tuesday, August 30, 1988, shall be designated as the two days allotted for third reading stage of Bill C-130, an Act to implement the Free Trade Agreement between Canada and the United States of America, pursuant to the order made August 16, 1988;

That any division requested on Bill C-130 shall be deferred until three o'clock p.m. on Wednesday, August 31, 1988;

That, following any such deferred division, or as the first order of Government business on Wednesday, August 31, 1988, as the case may be, Bill C-114, an Act to provide for greater certainty in the reconciliation of the personal interests and duties of office of Members of the Senate and of the House of Commons, to establish a Conflict of Interest Commission and to make consequential amendments to other Acts, shall be called for second reading;

That second reading of Bill C-114 and voting on any question related thereto shall be completed not later than 5.45 o'clock p.m., Thursday, September 1, 1988.

That on that day, immediately following such proceedings, the House shall stand adjourned until 11 o'clock a.m. Tuesday, September 13, 1988, provided that (a) the provision of Standing Orders 5 and 68(3) and 68(4) shall remain in effect during such adjournment; (b) if necessary, at the request of the Government during such adjournment, Mr. Speaker shall fix a time for the purpose of the giving of Royal Assent to any Bills which have not been given Royal Assent, and that after the giving of Royal Assent to any such Bills, the House shall stand adjourned to the time and the day stated in this order; and

That, the reports of the legislative committees on Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, and Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radio communication, (if they have not been tabled) shall be receivable by the Clerk of the House during such adjournment and shall be deemed to have been reported and stand on the Order Paper for report stage consideration on or after Tuesday, September 13, 1988, provided, that, the Notice Paper shall remain open until six o'clock p.m. on Monday, September 12, 1988, for the sole purpose of receiving report stage motions to either of these Bills.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to say that on behalf of our colleagues, we have been made aware of this proposal by the Government and we have agreed to the provisions contained in the motion. We are prepared, on our side of the House, to give the unanimous consent for its introduction and its passage.

• (1120)

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I, too, want to indicate the support of my Party for the orderly progression of events between now and next Thursday at 5.45 p.m. I appreciate the opportunity to have worked with the Government House Leader (Mr. Lewis) in developing this, but I do have some questions.

It is my understanding that following dealing with Bills C-148 and C-153 this morning, we will deal with Bill C-139 after 3 p.m. today with the anticipation that report stage will be completed this evening. In the first paragraph of the Government motion, it provides that the House will complete its consideration of Bill C-139 by Friday, August 26, but with any division or divisions deferred until 6 p.m., Monday, August 29. Is it the intention that votes on report stage amendments also be deferred, if any are called tonight, until Monday, or would we go through the normal procedure of having report stage votes dealt with this evening in order to move on to third reading tomorrow?

Mr. Lewis: Mr. Speaker, this procedure will work if the report stage amendment upon which a standing vote has been requested is dealt with this evening and the motion to concur in report stage immediately thereafter. That is the way it would have to work.

Mr. Angus: Mr. Speaker, I have a couple of other questions. There is nothing in the order that refers to a quorum call. I wonder if it is the Government's intention not to prolong hours after the normal time of adjournment because of this procedure we have developed, and the flip side of that would be that we would not endeavour to call quorum.

Perhaps the Deputy Government House Leader could indicate what legislation he anticipates we would be dealing with commencing September 13. Second, will we go back to regular hours as provided for under the Standing Orders? Perhaps he could give us an indication of the intention, once we return on the thirteenth, assuming we are not interrupted by an election call, with regard to standing committees of the House.

Mr. Lewis: There is an informal understanding among the Parties that during the period covered by the order, there would be no extension of hours under 9(4)(a), nor would there be any quorum calls. I did not feel we had to put that in the order, but it is a very legitimate question and I am pleased that this has been clarified.

Second, pending the completion of the legislative committee report and the tabling thereof with the Table up until September 12, it would be the Government's intention to call report stage of the broadcasting Bill on September 13.

With respect to the question of regular hours, the hours effective September 13 will be the normal hours of the House, but I am sure we can accommodate my friend if he in fact wishes to revert to the scintillating and stimulating long hours we have had over the past seven or eight weeks.

Mr. Angus: What about committees?

Mr. Lewis: I will be quite honest with my hon. friend. I have not got my head around what the standing committees will do. That is something we could think about, as to whether or not they want to start regular hours. I think that is basically in the hands of the standing committee chairmen and the members of the committee.

Mr. Cassidy: When's the election?

Mr. Lewis: Ask Nicolas.

Mr. Speaker: Perhaps before this fragile accommodation falls apart, I had better put the matter to the House. Does the Hon. Minister of State for the Treasury Board have the unanimous consent of the House to move the motion?

Some Hon. Members: Agreed.

Mr. Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

TRIBUTES TO STAFF

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, perhaps this would be a good time, given that we have now adopted this motion to end these, shall we say, difficult hours next Thursday, to recognize the very special work of our staff, some of whom have been up all night for a number of nights. I am thinking of *Hansard* reporters and so many other people who are sometimes invisible to us here in the House but nevertheless work so hard. Having seen them over the last few days in, shall we say, a tired state, I think we should acknowledge, recognize and thank all of those people who have worked so long for us during hours which have been so lengthy.

We know, of course, that we as Members of Parliament get danger pay for doing this but many of them of course do not. They have had to sacrifice personal time and summer holidays and have generally had to put up with very difficult working conditions, conditions which I am sure they would not like to work under on a permanent basis. I would like, on behalf of my colleagues, to offer a vote of thanks to the staff for their very hard work, and I hope that the House would join me in expressing that gratitude.

Some Hon. Members: Hear, hear!

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I, too, on behalf of my caucus colleagues, want to express my thanks to all of the staff who have given yeoman's service this summer. The Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) has expressed it very well, and I do not want to duplicate what he has said, but I do want to add one thing, without being partisan.

I think that when future governments make decisions to keep the House open during the summer, they should take into consideration the ramifications of this on our staff. We cannot function without them. Particularly some of the groups like the *Hansard* reporters are stretched extremely thin, and I think we do them a grave injustice by forcing them to remain here throughout an extended period of time without ensuring that they have adequate resources with which to fulfil the services we require of them.

I would suggest to you, Mr. Speaker, as the one who is the ultimate employer of the staff on the Hill, that the next time a government comes to you to ask for extended hours, that that be the first thing you consider before you consider the rationale the government gives you.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I must admit that I had intended to make the same comments but to make them next Thursday as we rise for a short recess. However, that does not mean to say that I would not join, on behalf of government Members, in the remarks of my colleagues opposite, and state that in this business of government, one cannot always plan what one wants to do and how much one has to do.

We on the Government side are indebted, as are opposition Members, to the efforts of our staff. I think the record will show when this Parliament is compared to other Parliaments, in terms of the number of Bills passed, that this Parliament is some 30 per cent ahead of the last two four-year Parliaments in terms of the amount of work that has been churned through the House and committees.

• (1130)

Mr. Boudria: That shows the result of the tremendous co-operation by the Opposition.

Mr. Lewis: There are two views here. One view, held by the majority of Members of the House, is that it is the result of hard work by Government Members. There is a second view shared by a small minority of the House that it is due to the co-operation of the Opposition. Some days there is a heck of a lot more co-operation than others.

In any event, I want to join with my colleagues in thanking the staff of all Members who have assisted us.

Some Hon. Members: Hear, hear!

Mr. Speaker: It is appropriate for the Chair to join with Hon. Members in extending my appreciation and thanks to all who have worked so hard to make this place function. That is said most sincerely. I want to assure all of our staff that we are very conscious of the contribution they make to this House of Commons and our country.

* * *

PETITIONS

CANADA-U.S. FREE TRADE AGREEMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, pursuant to the provisions of Standing Order 106 I have two petitions signed by residents of Winnipeg. One says that the Conservative Government had no mandate from the Canadian

people to conclude a free trade agreement with the U.S. The Prime Minister (Mr. Mulroney) promised that in the course of bilateral trade negotiations Canadian sovereignty would not be compromised.

The other petition, on the same subject, points out that the proposed trade agreement would deny Canada the policy freedom to determine its own economic future and undermines our ability to build a society distinct from that of the U.S.

Therefore, the petitioners humbly pray and call upon the Parliament of Canada to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement through a national general election.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Shall the questions stand?

[*English*]

Mr. Boudria: Point of order, Mr. Speaker. Given the motion we adopted earlier today whereby Parliament will adjourn next week, I wonder if I could get a commitment at least from the Government to answer Question No. 289 which, according to our rules, was supposed to have been answered on May 1, 1988, but remains unanswered.

I have raised this on several occasions and I do not want to belabour the point. Perhaps we can get a commitment from the Government that if it cannot answer it today, at least it will answer it, pursuant to our rules, on or before the adjournment date next week.

[*Translation*]

Mr. Grisé: Mr. Speaker, I have taken note of the suggestion of the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) and will get back to him with the necessary information.

Mr. Speaker: Shall the questions stand?

Some Hon. Members: Agreed.

* * *

PRIVILEGE

RECTIFICATION REGARDING ARTICLE IN *LE JOURNAL DE MONTRÉAL*

Mr. Édouard Desrosiers (Hochelaga—Maisonneuve): Mr. Speaker, I rise today on a question of privilege, to clarify something that was reported in an article in the *Journal de Montréal* on August 24, 1988.

The article implies that I personally pocketed money raised by a benefit dinner on October 23, 1987. Mr. Speaker, I have never taken money raised by a benefit dinner.

Mr. Nolan Buteau, who was in charge of organizing the event, assures me that he handed the money raised by the dinner over to my riding office, so that it could be passed along to the Riding Association by my staff.

Mr. Speaker, I deny the allegations in that article, and I bitterly deplore the fact that certain Members, contrary to the Parliamentary tradition of this House, have allowed themselves to make defamatory accusations based on unverified assertions in a newspaper article.

Out of respect for this House and for my colleagues I wanted to clarify this regrettable situation. Thank you, Mr. Speaker.

RECTIFICATION REGARDING ARTICLE IN *THE GLOBE AND MAIL*

Mr. Claude Lanthier (LaSalle): Mr. Speaker, I would like to advise this august House, in connection with an article published in the August 22 edition of *The Globe and Mail*, that I consider it my duty to state that what I said was misquoted, misinterpreted, misunderstood, misrepresented and mistranslated.

Mr. Speaker, I assure you that at no time did I refer even indirectly to any Member of this august House. It is unfortunate that this incident, over which I had no control, may have caused some inconvenience to my esteemed colleagues in the House of Commons.

GOVERNMENT ORDERS

[*Translation*]

CANADIAN CENTRE FOR MANAGEMENT DEVELOPMENT ACT

MEASURE TO ENACT

Hon. Otto Jelinek (for the President of the Privy Council) moved that Bill C-148, An Act to establish the Canadian Centre for Management Development and to amend certain Acts in consequence thereof, be read the second time and referred to a legislative committee.

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, it is a pleasure to introduce Bill C-148, a bill to establish the Canadian Centre for Management Development.

This bill embodies the principles first set out by the Prime Minister (Mr. Mulroney) and reinforced by the Deputy Prime Minister (Mr. Mazankowski) in announcing the establishment of the Centre in a speech to the public policy forum in Toronto, April 14, 1988. In that speech, the Hon. Don Mazankowski noted that:

"The Centre's principal purpose will be to enhance public sector management capacities and to develop and promote a strong corporate culture in the federal Public Service. Our vision is a credible national, world-class centre of excellence in teaching and research into public sector management.

"The six objects of the Centre address the need for our senior managers to equip themselves with new knowledge, skills and managerial techniques consistent with the requirements of the rapidly changing government environment. Daily, senior managers face such challenges as improving productivity while exercising fiscal restraint, dismantling bureaucratic rules and procedures while adapting to increased managerial accountability."

[*English*]

Given the need to reduce public spending for the foreseeable future, Public Service managers are and will be expected to provide more services of a higher quality with fewer human and fiscal resources. We are proud of the quality of our public service, and I believe that in establishing this centre we are building our strength and building for tomorrow. All governments and the Canadian public will be better served by Public Service managers who are trained and equipped for the challenges of the future as well of those of today.

[*Translation*]

The objectives of the management training programs, courses, seminars and research conducted by the Centre, which are set out in the bill, are very important. I am sure they will be strongly supported by all Members of this House. Some of the most important themes include: encouraging pride and excellence in the management of the Public Service; fostering a sense of the purposes, values and traditions of the Public Service; providing the hard skills and knowledge to respond to change and manage government programs and services efficiently and effectively; encouraging the attraction of persons of high calibre to the Public Service, and support their growth and development; encouraging a greater awareness in Canada of issues related to public sector management and the process of governance and involving a broad range of individuals and institutions in the Centre's pursuit of excellence in public administration.

The Centre will be advised by an independent advisory council made up of outstanding Canadians from the Public Service, private sector and academic community.

This bill is designed to ensure that the Canadian Centre for Management Development, with the guidance of its advisory council and leadership of its principal, will have substantial independence in managing the intellectual aspects of its own affairs. Through this independence, the Centre is guaranteed the flexibility and opportunities to consult widely in the development of world-class management programs consistent with the requirements of a highly qualified Public Service.

• (1140)

[*English*]

The centre will be advised by an independent advisory council made up of outstanding Canadians from the Public Service, private sector, and academic community. The centre will be located in the historic LaSalle Academy in the National Capital Region. In addition, the centre will continue to operate in Touraine, Quebec, and will operate programs through existing federal facilities in western and Atlantic Canada. The centre will consult with individuals, institutions, and organizations concerned with management training in all regions of Canada to ensure that its programs, courses, seminars, and research benefit from the diversity of specific regional requirements in all parts of Canada.

[*Translation*]

I am confident that this Bill addresses the need for change in the way in which our senior public servants are prepared for management roles. I am also confident that all Members recognize the importance of a well-qualified professional management cadre in the Public Service. I hope that all Members can support this Bill and expedite its passage through all stages today in order that it may be sent to the Senate as quickly as possible.

Mr. Speaker, I thank you for this opportunity to introduce a piece of legislation that marks a turning point in the history of the Public Service of Canada. This Bill is an expression of the Government's commitment to the continued excellence of the Public Service and faith in the continuing contribution of the Public Service to the good governance of this country.

Mr. Speaker, I would like to conclude by thanking the Opposition parties for agreeing to pass this Bill today.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, it is with great pleasure that I take part today, on behalf of my colleague, the Hon. Member for Ottawa-Vanier (Mr. Gauthier), in this debate on second reading of Bill C-148.

First, I would like to correct an error made by our friend opposite when he said that the school of advanced studies in Government administration, or Canadian Centre for Management Development, as it is called in the Bill, was initiated by the Prime Minister (Mr. Mulroney). It is important to set the record straight and give to Caesar what is his due, Mr. Speaker, for it was the Hon. Member for Ottawa-Vanier who first put forward this idea in 1974. So it should not be thought that the Prime Minister invented the wheel in this matter, as that is clearly not the case. Although we are grateful to the Government for having finally introduced the Bill at last, it must not be given the credit for the original idea. That would be a mistake, I think, and I am sure Canadians would not want to be misled, even if inadvertently.

Then, Mr. Speaker, on October 31, 1977, the Honourable Member for Ottawa—Vanier introduced in the House his Bill C-304. I have a copy of that Bill before me, and it attests to the fact that it was really and truly he who proposed this initiative. In 1977 my colleague moved two motions in the House for discussion of this matter, one on May 6 and the other on October 31, 1977. In 1981, he moved a new motion, which this time was debated in the House. Finally, in 1987, he once again had a motion put on the *Order Paper* to establish a national school of government administration.

So I hardly need to say, Mr. Speaker, that we of the Liberal Party are in complete agreement on this Bill, because it represents a Liberal initiative. We are proud of it, and we are happy to see that the present Government has adopted this good idea of my colleague's, the Honourable Member for Ottawa—Vanier.

The need for such a Centre is clear, since it arises in part from the study of the merit principle within the Public Service, known as the D'Avignon Report, which was launched by the Liberal government of the day.

I shall keep my comments very brief, Mr. Speaker. I would be happy if in Committee of the Whole House we could discuss clause 4 and see, for example, how the whole matter of centralization of copyright and so forth will operate, under the Centre's direction. I would also like the Parliamentary Secretary to give us details about this matter, but I will not take up the House's time at this point. Perhaps it could be clarified in a few minutes' time, in Committee of the Whole.

In conclusion, Mr. Speaker, I would like on behalf of my colleagues in the Liberal Party to express once again, to reiterate, our support for this initiative, an initiative that was first brought before this House, as I said just now, in 1974, by the Honourable Member for Ottawa—Vanier.

[*English*]

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I have had a chance to look at the Bill and to read some of the statements made by the Deputy Prime Minister (Mr. Mazankowski) and by Jack Manion, a distinguished public servant who is the principal designate for the proposed Canadian centre for management studies. The New Democrats will support this Bill, but I must make a few comments on it. If we were in government we would perhaps do it a little differently than is being proposed by the Conservatives. Perhaps that is because they are Conservatives and we are not.

There are some general problems in terms of access to management positions in the Government of Canada which are not being resolved by the present Government and I believe they should be addressed by the centre for management studies. The question of interface and co-operation between the proposed centre and public administration programs across the country is one which needs to be addressed in a rather serious way. We are talking about a substantial new management education facility. There are probably a dozen programs in public administration in different universities across the country including Carleton University, Queen's, and York, of which I am a graduate. I am sure there are many others across the country.

Mr. Manion suggests that those centres of public administration have been devoted far too much to policy analysis and not really to public sector management. It seems to me that one of the priorities ought to be to try to work with various programs of public administration to get to the questions of management and not only to the questions of policy analysis, program evaluation, and that kind of thing.

The board of the centre has been announced. I am afraid I do not have the names before me. However, I suspect the list is short in terms of the number of women who have been appointed. I believe that one of the priorities for the centre should be to facilitate and accelerate the movement of women into management positions in the Government of Canada.

The recent announcement made by the President of the Treasury Board (Miss Carney) was more than disappointing. It suggested that by 1991 the representation of women in the management category of the Government of Canada stands to be increased by about 200 from 1987, up to 678. That is 50 a year, which is not very many. We know that most of those women are likely to be at the junior, rather than the senior management levels. They would be about 15 per cent of the employees in that category. That is not good enough, if there is a real commitment to equality and affirmative action by the government of the day. Certainly we hope to see that greatly improved.

• (1150)

The other area of preferred positions on which employment equity was meant to apply was in the scientific and professional areas, where the Government in fact anticipates not an increase but a reduction in the number of women in those positions by some 200 in the course of the next three or four years.

A number of the people who should be considered for management positions are now in bargaining unit positions.

Mr. Turner (Ottawa—Carleton): Mr. Speaker, as I understand the rules of the House there is a rule of relevancy. With all due respect, the Member is not focusing on this Bill but on management practices within the Public Service itself. I would like you to reflect on those rules, Mr. Speaker, and ask the Member to focus specifically on Bill C-148, which is the creation of a new management study centre for managers in the Public Service. It has nothing to do with quotas in the Public Service itself.

Mr. Deputy Speaker: The Hon. Member for Ottawa Centre has the floor. He may continue.

Mr. Cassidy: Mr. Speaker, thank you for ignoring that irrelevant point of order.

The point I am making is that the centre for management development which is being set up and intends to be a centre for excellence has a specific role with respect to management in the Government of Canada. I believe one of those roles is to ensure that women managers and women intending to be managers should be facilitated and encouraged. One way to do that would be to ensure that there is a substantial number of women on the advisory board of the council of the centre in order that that priority is not forgotten.

I would like to have seen representatives of the Public Service unions on the advisory board. I would like to have a commitment from the Government that that will be its intention, should it have a chance to form a government after the forthcoming election.

While it may be somewhat surprising to Mr. Manion, since the centre will be moving its activities to the vicinity of Parliament Hill, I believe there may be value in having some direct involvement of Members of Parliament who may be interested in some of the courses and work which is carried out in the centre.

When public servants' jobs bring them in close contact with the Hill, they learn a great deal. I know that when the work of Members of Parliament brings them in closer contact with the Public Service, they generally are struck with the capacity and responsibility carried by people in the Public Service.

Part of the ongoing commitment to excellence of the centre should include some access for Members of Parliament who may be interested in learning more about the problems and prospects for Public Service management. Perhaps some special courses might be designed that would bring students in the centres and Members of Parliament together. Perhaps courses could be designed which might be directed specifically at Members of Parliament and take into account the difficulties they have with not being able to focus on these matters just prior to elections and so on. It could help them to learn a bit more about the current thinking of management in the Government of Canada.

The principal elect, Mr. Manion, has already indicated his priorities and preferences. In an article in *Dialogue* he spoke about what he calls a big campaign to decentralize, deregulate, deburden and debureaucratize. He suggests that the centre will be heading in that particular direction.

I believe a great deal of thought must be given to the question of how to combine accountability with effective management in a public sector environment. Much thought should be given to ways of increasing access to information about what happens within Government. Some of the hierarchal management structures which have been traditional in the Public Service must be broken down. The idea that a department can only talk to the public or to elected Members of Parliament through the elected minister at the top of the department is an outdated one. The suspicion, which unfortunately exists between departments and both the public and elected representatives of the public in Parliament, is a barrier which must be broken down.

Public Service managers should understand that they can be more open and, in turn, should be given an assurance that they will not be squashed by a superior or a minister for being more open. That is an attitude which leads to the present patterns of secrecy, lack of knowledge and lack of understanding about what happens within the Public Service.

Mr. Manion has also spoken about the desire to continue to encourage a corporate culture in the senior leadership of the Government of Canada. I do not think people could have many problems with that.

He has spoken about trying to build a fairly homogenized group of managers. That causes me some difficulty because it suggests that a general management cadre is capable of going into all areas of government. I am not sure whether that is still the case as it was perhaps 10 or 20 years ago. I suspect that the policy of moving people from one management position to another at the senior level may be too generous. At the same time we constrain too tightly the ability of people in the more junior levels of government to broaden their experience by moving from one department to another. That is increasingly difficult and people are stuck into one pattern of career growth.

For example, a student who happens to join the Department of Fisheries and Oceans may be stuck in that Department all his or her life, with almost no chance of moving out. There are only a couple of departments, such as the Department of Finance, which provide entrées for people to go into other areas. It has been suggested that the centre will work with a case study approach. I believe that approach, along with the desire to have more cases written up and available, is valuable.

I want to conclude with a couple of suggestions that I hope the centre, in its research function and its dealing with people in the backrooms of politics and elected representatives, will take into consideration. One concerns the problem the present Government faced but did not solve particularly well. Due to the increasing complexity of government, even if the number of employees is not larger, the way a new government provides direction to the Public Service in implementing the programs and policies of that government and party is very difficult. The present Government put in chiefs of staff and increased very substantially the money that used to be paid to executive assistants to ministers under the Liberals in the hope that it would give greater clout to ministers' offices in order to ensure that there was a more effective means of translating into action what ministers in the government want. I am not sure whether that has been wholly successful.

According to the American model, after the forthcoming election, some 3,000 or 4,000 senior positions will be replaced, affecting the top levels of major U.S. government departments. That is not a very good model. We should look for a model which would provide means by which there could be effective political direction without compromising the need for professional management while at the same time being responsive to government.

Both Mr. Manion and I have been involved with the question of political rights. It is quite obvious that the senior Public Service and senior departments have interests of their own and must be acknowledged as having almost a political presence in the Government of Canada. That is a problem which at least has to be identified and which calls for some solution.

Let me conclude by expressing on behalf of many very hard-working public servants their resentment and concern over a decision that has been made by the Government. There is an elitism that is taking place in the Government of Canada in the differing treatment between the management employees and the rank and file. It is expressed in the fact that the Government has decided to give pay increases of between 8 per cent and 12 per cent to senior managers, deputy ministers and so on in the Government of Canada at a time when it has pay standards for other employees in the order of 3.5 per cent to 4 per cent per annum.

• (1200)

I do not think that helps morale at all. There is a real sense of unfairness and injustice among people living in my constituency and in the constituencies of the Hon. Member for Ottawa—Carleton (Mr. Turner) and the Hon. Member for Glengarry— Prescott—Russell (Mr. Boudria), people living in the capital region and elsewhere who are working for the Government of Canada because the Government decided to sock it to average civil servants at the same time it was giving raises of as much as $12,000, $13,000 or $15,000 to people earning over $100,000 in very senior management positions.

The Member for Ottawa—Carleton, who is going back to the private sector after this election, is about to leap to his feet to suggest that this is not very relevant. Perhaps it is not entirely in order with respect to this particular Bill, but I have been wanting to make this point for some time. I would hope as well that Mr. Manion, who I can see just behind him, would also be conscious of the fact that the perceived injustice is a very real one. After the tax bite is taken, those people working in average jobs in the Public Service are looking at a decline in their real incomes year after year, but the present Government has seen fit to give substantial increases to people in senior management categories. I think there is injustice and inequity there and I am sorry it occurs.

With those comments, I wish Mr. Manion well. If he wants me to lecture occasionally to his students at the centre, I will be happy to oblige. If he wants to offer some courses which would be available for Members of Parliament to participate in, and I am not in Government, I would be happy to try to take part.

[*Translation*]

Mrs. Claudy Mailly (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I do not think this is a time for political partisanship, and I am sorry to see that is indeed what is happening.

I am delighted to see this Bill tabled during my Government's mandate, because it comes as the culmination of the work done by many Members and by the D'Avignon Commission.

As was pointed out by the Hon. Member for Glengarry—Prescott—Russell (Mr.Boudria), the Hon. Member for Ottawa—Vanier (Mr. Gauthier) worked very hard for this happy ending. Another Member of this House also worked very hard toward the same goal, and I am referring to the late Walter Baker who, as a Member and later as Minister, showed a keen interest in the cause of professionalism and especially the merit principle in the Public Service.

We are very proud of the Public Service of Canada, which consists of men and women who daily demonstrate how professionals can and should behave in some very difficult situations where they must provide solutions that are both objective and helpful to a Government that is trying to solve some very complex problems.

I would like to take this opportunity on second reading to say that this morning, I met John Manion, the Director of the new Centre for which the enabling legislation was introduced today, and he gave me the assurance that contrary to rumors and also to certain representations that were made to me by public servants involved in this area, the Centre for Executive Development in Touraine, which was mentioned by the Parliamentary Secrertary in his speech, will not be closed. In fact, it will be a focal point in the centre for excellence we are creating officially today. Furthermore, Mr. Manion would like to see the Centre expanded to respond to the needs and expectations expressed in this Bill.

The public servants who made their representations and the journalists who said that the Centre would be closed, may rest assured that will not be the case. The Centre will continue to function. Its purpose has been confirmed, and I am delighted because it happens to be in my riding, and not just because it is physically present, but because, as you know, Mr. Speaker, we have trouble convincing certain people in politics that the Quebec side of the National Capital is an integral part of the National Capital. Later today, we will have the privilege of considering the NCC bill, which will once again confirm the bilingual and bi-cultural calling of our National Capital.

Again, I am delighted the Centre is in my riding and that, in its own way, it reflects the role played by the Quebec side in the National Capital region and in the work done by the Canadian Government in this country.

[*English*]

Mr. Barry Turner (Ottawa—Carleton): Mr. Speaker, I want to add a few comments as well during debate on this very important Bill. At this very moment there is a seminar taking place at the Chateau Laurier by the Public Policy Forum, an organization based here in Ottawa. It is focusing on the actual future management practices of the centre itself. The Deputy Secretary to the Cabinet, and designated principal of the future Centre, and, I should add, a constituent of mine, spoke there yesterday and outlined some of the priorities he would like to see the management centre pursue. I would like to just give some brief comments about what he said.

I think he focused very briefly on the fact that the time has now come for the need to develop a set of programs and find the best people to administer them in the management centre. It is important to train our Public Service managers with new techniques and skills to allow them to deal with, as he said humorously yesterday, the "unexpected" which seems to be happening more and more frequently in our daily lives in dealing with public matters.

He talked about the importance of learning from other institutions, particularly those in the United States and the United Kingdom. Yesterday as well at the Centre, Dr. Loretta Flanders, who is the special assistant to the director of the Office of Executive Personnel Management, Office of Personnel Management, Government of the United States, focused on what she called a Framework for Management Excellence: The American Experience. The new centre in Canada will hope to benefit from these practices which have been going on in the United States and Great Britain over the last eight or ten years. One thing the centre can and should do is help managers relate more closely to the role of Members of Parliament, with enhanced reform in Parliament and a greater role for us to play in the legislative practice and creation of public policy.

Dealing with interest groups will be a very important aspect of the management training centre as well as the results of the impact of the Charter of Rights and Freedoms which we are now seeing as having wide repercussions throughout not only public, but private life. Indeed, one could add the aftermath of the introduction of the free trade agreement which will have significant impact on the operations of so many government Departments.

The centre will hopefully publish the results of its work and work very closely with private sector experiences in having seminars and bringing in researchers from the private sector to allow our public servant managers to benefit from the great amount of experience there is in the private sector. The need for this Bill is important. It is timely and will give the centre what has been called its intellectual independence. It will lead, I hope, to a better management and therefore a much stronger Public Service of Canada. It will ultimately benefit all Canadians.

[*Translation*]

I am very proud to support the creation of the Canadian Centre for Management Development.

[*English*]

The Bill is timely. It is important. It will help our Public Service immensely to train our managers to be better managers, and we look forward to the passage of this Bill in all stages today.

• (1210)

Mr. David Daubney (Ottawa West): Mr. Speaker, I will be very brief in my remarks in welcoming this initiative. I congratulate the Government on taking an initiative which is long overdue.

We have a good Public Service in Canada. It has been said for years that it is one of the best in the world. I certainly agree with that. I am proud to have been a member of the Public Service. I am proud to represent tens of thousands of public servants in the House of Commons of Canada. However, I recognize that there is a need for a management centre such as that which will be created in this Bill today.

I refer to some of the objects found in Clause 4 of the Bill, particularly subclause (a) which states:

> "(a) to encourage pride and excellence in the management of the Public Service and to foster among its managers a sense of the purposes, values and traditions of the Public Service".

I have some sense as a former public servant and a resident of this community of those traditions. My great grandfather was a public servant in Ottawa. I have on my wall in my Parliament Hill office a framed copy of a certificate, certifying that he passed the civil service examination in 1883.

We have a long tradition of very fine individuals who have leadership roles in the Public Service of Canada. I refer to people such as Bob Bryce, Gordon Robertson, O. D. Skelton and Dr. John Deutsch, former inhabitants of my university at Queens in Kingston who were very much a part of the relationship between the university sector and the federal Public Service. This is an important initiative. It is very much in the tradition of that excellence.

I wish to be bold enough to make one recommendation, if I may, on the curriculum that might be considered in the many courses that will be offered at the management centre. I make it as a former officer of the Department of Justice, if I may suggest it to the principal designate, Jack Manion, who I wish well in his new duties. I refer to the importance of ensuring that Public Service managers are made aware of and have an opportunity to learn more about the legal process and the legal nature of decision-making in the federal Public Service. This is becoming a complex matter. It always really has been when one considers statutes such as the Financial Administration Act and the many onerous responsibilities that are placed upon Public Service managers under that Act, as well as under the Public Service Employment Act and so many others.

In light of the Charter of Rights and Freedoms and the increasing role of private Members of Parliament, for example, under parliamentary reform, it is important that Public Service managers focus on issues such as the legal aspects of the structure of government and the legal aspects of government operations in terms of the policy process, the program process, its administrative and, certainly, the financial control process.

The whole notion of law reform, institutional and procedural reform and constitutional reform are all matters that would prudently be the subject matter of courses at the management centre.

Having made that brief suggestion, may I once again congratulate the Government on this important and historic initiative. I wish all Public Service managers who will be enrolled from time to time at courses at the centre the very best.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Mr. Deputy Speaker: I understand that there is unanimous consent to send this matter to the Committee of the Whole. Is it agreed?

Some Hon. Members: Agreed.

Mr. Lewis: Mr. Speaker, I am in the hands of my colleagues. We do have officials available to answer any questions that may come up during the Committee of the Whole proceedings. If my friends wish to have the officials brought in, fine; if not, we can proceed.

Mr. Cassidy: I prefer to let it go. I have made my comments.

Mr. Boudria: It is not necessary.

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

The Chairman: Order. House in Committee of the Whole on Bill C-148, an Act to establish the Canadian Centre for Management Development and to amend certain Acts in consequence thereof.

Shall Clause 2 carry?

Some Hon. Members: Agreed.

Clause 2 agreed to.

The Chairman: Shall Clause 3 carry?

On Clause 3—*Establishment*

Mr. Boudria: Mr. Chairman, I want to be very brief. I am wondering why the language in this clause is a little different than what we are accustomed to in terms of the phraseology such as "is hereby established". The conventional way of referring to that in Bills is "there shall be" or something to that effect. This seems to be just a modernized form of writing the Bill as opposed to the manner to which we are accustomed. Is there any significance in the fact that it is stated that way in Clause 3, and also in other clauses which I have noted, for instance, Clause 12?

Mr. Lewis: Mr. Chairman, I wish to advise my friend, after consultation, that it is simply a matter of drafting. To the best of our knowledge there is no untoward reason why the words—

Mr. Boudria: I am not suggesting it is untoward.

Mr. Lewis: "is hereby established" are used rather than "there shall be". I think it is completely in order and should stand as written.

Mr. Boudria: I just want to be assured that it has the same effect. Can the Minister confirm that?

Mr. Lewis: It is my understanding that it has the same effect, yes.

Clause 3 agreed to.

The Chairman: Shall Clause 4 carry?

Some Hon. Members: Agreed.

Clause 4 agreed to.

The Chairman: Shall Clause 5 carry?

On Clause 5—*Powers*

Mr. Boudria: I raise a point with respect to Clause 5(f). The Minister has given me an explanation informally. However, since I put my concern on the record at second reading, I was trying to identify the meaning of Clause 5(f) which deals with trade mark, copyright, and so on. I want to know whether it is the intention of the Government to centralize copyright which the Government owns in the centre. I am not necessarily against that. But I want to know whether that is what the Government intends to do, or does it merely intend to centralize copyrights and so on that the centre itself will develop under Clause 5(f)?

Mr. Lewis: The latter part of my friend's comments are correct. It is intended that as the management centre progresses, if courses are produced and material is produced in connection with those courses, the management centre will have the right in some cases to sell those at cost and, in other cases, for example, in the case of libraries or other institutions where there is a working arrangement, to provide them free. The idea is to protect the copyright of the management centre to those particular materials.

Clause 5 agreed to.

• (1220)

Clauses 6 to 24 inclusive agreed to.

The Chairman: Shall Clause 25 carry?

On Clause 25—*Deemed appointment*

Mr. Cassidy: Mr. Chairman, I am letting the clauses go through, but perhaps, since I made comments about the board, the Minister could say a word or two about the composition of the board, and particularly who the non-public servants are, since half the board are meant to be outsiders. This is probably not relevant to this particular clause, but it was a question which I had raised in debate on second reading.

Mr. Lewis: Mr. Chairman, it is my understanding that with respect to the composition of the board, one-half would be from the private sector and one-half would be from universities and other learning institutions. I am sorry. Half the outsiders would be private sector people and the other half from institutions of higher learning.

Mr. Cassidy: Are there any women on the board and, if so, who are they? Madam Labelle presumably is on, but apart from her.

Mr. Lewis: Mr. Chairman, my hon. friend will know that the Government has made great progress in increasing the number of women who are appointed to positions. It is the wish of the Prime Minister that wherever possible the representation of women on all boards and judicial levels, commissions, et cetera, be increased. My hon. friend will know that this increase has been from 15 per cent to 31 per cent during the past four years. I am sure that this intention, as evidenced by action, will continue in the course of the appointments to this board and commission.

Clause 25 agreed to.

The Chairman: Shall Clause 26 carry?

On Clause 26—*Coming into force*

Mr. Boudria: Mr. Chairman, I am just wondering if the Minister could tell us approximately what time schedule the Government has in mind for the coming into force of this particular Bill and what time schedule it has in mind for the actual opening of the facility.

Mr. Lewis: Mr. Chairman, I am please to advise that the Government intends to move as quickly as possible to institute the management centre and the courses, and that the training centre will be in the new premises by the end of the calendar year.

Clause 26 agreed to.

The Chairman: Shall Clause 1 carry?

On Clause 1—*Short title*

Mr. Boudria: Mr. Chairman, given that we are discussing Clause 1, perhaps I should take the opportunity to do now what I should have done in my initial remarks, which I have intentionally made rather brief in order to have a fuller discussion at this stage. I merely wanted to add my own words of congratulations to Mr. Manion and those who will be chosen to be members of the board of the new centre, and I want to extend to the centre, its staff, its board and, most of all, its students and participants my very best wishes.

Clause 1 agreed to.

Title agreed to.

Bill reported, read the third time and passed.

* * *

NATIONAL CAPITAL ACT

MEASURE TO AMEND

Hon. Stewart McInnes (Minister of Public Works) moved that Bill C-153, an Act to amend the National Capital Act, be read the second time and referred to a legislative committee.

He said: Mr. Speaker, this Bill allows the Government to carry through on a promise which was made during the Speech from the Throne on October 1.

Mr. Boudria: Must you put it that way?

Mr. McInnes: Thank you, Hon. Member. We are trying to crystalize and focus our attention more formally on activities carried out by the NCC, which indeed have been part of their unofficial mandate for a long period of time. Perhaps the mandate as expressed in the Bill, in the legislation now existing, is too restrictive, too concerned with bricks and mortar. We want to amplify and embellish and expand the powers of the NCC to undertake the promotion, as it has done so very well during the past number of years, with respect to giving more focus and new direction on Ottawa and the National Capital Region, as Canada's meeting place, to ensure that it communicates Canada to Canadians and to safeguard and preserve the capital. So the amendments are of a very simple nature and they are necessary for the efficient functioning of the NCC.

There are several proposals with respect to land use changes, demolitions, and land sales, and to give it authority concerning these particular matters it will prevent the demolition of heritage buildings, the inappropriate use of federal lands and will better provide tools to realize the principles of the federal land use plan to the benefit of both the NCR and the long-term interest of all Canadians.

With the passage of this legislation, this Government will be seen as being the first Government to live up to its commitment of strengthening the symbolic significance of the capital.

Mr. Boudria: Yes. Sure.

An Hon. Member: When are we going to become a province?

Mr. McInnes: I suggest that this Bill will enable the NCC to improve its co-operation with other levels of government in the capital, by providing quick responses to the giving of

easements and co-ordinating the effort with respect to all matters involving land owned by the Government in the NCR.

I want to thank Members, in anticipation of their positions today, who have been very co-operative in allowing us to advance this Bill which I think is in the national interest.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the first thing that I would like to do today is to offer my words of congratulations to the Minister, who became a father only a few days ago. I am sure that I speak on behalf of all of my colleagues in offering the Minister and Mrs. McInnes my very best words of congratulations, which I sent to him in writing a few days ago.

I should correct the Minister when he refers to Bill C-153 and his Government being the first Government to improve the symbolic significance of the National Capital Region. Far be it from me to try to correct the Minister, but let me try anyway to remind the Minister that in 1899 the federal Government created the Ottawa Improvement Commission. In 1913, the then Borden Government established the Federal Plan Commission. In 1927, the Government established the Federal District Commission. In 1945, under the Federal District Commission Act, Mr. Gréber, the noted French planner, was appointed to prepare the Gréber Plan. In 1949, the first Master Plan of the National Capital Region was commissioned in the House of Commons. In 1951 that plan was tabled in Parliament. In 1956, a joint parliamentary committee endorsed the continued implementation of the plan. In 1969 the First Ministers endorsed the Gréber plan as a vision for a unified capital, extending it across both sides of the Ottawa River.

• (1230)

Do you know where I got that information, Mr. Speaker?

Mr. Turner (Ottawa—Carleton): From the NCC.

Mr. Boudria: From the Minister's briefing notes that were supplied to us.

Some Hon. Members: Oh, oh!

Mr. Boudria: I know the Minister has come back from his constituency lately for obvious reasons, but I remind him that he has perhaps overstated somewhat the involvement of his Government in terms of the National Capital Region.

I have here a copy of the National Capital Region report which was the work of a committee of this House for two years, which report was tabled in this House in 1976. The Minister and his Government certainly have not re-invented the wheel in terms of commitment to the National Capital Region. Indeed, there have been 85 years of planning, according to the Minister's own briefing notes, in the National Capital Region by the National Capital Commission and predecessor organizations. That is some of the history of the National Capital Commission and the development of that Commission and its predecessors in the development of our area.

I am sure that I speak on behalf of all Members of the House when I say that through the organization we now know of as the NCC this city is far more beautiful than it otherwise would have been. The National Capital Commission is upon occasion everyone's favorite whipping boy, including mine when it does something that I dislike. I usually raise the matter when I dislike what it does, but I also raise matters publicly when I like what it does. Sometimes the subjects are controversial. I remember last year the National Capital Commission came up with the idea that we should have coloured pavement in front of Parliament and other buildings such as exists in Boston and in London, England in front of Buckingham Palace. That red pavement was not particularly well liked by some Government back-benchers and they convinced the Deputy Prime Minister (Mr. Mazankowski) to kibosh to the plan.

Mr. Turner (Ottawa—Carleton): Which one?

Mr. Boudria: The same Deputy Prime Minister we have now.

Mr. Turner (Ottawa—Carleton): Which back-benchers?

Mr. Boudria: I could name them individually if the Member wants me to but I will avoid that embarrassment for the Hon. Member for Ottawa—Carleton (Mr. Turner) who like myself liked the idea proposed at that time by the National Capital Commission. I said on the floor of this House that I thought the plan should proceed. I still think it should proceed because I think it is a good idea. I say to the Member from Winnipeg—undoubtedly he has travelled and seen that kind of decoration in front of other legislative buildings and in other downtown areas—it is a good idea into which a lot of thought went but that plan was scuttled.

On behalf of my Party, I want to speak in favour of the Bill. There are a few questions I will want to ask in Committee of the Whole. I hope the Minister will have the officials available to us to answer questions, particularly as to the authority the NCC will have over private lands under the Bill. I am particularly concerned about that because in no way do I want to interfere with the powers that municipalities have at the present time.

I for one am pleased that we are recognizing in statute what the NCC is doing already in terms of its role in the programming area. I think of Winterlude, the very successful winter carnival that we have in Ottawa, which I believe is now the second-largest winter carnival in the country. That is a tremendous endeavour. Our Canada Day celebrations are something of which all Canadians are proud. Tourists come here not only from our country but from around the world and have remarked about the marvellous job done in organizing the Canada Day celebrations. Those celebrations are in part the responsibility of the Secretary of State (Mr. Bouchard), but the NCC, of course, plays a leading role in the organization of the activities.

The NCC has also provided such things as bicycle paths and set up skating on the canal, et cetera. I want to take this occasion to say that I hope the winter and summer outdoor activities continue to be offered on a no-charge basis in the National Capital Region, whether for local people or for people coming from the Minister's riding in Halifax. The last thing people want to be doing after paying considerable money to travel to our capital is to go through a toll booth on the Rideau Canal. I hope that never happens, but it is an idea brought to our attention.

I congratulate the Chairman of the National Capital Commission. She brings a lot of thought provoking ideas to us, some of which I disagree with but the majority I do agree with. It does not matter that I disagree with them from time to time. The Chairman is thought-provoking in that she brings forth matters for public discussion and has the fortitude to do so. That is good in its own way because it causes us to pause and reflect on various ideas.

The Government in the Throne Speech of September, 1986, said it would bring this Bill forward. We are glad to see, nearly two years later, that the Government has done so. On behalf of my Party, as the Official Opposition spokesman, I agreed that the Bill should proceed forthwith.

I want to take a few moments though to discuss something about the National Capital Commission that involves my constituency and invite the Minister in that regard to pay very close attention. I think that the boundaries of the National Capital Commission are not appropriately divided right now and I am looking for the Minister's co-operation. Presently the National Capital designated region under the schedule of the Act extends some 70 or 80 kilometres westward from the Parliament Buildings, which I believe is the focus of the whole area. Conversely, if you were to go in an easterly direction toward my constituency, the National Capital Region extends only some 20 or 25 kilometres. I do not feel that is appropriate. Land, particularly the islands on the Ottawa River east of Cumberland, and land in the area of Rockland, Clarence and Plantaganet should be protected. There is no better tool as far as I am concerned than the National Capital Commission to preserve and protect those lands east of the city in a manner consistent with the protection given on the western side of the city.

I have suggested to the National Capital Commission that that should be done. The Minister is probably aware that I have raised this publicly as something I would support. I wish I could take credit for the idea myself, Mr. Speaker, but it is not mine. The idea was brought to my attention by the Mayor of Rockland, His Worship Jean-Marc Lalonde, who suggested extending the National Capital Region eastward.

We are presently having meetings. I thank the Minister and the Chairman of the National Capital Commission for providing the staff to brief the local mayors on the advantages of having the area designated in terms of the National Capital Region, and we are having meetings with the other local mayors in the vicinity to obtain their concurrence for this kind of initiative. With this concurrence, which I hope will come shortly, I would then like to propose a Private Member's Bill to this House to change the boundaries of the National Capital Region. I hope the Government will give the same kind of co-operation to that as we are giving today to the Government's own Bill.

• (1240)

I want to speak to a few items in the Bill. I agree with the part of the Bill that suggests the head office of the National Capital Commission could be located in an area other than Ottawa. All parts of the national capital district should be treated equally, whether those parts are Gatineau, Hull, Orleans or Carp. They are all equal parts of the national capital area, and if the NCC wants to have an office located in one part rather than the other, that should be permitted. In all likelihood, the head office will remain where it is now. Nevertheless, the whole district should be treated in an equal and consistent manner. I congratulate the Government for putting that particular provision in the Bill.

Under this Bill, the NCC will now have the power to get into the area of programming, in which it was already involved. I want to make it clear that we should in no way send the NCC a message that we want it to move away from dealing with bricks and mortar because there is much of that to be done yet. The parkway system is not complete. There is work to be done in the field of bricks and mortar which the NCC has traditionally done and which should be continued.

Of course, the NCC will be doing other things such as programming, but I hope we get the Minister's assurance that those two things will continue in tandem as opposed to having one cancelled in favour of the other. I am confident that that is not what the NCC or the Minister wants to do, but I think it should be restated.

With these few remarks, I will end my debate on second reading. I hope we will have some time for a discussion of the different clauses of the Bill at Committee of the Whole stage which I understand we will agree unanimously to go to later, and if we do extend past one o'clock, I hope that we could not see the clock in order to assist all Members, particularly Members from the national capital area in discussing the Bill in a thorough manner. We all want to have it passed today, but we do not want to curtail debate in any way.

Again, I indicate the support of my colleagues for this Bill and for the continuing good operation of a National Capital Commission.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I will support this Bill and my Party supports it. As a Member from the National Capital Region, I support the Bill because its major purpose is to put into legislation in the National Capital Act effectively what the National Capital Commission has been doing increasingly over the past few years. Rather than

dealing just with hard services and with putting into place parkways and beautifying the National Capital Region, the NCC is increasingly promoting various kinds of public activities and events which are worthy of a national capital and which enable Canadians from this area and from across Canada to sense a celebration of a country when they are here in the national capital or when they see events in the national capital via the media.

The existing Section 10 of the National Capital Act provides that most of the powers that are given to the Commission are related to the physical appearance of the National Capital Region. According to that section, the Commission has the power to acquire and administer property, to lease or dispose of property, to build parks and squares, highways and parkways, bridges and buildings and other works, to improve its own property or other property managed by government departments, to co-operate with local municipalities or authorities to improve or develop or to maintain property and to construct places of entertainment, amusement, recreation or refreshment upon property owned by the Commission. It is all related to property.

I have been a resident of the Ottawa area for some 22 years, and I know there is no question that the National Capital Commission has done an excellent job in implementing the dream of various planners, including the dream of the Gréber Commission which was held just after the war and has given us the parkways along the canal. It has opened up the canal in the downtown core between Sandy Hill and Centretown where there used to be train traffic to the Union Station. It has given us the parkways along the Ottawa River and now the new parkway out toward the aviation museum. It has given us the development of the Gatineau and the rest of it. However, a country is people and a capital is about people. That is why the National Capital Commission's efforts have been redirected.

There has been a slowing down of the emphasis on the physical appearance of the national capital and from time to time, the Commission has been putting extra pressure on the local municipalities, suggesting that they should not expect to get all parks and recreation projects developed for them by the National Capital Commission. Sometimes the NCC acted a bit like a sugar daddy to local municipalities, and having once been an alderman in the City of Ottawa, I feel that that is a perfectly natural reaction. Sometimes the NCC is forced to say no.

The Bill proposes that the objects and purposes of the Commission be expanded to allow the Commission to organize or to sponsor or to promote public activities in events in the National Capital Region that will enrich the cultural and social fabric of Canada, taking into account the federal and bilingual character of Canada and the heritage of the people of Canada. That sounds like some of the language that touches all bases in the Constitution of Canada, but I suppose that also reflects the nature of the country.

There is also a new power of co-ordination for the Commission. That is an important power. However, the drafting of this is confusing, to put it mildly. I would challenge the Minister to explain what it actually means once it gets past the word "co-ordinate".

The NCC is being given the power to co-ordinate the policies and the programs of the Government of Canada respecting the organization, sponsorship or promotion by departments of public activities and events related to the National Capital Region. If the National Gallery, in its wonderful new premises, proposes to put on a blockbuster exhibition next summer, that presumably would be an activity or event, but would it be related to the National Capital Region. Would the NCC have the right to co-ordinate that particular program or not? I do not know. I will not move an amendment to the clause because I am prepared to take this on faith. I think its major purpose is to put into legislation enough power so that the NCC can do what it has been doing, such things as co-ordinating the Destination '88 tourism program, pulling together the two regional municipalities, the private sector and the tourist industry in order to make the region an increasingly important place for Canadians and for foreigners to put on their itineraries when they decide to travel to this part of the country.

As I have wandered through restaurants and public squares within my constituency of Ottawa Centre this summer, I have found that there is no question of the increasing interest this capital holds for tourists, including many tourists from the United States. I believe that Ottawa is an undiscovered treasure for many Canadians and certainly for many foreigners. They really like our city, and one of the reasons they like our city is because of its appearance. Another is because of the extraordinary variety of activities that take place.

We have come to the middle of August, and some of my friends are saying that they are almost festivalled out by now because of the number of festivals and public events which have taken place. There have been drummers, the Franco-Ontarian Festival, rock concerts, the jazz festival, the buskers festival and the multicultural festival. Those have been good events. We residents of Ottawa have learned and our visitors learn to be constantly surprised because there will be dancers, musicians and street performers and wonderful events taking place in many parts of the capital. There was opera in the Arts Centre again this summer after a long interval, and I would point out to the Minister that it was extremely popular to the point where it was almost impossible to get a ticket because there were not very many performances.

I think the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) may have left us, but since the Minister has had a child recently, perhaps he would join with me in wishing a happy anniversary to the Hon. Member for Glengarry—Prescott Russell. I understand he intends to take his wife out to dinner, perhaps to reintroduce himself to her, this evening rather than be here for the debate.

• (1250)

Mr. McInnes: Are we invited?

Mr. Cassidy: I am not sure about that.

The Bill also gives the NCC a certain flexibility in entering into easements, and more authority with respect to proposals for demolition of or major changes to Government of Canada buildings. That is, any buildings in the National Capital Region. The reason is because of the scandalous activity by the Mint which pushed ahead with its proposals. In fact, half the Mint was torn down before anyone was able to stop it and ensure there was more serious consideration of the heritage value of that building. The NCC was caught short because of a weakness in its powers.

I want to talk more generally for a minute about the National Capital Commission. I have not had this chance before and I want to suggest, among other things, to all of my colleagues, particularly those from the National Capital Region, that the NCC has now produced both a plan and what is called a capital orientation plan. That is a discussion of the activities to take place and the kind of soft services they intend to offer in helping to make the region into a national symbol. I hope that in the fall, particularly if there is a new Parliament at that time, that the standing committee could take that plan and hold some hearings in order to give the NCC a chance to defend what it proposes and give local Members of Parliament and other interested parties a chance to comment on what the NCC is doing.

There are changes taking place within the Commission. They are generally positive, although they still have a fair way to go. That is one reason why I think we need some of that dialogue somewhere here, not just a half hour or two or three hour presentation by the Chairman of the NCC on its estimates which takes place once a year.

I think the weakness in the capital orientation plan and the weakness in the NCC as a whole, and the weakness in this Bill if you will, is that the emphasis on the NCC having a national mandate ignores the fact that it exercises a mandate in the National Capital Region. It does so by providing services and so on for people in this region. It is important that the NCC understand that, and I do not believe it does adequately understand it now.

I have proposed on a number of occasions, both in meetings with Mrs. Pigott and also in hearings of the committee when we were considering the NCC's estimates, that there should be an advisory committee to the Commission made up of representatives from the region itself; people from the municipalities, people from community associations and the general public, people from ethnocultural organizations, women's groups, groups representing poor people, the Labour Council, the Board of Trade, people from cultural, sporting and artistic groups. That kind of parliament of the NCC would only be advisory. It would not have the power to make decisions. I do not question the fact that the NCC has a national responsibility and mandate. However, having four or five local representatives on the 20 person board is not good enough to ensure that local concerns are adequately reflected. It is better now than it was two years ago, but even today the NCC tends to operate like a black box in its consultation and communication with people in this area who, after all, are the ones most affected by its decisions.

I say black box in the sense that there is input and later on something may or may not happen. It is argued that local Members of Parliament can perhaps substitute a bit, but I was not elected to be an alderman for the NCC even though I have had to play that role from time to time. I think if you were to have an advisory committee it might make sense to make local Members of Parliament *ex officio* members so that if something came up like the pink pavement, for example, which I opposed and which the Hon. Member for Glengarry—Prescott—Russell supported, it could be discussed with the local advisory committee to see whether it was defensible or not.

This group should be a sounding board that would meet at regular intervals, maybe every couple of months, with the chairman and perhaps senior staff, and perhaps a couple of times a year with the board. That does not mean they would have to sit in on every board meeting, but at least they would have the opportunity to raise concerns and perhaps sensitize people on the board, who come from across Canada, to some of the concerns and ideas of people in the region.

I have been suggesting for years that the wonderful bicycle network which allows visitors to and residents of Ottawa-Hull to travel around the region needs to be completed toward the foot of the locks just below Parliament Hill. You could then go from west Ottawa all the way through to the aviation museum virtually without having to cross a road. That is an idea that goes into the black box and then just sits there and nothing happens. There needs to be a vehicle by which ideas like that from the local area can be responded to by the NCC better than just having a two hour session in the committee and letters and correspondence, or meetings with the chairman.

Given the desire of the NCC to really change things a bit, the ideas which, according to the new plan, say that the capital will be Canada's meeting place, bringing Canadians together through the democratic process, surely some greater input locally would be a great idea, not just a better public consultation process. The NCC has learned from the Mile Circle fiasco and some other problems it had early in 1985, that something more than that is needed.

The second purpose of the new mandate is to communicate Canada to Canadians with the capital demonstrating those principles which are common to all Canadians. There, too, some form of consultation is required, and I am suggesting a vehicle which I think would be a way of opening up the NCC. It would also safeguard and preserve those national treasures which are unique in their influence on all Canadians. Even

there I think local people who know this area can have valuable input into safeguarding those national treasures.

Mrs. Mailly: Point of order, Mr. Speaker. I see it is now one o'clock and I would like us to agree to not see the clock so we can have a chance to say a few short words on this Bill.

The Acting Speaker (Mr. Reid): Is that agreed?

Some Hon. Members: Agreed.

Mr. Cassidy: Mr. Speaker, I have to leave because I have a lunch date with the Chairman of the Canadian Ethnocultural Council which unfortunately I had to delay because of this debate. However, if Hon. Members wish to go on after that to committee stage, or take a bit of time out of the tax Bill and do it at three o'clock, I and my Party are open to whatever is most convenient to Members. I chose to make my comments on second reading and I do not have any specific comments to make at committee stage except to say to the Minister that I really do not think the new Section 10(2) is particularly well drafted. I make that point for the record.

I want to conclude by saying that it is time the Minister stepped in and stopped the secretiveness of the board of the NCC. Certain decisions made by the Commission which touch on personnel should probably be kept *in camera*. However, for the rest, the efforts which the *The Ottawa Citizen* and my friend, Ken Rubin, have been making for years, to have the minutes of the board made public and to provide greater public access to what the commission is doing, seem to me to be entirely well taken. We need to democratize, to open up, and to assure vehicles of communication for the National Capital Commission with people from this area where its services are carried out. That is the point I wanted to make in this particular debate in supporting this Bill.

• (1300)

I know from the record that the National Capital Act is amended every year or two. It is not as though the Bill is closed for eternity, or even for the next 10 years. I hope that we might have some discussion, after the election, of this discussion paper on Canada's capital and the capital orientation plan and that after such discussion we could, among other things, establish the kind of local consultative mechanism which Mrs. Pigott has unfortunately rejected and which the Government has, unfortunately, been unreceptive to in the past.

In conclusion, two years ago I sent a questionnaire to 75 organizations including municipalities, community organizations, ethnic associations, and aldermen asking for feedback on that proposal. I got 29 responses and all but four of those responses were positive. There is, therefore, general support for that in the region. I know we can work something out that does not challenge the national mandate of the NCC but ensures that it is carried out more responsibly and more sensitively for those of us who live here in the National Capital Region.

[*Translation*]

Mrs. Claudy Mailly (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I am particularly pleased with Clause 2 of the Bill. This clause repeals Section 5 of the Act that created the National Capital Commission and reads as follows:

"5. (1) The head office of the Commission shall be in the National Capital Region.

(2) The Commission shall meet at least three times a year in the National Capital Region."

That may seem very simple, Mr. Speaker, but when you see what it replaces, you realize how big this change is. Previously, the Act said: "The Commission shall meet at least three times a year *in the city of Ottawa*, and it may meet at such other times in the National Capital Region as the Commission deems necessary."

So, Mr. Speaker, here in this Bill, we officially confirm that the National Capital Region is not just the City of Ottawa. This is a very important point, because, Mr. Speaker, the 1867 Statute which made Ottawa the capital of Canada simply mentioned Ottawa, which in 1867 meant about a dozen streets on the Ontario side of the capital.

This statute was not amended. I myself tried to present a Private Member's Bill to say that the seat of the Government of Canada is the National Capital Region, in order to confirm the fact that our capital is on both sides of the Ottawa River and naturally takes in the Quebec part. Unfortunately, or fortunately, I was made a Parliamentary Secretary and I could not pursue this Bill.

So the Bill before us goes in the same direction. Just now, my colleague from Glengarry—Prescott—Russell (Mr. Boudria) objected that the Minister said it was the first time that a Government confirmed the symbolic role of the NCC. But the Minister was absolutely right. It is the first time that the NCC's symbolic role on both sides of the Ottawa River has been confirmed; it confirms for the first time that the capital is not only Ottawa, a few streets in Ottawa, but the region, which includes the Quebec side.

[*English*]

What we are talking about here is nation building, as our very beloved Prime Minister (Mr. Mulroney) often says. We have an anglophone Minister from Nova Scotia and a chairman of the Commission, who is an anglophone from the Ontario side of our capital, who have understood the aspirations of French-speaking people and how important this is, not only symbolically, that this is enshrined in law that the capital of our country is in the region which covers both sides of the Ottawa River, including the Quebec side where the majority of the people are French speaking. They will now know that the NCC has officially recognized that our capital is a bilingual and bicultural capital just as is our country. To me this is a very great day because this has been accomplished after years of effort and is accomplished under our administration.

Mr. David Daubney (Ottawa West): Mr. Speaker, I will just take a minute, because I know that time is precious and we are overtime, to say that I support the Bill and support much of the commentary which has been made so far today. Those of us who represent this area are fortunate to live in a very special part of Canada. That is made all the more special by the presence and activities of the National Capital Commission and its predecessors over the years. The Bill improves and, as the Minister indicated, recognizes the nature of the expanded duties which the Commission has taken on over the years and has given them statutory authority. I welcome that.

I would like to say a word about consultation as well. I think there has been a significant improvement in the consultative process which has taken place between the Commission, local MPs, and the population of the National Capital Region. I applaud that but emphasize again the need to do more than has been done to date. It is very important, given the impact and the role of the NCC in the National Capital Region, that there be processes put in place which will ensure that there is adequate consultation and discussion with the local municipalities and residents in this region to ensure that activities and proposed activities of the NCC, particularly as they relate to changes in the use of public lands, be full, complete, and frank.

I would like to comment upon the remarks of my friend from Gatineau. I support the Bill and, as I said, I support the clause which recognizes that meetings of the Commission and the offices of the Commission can be located anywhere in the National Capital Region. I think that is sensible. It is logical given the fact that the National Capital Region includes not only the City of Ottawa but municipalities on the Ontario and Quebec sides of the Ottawa River. However, I do think that that is a different matter than saying that the capital of Canada is not Ottawa.

I am the only government Member who represents a riding entirely in the City of Ottawa and Ottawa is the capital of Canada. The clause in the Bill dealing with the location of the headquarters is supportable, as I have said, given the purpose and objects of the Bill and of the National Capital Commission. However, that does not go so far, I would suggest, as to say that we should take from that any notion that the Government of Canada is suggesting that the capital is not the City of Ottawa.

Mr. Turner (Ottawa—Carleton): Mr. Speaker, I rise on a point of order. Is my understanding correct that we are going to complete this Bill in all stages today correct?

The Acting Speaker (Mr. Reid): Is it the understanding of the House that we will complete this Bill in all stages before we see the clock?

Some Hon. Members: Agreed.

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

Some Hon. Members: Question.

• (1310)

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

Some Hon. Members: Agreed.

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

The Acting Chairman (Mr. Reid): Order. House in Committee of the Whole on Bill C-153, an Act to amend the National Capital Act.

Shall Clause 1 carry?

Some Hon. Members: Agreed.

Clause 1 agreed to.

The Acting Chairman (Mr. Reid): Shall Clause 2 carry?

On Clause 2—

Mr. Turner (Ottawa—Carleton): Mr. Speaker, in spite of what has been said already today with respect to this Bill, which I support entirely in principle, I have concerns about Clause 2. I wish to propose an amendment, of which I gave notice to the Chair as well as the Minister. I move:

> "That Bill C-153, an Act to amend the National Capital Act, be amended in Clause 2, Section 5(1) by deleting the word "Region"."

The Bill proposes to change the requirement that the head office of the Commission be in the City of Ottawa and the Commission meetings be held in the City of Ottawa. It is suggested that the substitution of the words "City of Ottawa" by the words National Capital Region would correct an inconsistency.

I do not question where the Commission might wish to meet, but I do question the issue of inconsistency. I do not believe it is inconsistent at all that one would suggest that the headquarters be located in the national capital, namely the City of Ottawa.

I want to underline the fact that the location of the headquarters has nothing to do with the mandate of the National Capital Commission. In fact, the Government has approved what has been called an enhanced mandate of the National Capital Commission, which deals with safeguarding and preserving the capital. It does not deal with safeguarding and preserving the National Capital Region.

I do not believe that the NCC can safeguard and preserve the capital from a headquarters outside of the capital. I stress the word "capital" because the capital of Canada is the City of Ottawa. I personally believe that the NCC headquarters should be located in the national capital.

I want to make it clear to all Members that I am not questioning the mandate of the NCC to enhance the National Capital Region and do its work within the region on both sides of the river. That is not my point. In fact, I can substantiate that quite clearly by a motion that I put before the House on December 16, 1987, that deals with designating Confederation Boulevard that will run between Hull, the Outaouais and Ottawa on the Ottawa side. I am not questioning the mandate at all. My concern is the location of the headquarters.

With respect to Confederation Boulevard, that motion was unanimously supported by the City of Ottawa Council. I am waiting for and hoping that the City of Hull Council will also support that motion unanimously. I have asked the House to endorse it afterward.

By virtue of its name, National Capital Commission, I strongly believe that the headquarters of that agency should be within the national capital only. My amendment would remove the word "region", which would then indicate that the headquarters would be in the national capital. I ask Members of the House to support the amendment.

Mr. Boudria: Mr. Speaker, unfortunately I have to disagree with that suggestion. In fact, the Hon. Member is suggesting that Clause 2, proposed by the Government, should be deleted. His amendment would have that same effect.

If we were to remove the word "region", we are left with national capital, hence the City of Ottawa. I have here the original Act, which says that the head office of the Commission shall be in the City of Ottawa. The Member is asking us to delete Clause 2 of the Bill.

It is quite clear that Ottawa is the capital of Canada, not the National Capital Region. We are not disputing that. We are saying that the National Capital Commission has a mandate to act in a territory from Cumberland, Ontario, to just short of Arnprior; from Buckingham, Quebec, to a city west of Hull, near Quyon. That is the territory of the National Capital Commission. Surely, the office of that Commission should be some place within that territory, but not restricted to one specific spot within the territory. That is what the Government is trying to do, and I support it.

Mrs. Mailly: Mr. Chairman, I have to agree with the Hon. Member for Glengarry—Prescott—Russell.

I just indicated in my speech on second reading that I rejoiced in this wonderful symbolic gesture that was being made in the Bill because it would state precisely that the NCC would look after the total territory it is supposed to represent. The fact that the Bill states it can have its headquarters anywhere in that territory recognizes that it will intervene on the whole territory.

I do not understand why my colleague would feel threatened by the fact that we are finally putting into law what the National Capital Commission has been doing since it was created in the late 1960s. It is looking after the whole territory of the National Capital Region.

I find it very sad that my colleague feels threatened by this. I mentioned that we were talking about nation-building. Surely he is not fearful of building a strong and united nation.

Mr. McInnes: Mr. Chairman, for the reasons stated by the last two Members who spoke, I also oppose the amendment.

Mr. Daubney: Mr. Chairman, I believe I made my thinking clear in my remarks at second reading. I cannot agree with the amendment.

We have all agreed that the City of Ottawa is the capital of Canada. However, it seems to me illogical to suggest that in a Bill dealing with the National Capital Region, the National Capital Commission cannot meet and cannot have offices located anywhere in the National Capital Region. I remind the Hon. Member for Ottawa—Carleton that it is not as though we are creating a precedent with head offices of federal institutions being created outside the City of Ottawa. Last week, I believe, a Bill was passed in this place dealing with a new human rights institute, the head office of which will be in the City of Montreal. I believe there is an institute in Halifax, in the riding of the Hon. Minister of Public Works. There are other examples.

I do not view this in any way as a dangerous precedent. I believe it is just a logical step to have the head office located anywhere in the National Capital Region.

Having said that, in light of my discussions with the commission, I suspect that the head office will continue to remain in the downtown Ottawa area.

The Acting Chairman: Is the House ready for the question?

Some Hon. Members: Question.

• (1320)

The Acting Chairman (Mr. Reid): Shall the amendment carry?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Amendment (Mr. Turner (Ottawa-Carleton)) negatived: Yeas 2; nays 9.

The Acting Chairman (Mr. Reid): I declare the amendment lost.

Shall Clause 2 carry?

Some Hon. Members: Agreed.

Clause 2 agreed to.

The Acting Chairman (Mr. Reid): Shall Clause 3 carry?

On Clause 3—*Objects and purposes of Commission*

Mr. Boudria: Mr. Chairman, I am looking here for reassurance from the Minister with respect to something I stated in my remarks at second reading with respect to the National Capital Commission's role in organizing and co-ordinating and promoting programs in the National Capital Region. We know, of course, it has been doing some of this in the past very successfully, and we encourage it to continue.

I do, however, want to make two things clear and, hopefully, the Minister can clarify them. First, we are not giving a brand new role and mandate to undertake a whole series of programs totally different than what we are doing now and, second, the traditional role of the National Capital Commission, the bricks and mortar role, referred to in that way by the Minister, will in fact continue.

Mr. McInnes: I can give the Member the assurance requested.

Clause 3 agreed to.

The Acting Chairman (Mr. Reid): Shall Clause 4 carry?

On Clause 4—*Coordination of Development.*

Mr. Boudria: Mr. Chairman, I am looking for clarification here from the Minister on the role of the NCC under the proposed amendment to Clause 4. I believe I raised this as well in my second reading remarks and, hopefully, the officials of the National Capital Commission can advise the Minister in terms of obtaining a response.

The original Act, and I have a copy before me, gives a mandate to the National Capital Commission to develop and co-ordinate the development of public lands in the National Capital Region. That is fine. It gives a role to the NCC as well to review the proposals for the location, erection, alteration or extension of buildings and so on on public lands in the National Capital Region. If we look at the amendment before us, we see it refers to public lands in certain areas but also refers to private lands where the private land is leased by the federal Government, as I understand it.

I am just asking why the NCC wants that particular role of having an ability to in fact overview changes in private lands. I say to the Minister that I personally do not know if it is constitutionally possible because, of course, the role belongs to the provinces and we have property and civil rights in our Constitution. I am not sure the NCC could do that even it wanted to and even if this Bill were passed. I am asking the Minister, perhaps, to explain to the Committee of the Whole why in fact the NCC is looking for that and what purpose it will serve and, in fact, whether it has ascertained it has the authority to do that in any case.

Mr. McInnes: In reply to the Hon. Member, this is a planning function that is envisaged by this particular section. If a federal department leases land from the private sector and wishes to put up a building, then it seems appropriate that the NCC should have some co-ordinating power or be in a position to control that particular development. What we are concerned with is utilization of lands by any federal Department, whether they are owned by the federal Government or the private sector.

Mr. Boudria: I think we need a further explanation on this. I want to know what happens in a case where the Government leases a building from the private sector. I will use the example of a building, say in downtown Ottawa. The Government may in fact lease the usage of office space within the building. Is it envisaged that in those cases the Government would in fact have authority over the exterior of that building when it is leased by the Government? If the Government leases the land and builds its own building, well, fair game. That I accept. But I want to make sure what the legislation is intending to do in the case of the Government leasing a building as opposed to leasing the land to construct its own building.

I want to make sure that we do not interfere with the provincial powers in this case, which are usually conferred to the municipality under, for instance, in my Province of Ontario, the Planning Act. The municipalities have the privileges of zoning, and so on, and they are given that power by the provincial government. It worries me that that was not in the original Act and this amendment in fact confers a power there that could lead us into problems if it says what I think it does. I hope the Minister can provide the reassurance I am looking for.

Mr. McInnes: Section 11(1) says where any department proposes to erect, alter, extend or demolish a building. We are dealing with Departments of Government, not what the private sector would do. I would suggest the fears of the Hon. Member, perhaps, are unfounded, with respect.

Clause 4 agreed to.

Clauses 5 and 6 agreed to.

The Acting Chairman (Mr. Reid): Shall the title carry?

Mr. Boudria: Mr. Chairman, before we adopt the Bill in its final stage, we are dealing with the title, which is usually a general clause which permits general kinds of questions, and I will take a minute to just do that. I am not attempting to delay the Bill. I am sure we both would like to have a few minutes for lunch prior to Question Period. With respect to the potential of changing the territory of the National Capital Commission in the future, I think the Minister will know, although, for understandable reasons he has been absent around Parliament Hill for a while lately, that I have proposed, or actually the mayor of one of the communities in my riding which is not presently designated by the NCC, has proposed that the territory be extended eastward from the City of Ottawa in a manner which is consistent with the distance west of the city.

The Minister will know that west of the city, the NCC territory extends some 40 or 50 miles. East of the city, it is only a very short distance and barely goes beyond the Greenbelt. A number of municipalities are interested in extending that territory. I am presently having consultations with them, together with the NCC, which has kindly offered to assist the municipalities in providing briefings and so on.

There is an interest simply because there are islands on the Ottawa River that merit protection. That is true, I think on the side of the river I represent and well as the other side of the river which is represented by the Hon. Member for Gatineau. There are islands east of Masson, between Masson and Papineauville. There is a territory beside the Ottawa River which would warrant protection further eastward on both sides of the Ottawa River, that is on the south side which I represent, and, presumably, the same—although I cannot speak for the Hon. Member for Gatineau—in the area that she represents, in a manner, as I said, consistent with what we are doing west from the city.

• (1330)

Perhaps the Minister could take this occasion to indicate to us whether or not the Government would be favourably disposed to entertain such a proposition were it to come forward from the municipalities of that area, as I expect it will very shortly.

Mr. McInnes: Mr. Chairman, may I say that the geography is not in stone. We are prepared to entertain discussions with the Hon. Member and any constituency. I would invite him to do that. I will not make any commitments but we will certainly entertain dialogue.

Mr. Belsher: Mr. Chairman, I have listened with interest to the Hon. Member for Glengarry—Prescott—Russell. I want to caution the Hon. Member. I come from the west coast. Looking at the National Capital and the National Capital Region, I am proud of our capital. I do not want the capital region to grow in size. It is a very costly venture as it is. Members here are trying judicially to look after what taxpayers' money is spent on. Just how large a region do we need? That is a debatable point.

I caution the Hon. Member not to tell his people at home that their area will be put into the National Capital Region so that suddenly the NCC will start looking after a great deal of his riding. Coming from British Columbia, I am not sure I want to see the national capital grow too much larger than the region it already occupies.

Mr. Boudria: Mr. Chairman, I wish to speak on this particular clause in order to avoid speaking on third reading, perhaps in response to the Hon. Member as well as to the Minister.

I thank the Minister for his response, which provides me with cautious optimism. I want to indicate to the Hon. Member who has expressed concern that I as well share his concern. I appreciate the position which he brings forward.

What I am asking is that the National Capital Region be permitted to exist in an equal distance east of Ottawa as it does west of Ottawa. We are not asking for anything to be changed that is not consistent with the present policy. Surely, if it warrants reserving an area of protection some 50 miles on one side of the city then it should be consistent on the other side. That is merely what I was stating today.

The Hon. Member should realize that just because an area is designated by the National Capital Commission, it does not necessarily mean that the Commission will have to spend funds on it. We know that the NCC only has authority over lands that it owns and not over other lands. If the owner of one of the islands which I mentioned earlier in the Ottawa River wanted to give the land to the National Capital Commission, the NCC could not accept it because it is not within that territory, something which I believe it should be. Even if the NCC could get the land for nothing it could not accept it. That is why I am looking for those changes.

With those remarks I will conclude by adding the following. My colleague from Ottawa—Vanier has suggested to the National Capital Commission in the area of programs for some time that the NCC should develop a system of what he calls visitors' passports which would permit a visitor from out of town coming to the city to buy at a discount rate a ticket to the National Arts Centre, the National Gallery and the Museum of Civilization, and so on. By buying the tickets all together, one would receive a discount. Also, this would be in the form of a passport book which could be stamped as the person visits the facilities and brought back home as a souvenir. I think that the idea is novel. It is an interesting one. I want to take this opportunity to restate it and invite the NCC to look at the proposal suggested by my colleague. I do not necessarily need a response to it immediately. However, I want to restate it for the benefit of the House.

Mrs. Mailly: Mr. Chairman, I made a mistake when I spoke earlier. I mentioned that the NCC was founded in 1968. It has been beavering away since 1958. I would like that error corrected since I might not be here this afternoon when the "blues" come around.

I also wish to say to the Minister that I appreciate the work that the NCC is doing in my area. However, I would like to underline the fact that perhaps the NCC has been intervening on the Quebec side only recently, in the last 10 years, and that we in the Municipality of Gatineau, which is the main city in my riding, are a little bit worried about the 10-year plan which has been introduced by the NCC. There does not seem to be too much that the NCC will be doing in our territory. I would like the Minister to again take a look at that plan to ensure that we are not blocked from development for the next 10 years because it is not in that 10-year plan. It is very important for the citizens in my area to feel that they are indeed part of the National Capital Region, which they are.

Mr. Boudria: Mr. Chairman, perhaps I could just ask one final question of the Minister which I omitted to ask him earlier. It pertains to the change in the Bill with regard to the Financial Administration Act whereby the NCC is looking for a mandate so that it would not be required to go to Treasury Board when approving contracts. We did that in a clause that is already accepted but under the general heading of the title

clause. Of course, I think you would find, Mr. Chairman, that the question would be in order nevertheless. I want to be assured that in fact we will be having rules and regulations under the Financial Administration Act until such time as a completely different set of rules is established for the NCC which would permit it to entertain the construction of a piece of roadway, for instance, and not have to go to Treasury Board, which is a sometimes awkward and lengthy process in order to complete the construction of a project, say, before winter comes. I understand that that is a problem now. I want to be assured that the rules will be in effect until the new rules are designed for the NCC in such a way so as to preserve the tendering process and so on of the Government.

I also want to make sure that the new rules that are adopted by the National Capital Commission will be done in such a manner so as to preserve in the long term the tendering process while assuring that something speedier is there than the present rules which I recognize are cumbersome.

Mr. McInnes: Mr. Chairman, I give the assurance to the Hon. Member that we are making this Crown corporation perform as all other Crown corporations perform. A set of rules and a tendering process like other Crown corporations will be put in place.

Title agreed to.

Bill reported, read the third time and passed.

The Acting Speaker (Mr. Reid): It being after 1 p.m., I do now leave the chair until 2 p.m. this day.

At 1.40 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

DANGEROUS SUBSTANCES

RESEARCH REQUIRED ON NEUTRALIZING PCBS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the grave accident at Saint-Basile-le-Grand points to the urgent necessity of accelerating research to render PCBs harmless by way of a neutralizing process.

Across Canada there are hundreds, perhaps thousands of locations where PCBs are stored, posing a potential risk to the population. It becomes, therefore, imperative to intensify research so as to arrive very soon at a technological breakthrough that would greatly benefit Canadians.

Unfortunately, this Government weakened the research capability of the National Research Council when in November, 1984, the Minister of Finance (Mr. Wilson) cut the NRC budget by over $60 million. Once again we call on the Government to reverse that decision and provide the NRC with the funds necessary for accelerated research on ways and means to neutralize PCBs. This is a matter of urgent public interest.

* * *

NATIONAL PARKS

BANFF—RENTS CHARGED CIVIL SERVANTS

Mr. Gordon Taylor (Bow River): Mr. Speaker, the monthly rents being charged civil servants and the RCMP who live in Government owned houses in Banff National Park are excessive. A three-bedroom single family detached home in Banff rents for $800 to $1,100, while a similar home in Jasper National Park is $300 lower, and in other national parks the rents are up to $600 lower.

When compared with monthly rents in similar Alberta towns Banff is higher by more than $400. In addition, Parks Canada has been reluctant to set aside areas for single family homes and so renters have no choice. No wonder the Banff civil servants are enraged. I ask the President of the Treasury Board (Miss Carney) to lower the Banff rates so they are, at least, at the same level as rents charged in Jasper. When Government is a landlord it should be an example of fairness and should never act as an oppressive tyrant.

* * *

SPORTS

UNNECESSARY VIOLENCE IN NATIONAL HOCKEY LEAGUE

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, in a few short weeks from now hundreds of thousands of Canadian young people from coast to coast will be getting ready for another season of amateur hockey. Many will spend long hours on the hockey rinks practising and honing their skills, and dreaming of one day playing in the National Hockey League.

Unfortunately, the NHL continues to turn a blind eye to unnecessary violence that all too often rears its ugly head. The inevitable result was what we witnessed yesterday—the spectacle of a handcuffed Dino Ciccarelli being led out of a courtroom and into a jail, all as a result of an unnecessary assault during a hockey game last season.

Hockey is a tough, rugged game that combines skill, strength, speed, and determination. But hockey is not a game for goons or a game where unnecessary violence should be tolerated at any level—and that includes the NHL.

Hockey is Canada's greatest contribution to the world of international sport. Hockey is our game, a Canadian game, and we should not let ugly, squalid scenes of blood and violence make it less than what it is—one of the world's greatest sports.

Perhaps the federal Government could help by developing an anti-violence poster, comparing Ciccarelli in handcuffs on one hand with the non-violent superstar Wayne Gretzky on the other, and posting it in the arenas of this land.

* * *

[*Translation*]

DANGEROUS SUBSTANCES

WAREHOUSING SITES FOR PCBS IN ABITIBI-TÉMISCAMINGUE

Mr. Guy St-Julien (Abitibi): Mr. Speaker, no one in Quebec wanted the PCB disposal plant. What is dangerous in other places will also be dangerous where we live, in Abitibi.

The greatest concentration of PCBs is in Montreal and on the banks of the St. Lawrence, where the greatest concentration of population is too. It is very costly to remove the danger from these people by choosing Abitibi-Témiscamingue as a dump site. What will happen to us?

Bringing PCBs to Senneterre is only one step. Once they are all disposed of, other toxic wastes will follow. Opening the door to PCBs means opening the door to all toxic wastes. The region is big and we are few. However, we are very much alive and we love our environment. It is unacceptable for the Government of Quebec to use us as the garbage dump of North America.

I would like to quote (Quebec Environment) Minister Lincoln: "The issue of PCBs is very emotional; I do not judge these people in Senneterre. If there were a dump in Beaconsfield tomorrow, perhaps I would react the same way."

Mr. Speaker, no PCBs in Abitibi-Témiscamingue!

* * *

[*English*]

THE PRIME MINISTER

Ms. Sheila Copps (Hamilton East): Mr. Speaker, is there no low to which our Prime Minister (Mr. Mulroney) will not stoop in his attempt to keep quiet on issues of pressing national importance? I would like to read into the record a statement made by his former press aide, Michel Gratton.

When Mr. Gratton decided that he was going to write a book, no less than the Prime Minister went after him in a desperate attempt to try to stop him from telling the truth. "They got to me emotionally, using people I like to make me feel guilty. First they tried to stop me from writing the book, and when that did not work they tried to rattle me so I would be nicer. When that didn't work, they spread rumours about my personal life. All this comes from Mulroney himself".

That is is not a statement of a Liberal Member or an opposition Member. That is a statement of the former press aide to the Prime Minister. My mother always said, "You are judged by the company that you keep". I think that the reason that the Prime Minister is in the mess that he is in today is because dirt starts from the top down.

Mr. Speaker: I have listened carefully to the Hon. Member's statement, and I just want to remind Members that statements are not meant for personal attacks on other Hon. Members. I have accepted the statement, but I just wanted to mention that.

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[*Translation*]

RAILWAYS

MONTREAL SOUTH SHORE—SUBURBAN TRAINS

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, we were glad to learn yesterday that the Government of Quebec is extending the moratorium on the Montreal—Saint-Hilaire suburban train until June 1989. However, we are sorry about two things in this matter: first, the complete absence of the Conservative Government in the search for a solution to the suburban transportation problem; second, the fact that the small municipalities in this region will have to cover a deficit that CN rejects. The reason there is a deficit, Mr. Speaker, is that CN and the federal Transport Minister never invested in improving suburban passenger service in this region. Again, Mr. Speaker, we are pleased with the initiative taken by the provincial Government and the municipalities to save their suburban trains, but we also deplore the absence of the federal Government, which should also contribute to the development of suburban train transportation in all regions of the country.

* * *

[*English*]

EXTERNAL AFFAIRS

CYPRUS—RESUMPTION OF PEACE NEGOTIATIONS

Mr. Alan Redway (York East): Mr. Speaker, formal negotiations aimed at bringing about a peaceful settlement in Cyprus will resume at long last on September 15, after some three and a half years of interruption.

The key issues in these negotiations will be the guarantee of minority rights and the possible establishment of a federal system of government.

Canada has maintained a peacekeeping force on Cyprus since 1963. We have an international reputation as a peace negotiator. We have experience with both minority rights guarantees and with a federal system of government.

Because of this I would urge our Government to take and to play an active role in these Cyprus peace negotiations.

* * *

ETHNIC AFFAIRS

PRONUNCIATION OF ITALIAN NAMES

Hon. Bob Kaplan (York Centre): Mr. Speaker, there are one and a half million Canadians of Italian origin living among us. They speak one of the most beautiful languages in the world. It is also one of the simplest languages of the world. It is very easy to pronounce for French and English speakers, and yet, in general, their fellow Canadians make very little effort to pronounce Italian names as they are pronounced by the people who hold those names.

The rules are so simple that they can be learned in less than a minute, and yet many Italian Canadian families are changing their own pronunciation of their names to correspond with the way that their fellow Canadians wrongfully pronounce them.

The rules are simple. Final e is pronounced, ch is pronounced like a k, c followed by e or i is pronounced like ch, and g followed by e or i is pronounced like j. What could be simpler?

Let us stop murdering the Italian language when we use these names, and start pronouncing them properly.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

MUNICIPAL AFFAIRS

CITY OF LACHINE—UNVEILING OF MONUMENT COMMEMORATING RENÉ LÉVESQUE

Hon. Bob Layton (Lachine): Mr. Speaker, I am pleased to add my most cordial greetings to all those who attended the unveiling of a monument by Robert Roussil in memory of René Lévesque in Lachine on Monday evening.

As our Prime Minister wrote in his congratulatory message:

> "Robert Roussil has created a strong, original work which not only reveals the talent of a great artist but also well expresses his deep understanding and admiration for René Lévesque.
>
> Whether or not one agrees with the ideal that guided René Lévesque's commitment, he was one of that province's great political personalities for all Quebecers."

The presence of thousands of residents of Lachine at the unveiling shows attachment and recognition for this great democrat.

On behalf of all, I wish to congratulate Mayor Guy Descary, the members of his Council and the citizens of Lachine for this initiative.

* * *

• (1410)

[*English*]

MEDICAL CARE

POSITION OF CANADIAN MEDICAL ASSOCIATION PRESIDENT

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, we agree with the President of the Canadian Medical Association that the emergence of a two-tier medical system, which favours the rich, and the lack of recognition of nurses are two serious problems facing Canada's medical system. We do not share his solutions. User-fees would undermine one of the best health care systems in the world, which must be accessible regardless of incomes.

With the rapidly growing aging population we must give much greater priority to community support, rather than costly institutionalization, and to preventive measures that promote health rather than having an obsession with expensive high technologies.

Despite the Health Minister's declared policy, only about 10 per cent of our health dollar goes into community health services and health promotion. The federal Government's overall contribution to health care has been reduced by $5.6 billion over the past five years.

Nurses must be recognized with decent pay and not privatized as in Alberta. Services of all health care practitioners should be covered directly under medicare. Governments must develop community health clinics with flexible outreach services.

We urge the federal Government to restore 50 per cent funding provided that provinces agree to much greater emphasis on prevention and health promotion.

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REGISTERED RETIREMENT SAVINGS PLANS

CALL FOR CHANGE TO OUTDATED REGULATION

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, according to current registered retirement savings plan regulations we should all be dead by age 90, or if we are hardy enough to live that long we should be able to live without any money.

At age 71 an RRSP can be converted into a registered retirement income fund but the user must take out all the money by the age of 90. That may have been all right when the regulations were written, but now more and more Canadians are living into their nineties and the question arises what are they going to live on unless this outdated regulation is changed?

They cannot all be like my mother-in-law, Mr. Speaker, who is alive and well at age 93 and is still winning money at cards three nights a week.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

* * *

HUMAN RIGHTS

U.S.S.R.—PLIGHT OF ELENA KEIS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in June Callwood's column which appeared in *The Globe and Mail* yesterday she reported on the tragic plight of Elena Keis, a desperate, frightened woman living in Leningrad who applied for permission to emigrate to Israel eight years ago. Time is running out.

On September 9, her only son becomes 18 years old and will be conscripted into the Soviet Army. Elena Keis has been adopted by the Jewish community of Toronto. Michael Dukakis and his wife sent a cable recently to Mr. Gorbachev urging him to approve her application to leave.

Her mother, father, and older sister were permitted to leave the Soviet Union. She and her husband have not worked in sensitive jobs for more than five years. In this last year her physical and mental health has deteriorated drastically.

I am certain that all Members of Parliament will join with me when I urge the Secretary of State for External Affairs (Mr. Clark) to make representations to Mr. Gorbachev on Elena Keis' behalf.

* * *

AGRICULTURE

EFFECT OF TAX REFORM

Mr. Bill Tupper (Nepean—Carleton): Mr. Speaker, the Ontario Federation of Agriculture recently endorsed the Government's tax reform package as it relates to farmers.

Under tax reform farmers will still be able to use cash accounting rather than accrual accounting. Moreover, when it sorts people out for tax purposes the Government will not use either the profit test, to distinguish between farmers and non-farmers, or the gross revenue test, to distinguish between full-time and part-time farmers. Part-time farmers will now be able to claim farm losses of up to $8,750 against their other income. Full-time farmers will be able to claim all of their farm losses against other income.

The Government will also extend the flexible livestock inventory provision to all commodities, which will enable farmers to average their income over a number of years.

The Ontario Federation of Agriculture's endorsement of tax reform indicates how this Government achieves just and equitable results through consultation with those who will be affected by laws it contemplates making.

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CANADIAN BROADCASTING CORPORATION

BROCKVILLE—NON-RECEPTION OF SIGNALS

Mrs. Jennifer Cossitt (Leeds—Grenville): Mr. Speaker, three weeks ago the new FM station CHXL in Brockville began transmitting, and complaints regarding interference with telephones, TV reception, and other radio station reception have been flooding into my office.

I have called upon the Department of Communications to work closely with the broadcaster to resolve these complaints quickly and to bring about a solution to the problem.

In addition, area residents can now no longer receive the CBC signal from Kingston or Ottawa. CBC for 12 years has had a licence to transmit from its Maitland tower but because of technical difficulties has not fulfilled its responsibilities. As repeated strong representations have resulted in no action taken by the CBC, I therefore call upon the CBC to stop dragging its feet and meet its obligations immediately. If not, CRTC should revoke its licence.

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NUCLEAR ENERGY

COMMITTEE REPORT RECOMMENDATIONS

Mr. Paul Gagnon (Calgary North): Mr. Speaker, earlier today I had the honour of presenting a report entitled *Nuclear Energy: Unmasking the Mystery*.

This report has 14 recommendations which come from the Standing Committee on Energy, Mines and Resources. Five out of the seven members represent areas of fossil fuel production, not the nuclear industry. Yet this report is very supportive of nuclear energy in Canada because of its environmental benefits, economic advantages in parts of Canada, and its security and flexibility.

Given today's increasing concerns of acid rain, dying maple trees, fishless lakes, and the greenhouse effect, nuclear energy must, and I emphasize must, have a role in meeting Canada's energy needs.

ORAL QUESTION PERIOD

[*Translation*]

GOVERNMENT CONTRACTS

PATRONAGE ALLEGATIONS—ALLEGED TELEPHONE CONVERSATION RECORDED BY MEMBER FOR ROSEMONT—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, I know they are talking about a strike at Canada Post, but I did not know the Government was on strike as well. At last, here comes the Deputy Prime Minister.

Mr. Speaker, during the last few days, we have tried to obtain clarification regarding the actions of the Prime Minister's chief of staff, especially in his conversations with the Hon. Member for Rosemont.

During that time, we have had four different versions from the Government.

In the first version the Prime Minister told us there was no threat. In the second version, the Deputy Prime Minister told us the purpose was to ask the Hon. Member for further details and to remind her of her duty to hand over any evidence she had to the police. The third version came from the Deputy Prime Minister: "We warned her of the way her Quebec colleagues might react." And finally, yesterday, after being advised that a recording existed of this conversation, the Prime Minister's Office said: "She should be prepared to suffer the consequences of her actions."

Consequently, I want to ask the Deputy Prime Minister what was actually said during that conversation. Was the Hon. Member for Rosemont right when she said an attempt was made to force her to retract a statement she said was true? Was the approach taken by the Prime Minister's Office an attempt to hide the truth from Canadians? What is the Government's real version this morning?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): I responded to that question yesterday, Mr. Speaker, and my answer remains the same.

[*Translation*]

ALLEGED REMARKS OF MEMBERS FOR LASALLE AND DUVERNAY—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, I am glad the Government is sticking to the same version for two days.

However, this morning, Michel Gratton, a friend and confidante of the Prime Minister, gave *The Globe and Mail* a few details about the way the Prime Minister had acted in the past, and he is convinced that here again, all the arm twisting that was done to get Members to retract their statements came directly from the Prime Minister.

I want to ask the Deputy Prime Minister whether the other Members who did retract their statements today, the Hon. Member for LaSalle and the Hon. Member for Duvernay last week, whether they were also contacted by the Prime Minister's spokesperson or whether they retracted spontaneously?

[*English*]

Mr. Speaker: I am having some difficulty with the question. As I understood it, the Hon. Member is referring now to something that somebody has said as reported in a newspaper. The Hon. Member's first question was, I think, in order because he was referring—and I know the Hon. Member would want to hear me carefully—to statements made by Ministers and the Prime Minister in the House. I, of course, allowed it. However, this question, I think, is getting into a different situation. Of course, if the Hon. Minister wishes to reply, he can, but I have to advise the House that I think it is out of order.

• (1420)

Certainly the Hon. Member is always helpful to the Chair and to the House. I would give him a chance to reconstruct his question.

[*Translation*]

ALLEGED STATEMENTS OF MEMBERS FOR DUVERNAY AND LASALLE—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): I thank the Chair for its advice. In fact, I was referring to statements made by two Members here in the House, the Members for Duvernay and LaSalle, when both Members had trouble remembering, had a few translation problems and, in the process, were at a loss for words. Consequently, I want to ask the Deputy Prime Minister: Was the Peter White approach used in the other two cases? Did these Members retract spontaneously or was it a case of arm twisting?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Member can choose to draw whatever conclusions he wants out of stories in the newspaper. I am not going to engage in the interpreting of speculative journalism, particularly on the floor of the House.

Mr. Speaker: The Hon. Member, of course, has another question, and I know that he will be as careful as he has been to keep the question within the bounds. I let that question go and I appreciate his co-operation.

[*Translation*]

QUERY WHETHER PRIME MINISTER'S OFFICE CONTACTED MEMBERS FOR LASALLE AND DUVERNAY

Hon. Jean Lapierre (Shefford): Mr. Speaker, I could quote directly from the article by Mr. Gratton, the Prime Minister's friend and confidante, who gave a very good description of the kind of action taken by the Prime Minister in the past. He says: "I am surprised he still does it".

Mr. Speaker, what I want to ask the Deputy Prime Minister once again is this: I know that for the last few days, spokespersons at the Prime Minister's Office, headed by Marc Lortie, have said how furious, enraged and upset the Prime Minister was, but did this have any effect on the retractions that took place? Were those retractions spontaneous?

To get back to my question: Was the Hon. Member for Duvernay contacted by the Prime Minister's Office? Was the Hon. Member for LaSalle contacted by the Prime Minister's Office? Would that explain their decision to rise in the House and say they were misinterpreted and misquoted and blame it all on the media?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Member is really reaching now. I know that he is trying to get his former colleague, Mr. Serge Joyal, elected to the House of Commons, so I suppose he is getting prompted from him. I have tried to answer all the pertinent questions relative to this matter as accurately as I possibly can. I have given the information to the House that has been made available to me.

The Hon. Member chooses to malign and accuse people on the basis of unfounded allegations. If he wants to do that, based on speculation and inaccurate statements in news stories, he can go right ahead. May I remind you, Mr. Speaker, that that is part of the process which has undermined the integrity of this House and has a reflection on all Members of the House. I wish the Hon. Member would start ceasing and desisting from this practice.

* * *

[*Translation*]

HEALTH

RESIDENTS OF SAINT-BASILE-LE-GRAND AND AREA—REQUEST THAT SPECIAL HEALTH PROGRAM BE INSTITUTED

Mrs. Lucie Pépin (Outremont): Mr. Speaker, my question is for the Minister of National Health and Welfare but in his absence, I will direct it to the Deputy Prime Minister.

Yesterday, the explosion of 20,000 gallons of PCBs forced the evacuation of 3,500 people from their homes. We know that PCBs are highly toxic substances and that several experts are concerned about the likely consequences on the health of the people of Saint-Basile-le-Grand and the surrounding area.

Can the Minister assure the residents of Saint-Basile-le-Grand and the vicinity that the federal Government will implement a special health research and follow-up program in order to determine both short and medium term, impact on all those affected by this accident?

[*English*]

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, I want to assure the Hon. Member for Outremont and all Members of this House of the Government's extreme concern for the well-being of the citizens of Saint-Basile-le-Grand and the surrounding areas as a result of this tragic fire.

I am sorry some Hon. Members opposite are not as concerned about this issue as the House should be. We are extremely concerned about the combustion of some 5,000 gallons of PCBs in a warehouse site in Saint-Basile-le-Grand. I can give the House a status report.

As we know, the fire has been extinguished and a cleanup is commencing. A fire investigation is under way as to the cause of this tragic event, and sampling and analytical work is ongoing. In fact, officials from the Department of the Environment were on site within half an hour of the first alarm and a full scientific team was on site first thing yesterday morning. They have been working with a committee of experts who were on the scene scientifically measuring the extent of contamination and any possible hazards that may result from this tragedy. The team includes a principal toxicologist, an expert in the matters of PCB contamination and its combustion, Dr. Albert Nantel, and Dr. Carriere, a local medical adviser who is familiar with these problems.

I can assure the House that the Government and the Minister of the Environment, who is at this very moment travelling to the site and will make a statement later today, are taking every necessary precaution to ensure the health of and the orderly reoccupation by the citizens when it is safe to do so.

RESEARCH INTO NEUTRALIZATION OF PCBS

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I wish to direct my suplementary question to the Deputy Prime Minister.

The grave accident at Saint-Basile-le-Grand points to the urgent need for PCB research. Across Canada there are hundreds and perhaps thousands of locations where PCBs are stored, posing risk to the population. It therefore becomes imperative to intensify research. Unfortunately, the Government cut our research capability at the National Research Council when in November, 1984, the Minister of Finance cut the NRC budget by over $60 million.

Will the Government reverse its decision and provide the NRC with the funds it needs to accelerate research on ways

and means to neutralize PCBs? It is a matter of urgent public interest.

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, perhaps I could answer this question. The Hon. Member made some erroneous utterings in her preamble.

There has not been the cut to the National Research Council she has alleged, nor has this particular program of PCB research been targeted for any cuts. In fact, research is going on, not just at the NRC but in government laboratories and universities, in ways to handle, dispose of, and store this dangerous substance. The Hon. Member's assertion is wrong. The Government is acting and research institutes are dealing with the problem.

[*Translation*]

MONTREAL REGION—PROPOSED PCB WAREHOUSING SITES—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is for the Minister and it deals with the serious situation that prevails in the Montreal area because of PCB storage sites. Yesterday when I asked the Minister if the federal Government had a list of those storage sites in the country, the answer was a very clear no. However, would the Minister confirm today that 20,000 liters of PCB's are warehoused on the roof of *The Bay Department Store* in the heart of downtown Montreal?

[*English*]

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, I cannot confirm the accuracy of the suggestion offered by the Hon. Leader of the New Democratic Party. As he knows, as part of the policy of eliminating PCBs from transformer systems across Canada, it is not legal to use and install such transformers. In fact, it could well be that there are some transformers still in operation, perhaps on the roofs of buildings, but this would not, I would imagine, be a storage situation.

Department of Environment officials have provided me with an assurance that the full inventory of PCB storage locations is available and regularly updated. As well, the Minister of the Environment, working with provincial Environment Ministers through the Canadian Council of Resource and Environment Ministers, has established specific storage sites outside urban areas, and there is, as the Hon. Member knows, a plan to remove all of these concentrations of stored PCBs to these safe sites. It is part of a federal-provincial initiative and an action plan which has been developed in consultation with provincial environment officials who have the legal and final authority within their provinces to ensure that these measures are fully complied with.

• (1430)

SITUATION IN MONTREAL

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I had confirmed for me just a while ago that there are indeed located on the roof of The Bay store in downtown Montreal some 20,000 litres of PCBs. This is a very dangerous substance and it strikes one as dangerously serious in its implications if there should be a fire.

I am also told PCBs are stored in *The Gazette* building in downtown Montreal, perhaps on the roof again. I have also learned that until very recently, and we do not know when, there were 60,000 litres of PCBs stored by Air Canada at Dorval International Airport. I am told they were just moved recently and I would like the Minister to find out just how recently that was.

More concretely, with respect to the existing sites in the heart of Montreal, would the Minister confirm that the federal Department had a list of sites where these substances were stored? Will he also find out when the Government first learned of them being stored on the roof of The Bay store? In addition, could he tell us why the federal Government did not take action to have these PCBs removed from what was obviously an unsafe site in the centre of Montreal?

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, I can assure the Hon. Leader of the NDP that the Government and the Minister will certainly be doing everything within their power and jurisdiction to see that such dangerous storage sites are eliminated from all urban areas of Canada. I am not able to confirm whether or not there are quantities of PCB coolant fluids on The Bay store in Montreal. I do not think he would expect me to assure him of that today.

However, I can assure him that the Minister of the Environment, who is on his way to Montreal at this moment with the Minister of Transport, will be making a full statement after his arrival and inspection of the site, and should be able to clarify the extent to which there might be other similar storage sites in the Greater Montreal area. I certainly share the concern of all Members of this House over any such storage of PCBs in any of our cities.

REQUEST THAT LIST OF STORAGE SITES BE MADE PUBLIC

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I am told that the Quebec Department of the Environment prepared a list of some 50 such sites in that province some time ago. There are known to be some 500 in the province of Ontario. I am also told that a former employee of the federal Department of the Environment, Mr. Marc Levy, lost his job not too long ago because of a conflict of interest in this respect, and he has since been involved in doing work for private gain in the storage of PCBs.

Given that, will the Minister assure us that the Minister of the Environment will make public tomorrow a complete list of the storage sites of this very dangerous substance so the people of Canada will know whether they are living in close proximity to such a site? Will he also assure us that the Government will take steps to make sure that all protective measures have been put in place, and that the Minister will make a comprehensive statement on federal government policy dealing with the present serious situation in Quebec, as well as outlining a policy for all of Canada?

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, I cannot make undertakings on behalf of the Hon. Minister of the Environment in the House this afternoon. However, I can assure the Hon. Member that all of the available information, that is to say the inventory of PCB storage sites in Canada, is available to the Department of the Environment. Working with provincial environment officials through the Canadian Council of Resource and Environment Ministers, an action plan is being developed to do exactly what the Hon. Member has asked for.

At the same time I understand his concern and that of all Members, and in particular the residents of Saint-Basile-le-Grand, that something more urgent and immediate must be done. There is indeed an investigation under way into the circumstances of the fire and the necessary measures which must be taken to provide a measure of confidence to the displaced residents of this part of Montreal.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF SASKATCHEWAN MINISTER OF ENERGY AND MINES

Mr. Speaker: I wish to draw to the attention of Hon. Members the presence in our gallery of the Hon. Patricia Smith, Minister of Energy and Mines for the Province of Saskatchewan.

Some Hon. Members: Hear, hear!

* * *

EMPLOYMENT

FREE TRADE—REQUEST FOR SPECIAL ADJUSTMENT PROGRAMS

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, my question is directed to the Deputy Prime Minister. Yesterday the Minister of Employment categorically rejected the proposal to set up special adjustment programs for workers displaced by free trade. How can the Government support that position when the provinces, the Macdonald Commission, the C. D. Howe Institute, and others, along with two Standing Committees of this House, all recommended special adjustment programs? Is the Government going to let these workers fend for themselves after free trade?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, as the Hon. Member knows but refuses to accept, we have within the Canadian Jobs Strategy Program the flexibility to deal with labour adjustment in all of its categories. Five million workers a year are affected by changes in their jobs, in the workplace or in their work description now. There are going to be 251,000 new jobs created under free trade and it is our job to ensure that programs are in place to ensure workers can take advantage of those opportunities. I can assure the Hon. Member that no one has their interest at heart more than this Government and this Minister.

GOVERNMENT POSITION

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, is everyone else wrong and the Minister right? The present programs are not working. They are not adequate. Since 1984, the programs have been cut by 32 per cent, from $2.2 billion to $1.5 billion. They are not working and the proof lies in the fact that we have over 10 per cent unemployment in five of our provinces, yet we have a shortage of skilled workers in Ontario. If the programs are working why are we left with a situation like this? Why is the Government content to have that sort of program with the introduction of free trade?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, the Hon. Member knows that regional differences in unemployment rates were not invented by this Government. Quite the reverse. Unemployment in all regions of Canada has come down since this Government came into office. If our training programs are so terribly bad, then why is unemployment at its lowest level in so many years?

The programs we have put in place are sufficient to deal not only with any adjustments that come with free trade, but also to prepare the Canadian people in the 1990s for a fast changing workforce. We are creating real jobs, not paint-the-fence jobs.

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DISASTERS

QUÉBEC PCB FIRE—EFFECT ON LIVESTOCK

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is directed to the Minister of Agriculture and concerns the fire in Saint-Basile-le-Grand and its impact on the agricultural community.

It is our understanding that the Government of Quebec has quarantined animals from that area. Can he advise the House what action the federal Government is taking in its jurisdiction dealing with livestock in particular?

Hon. John Wise (Minister of Agriculture): Mr. Speaker, I am not in a position at this moment to supply details other than to say that, immediately upon recognition of the incident, our people were on the scene and have been there since. They are working in full co-operation with the environmental and health and welfare people. From Canada's point of view, we have developed an action plan. When additional, detailed and accurate information is received from the environmental and health authorities, we will implement whatever action is necessary to ensure the health and safety of the Canadian consumer. We will also be involved if the area is designated a disaster area. If sufficient funds are provided to trigger the federal-provincial agreement, then Agriculture Canada will be fully involved on behalf of farmers and consumers.

• (1440)

COMPENSATION SOUGHT FOR AREA RESIDENTS

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my supplementary question is directed to the Minister of Fisheries and Oceans and is with regard to the compensation question. The Minister of Agriculture just indicated that the area could possibly be declared an emergency area under the normal rules of the Government of Canada and the Government of Quebec.

Will the Government indicate whether it is prepared to work with the Government of Quebec to provide compensation to those individuals who, through no fault of their own, have had personal effects, livestock, et cetera, destroyed, as well as a disruption of their lifestyle? Is the Government prepared to enter into an agreement with the Province of Quebec for compensation?

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, I think the question is slightly premature. Not to in any way trivialize the nature of the event that has occurred, it is important, first, to have scientific teams on the site and to do a careful assessment of the extent of possible damage to the surrounding areas, the homes, the properties, the gardens, and the health of the individuals who must return to live in their community.

That assessment is under way. As I have indicated, there is a team of scientists taking and analyzing samples which are being reviewed on site by a committee of experts. Until we have a full report at the end of that process it would be premature to speculate on a particular level of compensation.

However, the Hon. Member and the House can be assured that the Government, as it always has, will meet its full measure of responsibility to live up to the genuine needs of people which arise from this tragic and unforeseen event.

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EMPLOYMENT

SITUATION OF NEWFOUNDLAND INSHORE FISHERMEN

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, my question is for the Minister of Employment and Immigration. Yesterday I spoke to the Minister regarding the plight of plant workers at Brig Bay, Newfoundland, and I thank the Minister for promising to investigate that situation.

Today I want to bring to the Minister's attention the crisis in the inshore fishery on the Northern and Burin Peninsulas of Newfoundland. In both these areas fishermen have not had enough earnings in the last 15 weeks to qualify for unemployment insurance this winter. They need either direct financial compensation, such as that given to farmers, or a job development program which will pay them a wage equivalent to what they would earn as fishermen during a normal fishing season.

Is the Minister prepared to direct her officials to investigate the situation in both the Burin and Great Northern Peninsulas of Newfoundland? Will she ask those officials to devise, on an emergency basis, an appropriate response to the needs of these fishermen in Newfoundland and Labrador?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I appreciate the question from the Hon. Member. We are watching the situation in Newfoundland and Labrador very carefully. As the Hon. Member knows, when there was a hardship of this nature in 1985 the Department of Fisheries and Oceans and my colleague, the Minister of Fisheries and Oceans, were very involved in coming up with a solution, which solution was not an extension of UI benefits.

In answer to the question about investigating the situation, my officials will be meeting with his and he and I will be discussing the situation further.

REQUEST FOR EMERGENCY ASSESSMENT OF SITUATION

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, I want to point out to the Minister that there is very little resemblance between this situation and that in 1985. In 1985 we were talking about workers who had had a season which ended short of the 10 weeks required to qualify for unemployment insurance. This year we are talking about workers who have had only one or two weeks of earnings in the last 15.

It is not only a matter of having income this winter, it is a matter of having the funds to put bread and butter on the table now. It is a real crisis, in particular on the Burin and Great Northern Peninsulas of Newfoundland.

I ask the Minister not to wait until November 15 to do an assessment but to direct her officials to do an emergency assessment now and to find a way to assist fishermen and their families now, many of whom have children going back to school in a few weeks, to put bread and butter on the table and to do all the things that any Canadian has to do to prepare

their families for school in the fall and to get through the coming winter months.

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, as my colleague, the Hon. Minister of Employment and Immigration, has said, her officials and mine are examining the circumstances which could lead to the necessity of such an emergency program. I am pleased to have been a part of the decision making which led to the program in 1986 which my colleague mentioned. I believe there was a smaller program in 1987 in other parts of Newfoundland.

However, it has never been our policy to announce assistance, which could well be more greatly needed later in the year, when the fishing season is still under way.

Mr. Tobin: They are hungry now.

Mr. Siddon: There are still fishermen from the Labrador Straits and the Great Northern Peninsula fishing off the coast of Labrador. As the Hon. Member for St. John's West pointed out in this House last week, the Newfoundland fishery has produced much higher financial benefits and landings in total than it did last year. We will certainly give very serious consideration to the needs in the areas to which he has referred, the Burin Peninsula and the Labrador Straits region of Newfoundland.

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THE ECONOMY

INCREASED INTEREST RATES

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I have a question for the Minister of Finance about the increase in interest rates. Despite the pleas of Canada's Premiers last week, the Bank of Canada has today raised the bank rate again and three of Canada's chartered banks have raised their prime rate by one-half of a per cent to 11.25 per cent.

Does the Government intend to take any action to roll back these increases in bank interest rates, or has the Government told its friends in the banks that they can jack up their interest rates because there will not be an election this fall?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member is putting a wrong motivation in his question. I think Canadians would accept the fact that we have provided good economic management. That is very evident in the economic policy and results over the last four years.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): We do have the challenge now of increasing inflationary pressures. We have options. We could ignore the problem as the Liberals did in the seventies. We know that that led us to the very high levels of inflation and the consequent high interest rates in 1981-82. Or, we could take a far-sighted, responsible, prudent approach and head off the problem now before it becomes the serious crisis that it was in 1981-82. That is the prudent policy to follow and that is what good economic management is all about.

[*Translation*]

INCREASED INTEREST RATES—IMPACT—GOVERNMENT POSITION

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, the Minister of Finance seems unaware that, last week, Statistics Canada reported that inflation had gone down in almost every region in Canada. Despite this, the Government supports increases in the interest rates charged by the Bank of Canada and the chartered banks. Why is the government not willing to do something to stop this increase in the interest rates charged by the chartered banks? Does the Government consider the advice given by the premiers of no value? Why does the Government push for higher interest rates despite their harmful effects on home-building and home-buying, on farmers already suffering from drought in the West and on investment and especially job creation in poorer regions?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think Canadians understand that there is a clear link between inflation and high interest rates.

Mr. Broadbent: Yeah, the higher the rate, the higher the inflation.

Mr. Wilson (Etobicoke Centre): I ask Hon. Members to think back to 1981-82. I have some newspaper headlines which might be helpful to Hon. Members "Chances receding in fight with inflation", "Acceptance of inflation seems to be getting the upper hand", "Can we beat inflation?", "Inflation now a fact of life". That was after the Liberal Government of the day allowed inflationary pressures to get out of hand.

There is another headline to which I want to refer the Hon. Member, that is, "Realism, responsibility needed to cure inflation". That is the approach we are following as a Government and that will be evident in the economic results in the years ahead.

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PENITENTIARIES

LOCATION OF PROPOSED PRISON IN NEWFOUNDLAND

Mr. John Nunziata (York South—Weston): Mr. Speaker, my question concerns the Government's announcement yesterday that Newfoundland's new federal prison will be built in Harbour Grace, a Tory riding, rather than in Buchans. Would the Solicitor General explain what criteria were used in the decision to switch the location of the prison from Buchans to Harbour Grace? Can he explain to the people of Buchans and the people of Canada whether the same criteria were used in this particular decision as were used in the decision to locate the prison in Port Cartier, in the Prime Minister's riding?

• (1450)

Hon. James Kelleher (Solicitor General of Canada): Mr. Speaker, the Hon. Member is making an assumption that we switched the prison site from Buchans. We never selected Buchans as the site.

The Commissioner of Corrections set up a site selection committee and, using that criteria, they investigated a number of sites across Newfoundland, including Buchans. After reviewing the work of the site selection committee, the Commissioner recommended to me that the Harbour Grace area be selected, and I accepted that recommendation.

JUSTIFICATION FOR SITE SELECTION

Mr. John Nunziata (York South—Weston): Mr. Speaker, the Solicitor General knows that money had already been designated in the 1984-85 Estimates for a federal penitentiary in Buchans. He also knows that this new location was chosen even before land was acquired, even before the federal Government was in a position to build a prison there.

The Minister for International Trade said today: "The federal Government cannot justify putting a prison in a community like Buchans which is nowhere near where prisoners' families are living". If this is the policy of the Government of Canada, how can the Solicitor General justify the building of the Prime Minister's prison in a remote part of his riding, in Port Cartier, 900 kilometres away from Montreal, a 14-hour bus ride away from Quebec City? If the consideration is close proximity to family, why was the Prime Minister's prison built where it is?

Hon. James Kelleher (Solicitor General of Canada): Mr. Speaker, I am extremely surprised that the Member complains about us not selecting Buchans as the site for the prison when the former Solicitor General also rejected that site and selected an area in Windsor.

I have here a press release dated August 7, 1984, in which the former Solicitor General, the Member for York Centre, announced that a penitentiary would be built in Newfoundland. "We are going to initiate an assessment of possible sites in the Windsor area later this week and it is expected that a suitable piece of property will be acquired within the next couple of months".

They did what we have done. They rejected the Buchans site because it did not contain a suitable infrastructure. I find it a little difficult that the Member complains now when what we did was what the former Solicitor General of his Government did.

MINISTER'S POSITION

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, my question is directed to the Solicitor General who will know that in 1984, the Liberal Party decided to build a federal penitentiary in a Liberal riding.

Ms. Copps: Retract that.

Mr. Robinson: Now we see a Tory Government building a federal penitentiary in a Tory riding. I want to ask the Minister—

An Hon. Member: What about Jack Harris?

Mr. Speaker: The Hon. Member for Burnaby.

Mr. Robinson: In view of the fact that the Prime Minister decided to build a prison in his own constituency, supposedly for economic benefit, if that is the same criteria for the Minister how can he explain on economic grounds not building the federal penitentiary either in the Buchans area or Bell Island area, both of which have desperately high levels of unemployment? Why one standard for the Prime Minister and another standard for the people of Newfoundland?

Hon. James Kelleher (Solicitor General of Canada): Mr. Speaker, as I explained earlier in the House, the site of Harbour Grace was recommended to me by the Commissioner of Corrections after his site selection committee had reviewed various possible sites in Newfoundland. One of the sites they looked at was indeed the Buchans area. However, they determined that the required infrastructure was not present in Buchans but was indeed present in the St. John's region or Harbour Grace area. That is the reason for it.

Certainly Buchans was considered, and indeed the Commissioner of Corrections met personally with the mayor and other members from that community, and listened to them carefully and considered their site.

GOVERNMENT POSITION

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, if this is suddenly a concern, why was the Government prepared to spend $42 million extra to build a federal prison in the Prime Minister's constituency? What exactly are the standards for prison construction by the Government? Is it economic benefit, correctional criteria, or is it in fact trying desperately to save the ridings of Tory Members of Parliament? Is that not the real reason?

Hon. James Kelleher (Solicitor General of Canada): Mr. Speaker, as I mentioned earlier, the site selection committee determined that Buchans did not contain the necessary infrastructure, which includes access to court facilities, medical and psychological hospitals, doctors and emergency services such as police, fire, and national defence. The Buchans area does not contain that infrastructure. The Harbour Grace area does.

In addition, CSC recommends that a community must have a minimum population of at least 2,500. Buchans barely has 1,000, and the Harbour Grace area which has been selected

has a population of approximately 12,000 to 13,000. It is indeed a most acceptable site.

* * *

CORPORATE AFFAIRS

HOUSING SITUATION IN TORONTO--OWNERSHIP OF DEVELOPMENT LAND

Mr. Alan Redway (York East): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. According to senior officials with Canada Mortgage and Housing Corporation, the Metropolitan Toronto area housing crisis is a result of the fact that land for housing is not coming on the market fast enough. They say that one of the major reasons for that is that six companies own all of the development land in the Metro Toronto area.

Will the Minister advise the House if CMHC has asked his officials to investigate whether there has been a breach of the Competition Act? If they have not done so, will the Minister give us his undertaking that he will do so?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am not entirely sure whether CMHC has asked officials in my Department in that regard. However, the Director of Investigation of the Competition Bureau is aware of the situation and is investigating it.

Due to the confidentiality provisions of the Competition Act, I really cannot say any more in that regard, except that it is being investigated by the Director of Investigation of the Competition Bureau.

* * *

IMMIGRATION

PLIGHT OF UKRAINIAN REFUGEE STATUS CLAIMANTS

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. The Minister will know that several weeks ago a group of 205 Ukrainians en route to Rome from Poland claimed refugee status in Vienna and are currently being held in an Austrian refugee camp, faced with possible deportation back to Poland.

The Minister will also know that the group wants to come to Canada and that the Ukrainian Canadian community has made extensive representations to the Minister for Government sponsorship of these refugees. In view of the fact that in recent years there have been virtually no Government sponsored Ukrainian refugees from eastern Europe, will the Minister advise the House whether the Government of Canada is prepared to accept and sponsor these refugees to Canada? Will she seek immediate assurances from the Austrian Government that the group will not be deported to any country behind the Iron Curtain?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I thank the Hon. Member and other Members for their interest in this case. As the Hon. Member knows, people of Ukrainian background coming from eastern Europe have either Polish papers or papers from the Soviet Union. These particular cases were brought to our attention. We spent considerable time in an effort to assist them.

The applications are currently being processed, including medical and security procedures. Those procedures will apply. The process is under way. We have already been in contact with the Austrian Government and we are assured that no one will be deported to Poland.

• (1500)

We have asked for assistance from the Ukrainian community, with whom I am meeting next week on this issue, in identifying any cases of special hardship. I understand there are none, but if some are brought to our attention we will certainly process those on a priority basis. Our expectation is that these people, providing the process goes smoothly and all the people are cleared, will be arriving in Canada this winter or this spring.

* * *

ENVIRONMENTAL AFFAIRS

LEAD IN GASOLINE

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in the absence of the Minister of the Environment my question is directed to the Deputy Prime Minister. Last week we brought to the attention of the Government the publication of a U.S. Congressional study with respect to the impact on human health of lead in gasoline. Today we learned about a study undertaken by Dr. Anthony McMichael at the University of Adelaide in Australia to the effect that there is new evidence that exposure to relatively low levels of lead during early childhood can slow and perhaps permanently stifle mental development. Therefore, the question I must again ask of the Government is whether it is prepared at last to advance the target date for reducing lead in gasoline from January 1993 to 1990.

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, I can certainly assure the Hon. Member that the National Health and Welfare experts, as well as Environment Canada officials, are studying the brief prepared by the Canadian Coalition for Lead Free Gasoline with respect to the effect of high lead levels on the health of children. There will be consideration given to a accelerated phase-out if that proves to be necessary.

I should point out that the program, with the deadline of 1992, to eliminate lead in gasoline, was a program introduced by the Government of which the Hon. Member was a member at the time. Since that time, the safe blood lead level of concern has been lowered from 20 micrograms per decalitre in 1986, to 10 to 15 micrograms now. But we have seen a lowering of the actual levels in children in urban cities to a level of 8 micrograms per decalitre from 12 micrograms which was the level in 1984.

In other words, we are making regular progress and the research to which the Hon. Member referred has certainly been reviewed by officials in the Department of National Health and Welfare and in the Department of the Environment to see if further measures are necessary.

REQUEST THAT GOVERNMENT ADVANCE REDUCTION DEADLINE

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Minister has pulled out the wrong briefing note. I am referring to more recent studies. In view of the fact that the Royal Society of Canada cautioned the Government that the program that is now in place may not be fast enough, is the Government willing to make a decision and advance the deadline for further reduction of lead in gasoline from 1993 to 1990? That is the question the Minister ought to answer.

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, the Hon. Member may feel I am reading from the wrong briefing note, but my answer to the first question he asked was nonetheless correct. The Government is looking at recent scientific evidence and the report of the Coalition on Lead in Gasoline with a view to determining whether a faster phase-out is necessary. I think the Hon. Member would have to agree that it would be irresponsible for a Minister to stand up in the House and promise to change the deadline date of a program his Government established without doing our homework first.

Mr. Speaker: The Hon. Member for Thunder Bay—Nipigon with a single question, followed by the Hon. Member for Winnipeg North with a single question.

* * *

RAILWAYS

GRAIN TRANSPORTATION SUBSIDY

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, my question is directed to the Parliamentary Secretary to the Minister of Transport. Mr. Ian Gillies of the Cargill Grain Company said recently that although it is actually cheaper by over $8 per tonne to ship grain from southern Manitoba to the St. Lawrence terminal elevators than to the West Coast terminals, the federal subsidy paid to railways makes the cost to the shipper over $12 less to rail this Manitoba grain to the West Coast.

Can the Parliamentary Secretary confirm the accuracy of Mr. Gillies' statement which suggests that the railways' subsidies paid under the Western Grain Transportation Act have a dramatically distorting effect on economic activity in the Canadian grain trade?

Hon. Gerry St. Germain (Minister of State (Transport)): Mr. Speaker, first, I would like to correct the situation. I am not the Parliamentary Secretary. I am the Minister of State for Transport.

Some Hon. Members: Oh, oh!

Mr. Cassidy: Not for long.

Mr. Tobin: Some things are better left unsaid.

Mr. St. Germain: I thank the Hon. Member for having given prior advice of the question. With respect to the Hon. Member's question, as the Hon. Member knows I have met delegations from his riding with respect to the port authorities and the shipping people who work out of and represent that area. We are concerned. His concerns are our concerns. However, the National Transportation Agency will be reviewing the Western Grain Transportation Act in 1989. I believe that it will come forward with recommendations at that particular time in dealing with the situation put forward by the Hon. Member, and we look forward to the response and recommendations with respect to this matter.

* * *

PUBLIC SERVICE

STATUS OF SALARY NEGOTIATIONS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in the absence of the President of the Treasury Board I would like to direct my question to the Deputy Prime Minister. The vast majority of the public servants who are represented by the Public Service Alliance and the Professional Institute know their collective agreements with the Government ran out in 1987. They have been negotiating with officials of the Treasury Board since then. They have not had a single offer in respect to the salary part of their agreement. They have asked repeatedly to meet with the President of the Treasury Board and have been told that she is either too sick or too tired to meet with them.

Would the Deputy Prime Minister make it his business to see that a cabinet Minister who has some authority meets with the representatives of these two organizations so that the bargaining can be brought to a successful conclusion? The fact is that the morale of our employees is going to go down and down unless there is some movement.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I wish to advise that the bargaining process is continuing. We all regret that we have not been able to reach a conclusion to the bargaining process, but there has never been a suggestion that the bargaining on either side is continuing in bad faith. I think we should leave it with the officials and with the representatives of the unions, with the hope that very soon they will be able to negotiate a final position and execute an agreement.

Mr. Siddon: Point of order.

Mr. Speaker: Before we get to the point of order, I should like to say Hon. Members have been very co-operative. The Hon. Member for Algoma has a single question and that is the end of Question Period. I then must hear the Hon. Minister on a point of order. The Hon. Member for York Centre also has a point of order. And we will get it all done.

* * *

AGRICULTURE

EFFECT OF DROUGHT IN SOUTHWESTERN ONTARIO—REQUEST FOR GOVERNMENT ASSISTANCE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Deputy Prime Minister in the absence of the Minister of Agriculture. It concerns the drought situation which has afflicted southwestern Ontario and other parts of the province. Last month the Minister of Agriculture said that assistance would be provided to eastern farmers on the same basis as those in western Canada where some $153 million was provided to the livestock industry alone. The estimates of losses in Ontario now approach $.75 billion, that is $750 million of losses in crops. I wonder if the Deputy Prime Minister could indicate what assistance is going to be provided and when that assistance is going to be provided?

The Minister of Agriculture failed to show up for a very important meeting a week ago with farm representatives. All the important farm representatives of various organizations are meeting in Guelph today. They want to know when the Government is going to provide assistance and how much assistance is going to be provided in light of the Minister's statement last month.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I appreciate the Hon. Member's continuing interest in this matter. I just want to reassure him, and I think he knows, that no Minister of Agriculture has worked more closely with the agricultural community than the present Minister of Agriculture. In fact, many times the Opposition has condemned him and the Government for consulting with the farm community and working together with them. The Minister of Agriculture had undertaken to deal with this issue. I know he is actively working on it, as he has with the drought situation in other parts of Canada, and as he has with other agricultural calamities. I can assure the Hon. Member that he will be dealing with this in an expeditious way and, hopefully, to the satisfaction of all.

• (1510)

POINTS OF ORDER

SUPPLEMENT TO QUESTION PERIOD REPLY

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Mr. Speaker, the Hon. Leader of the NDP has informed me that, unfortunately, he had to leave the House. It is important for the record that I present to the House updated information received in response to a question, the first question I believe the hon. gentleman asked me earlier during Question Period. I think this information underscores the importance of not extracting from press reports information which later proves to be incorrect and thereby unnecessarily alarming people.

Ms. Copps: Order!

Mr. Siddon: I think this information is very important to the people of Montreal, if not to the Hon. Member for Hamilton East (Ms. Copps).

The Department of the Environment maintains a register of all inspected and registered dumping sites for PCBs in Canada. That is done in co-operation with the provinces. Notwithstanding that fact, there are still some PCB-filled transformers being used by industry according to policies adopted in 1977 when those transformers were no longer allowed to be installed in new industries and new plants.

There may be in some cases in some locations currently transformers in use which still contain PCBs. That is quite a different situation than having transformers stored that are no longer in service. I can assure you, Mr. Speaker, and Members of this House that Air Canada has no PCB-filled transformers operating in any of its facilities in the Montreal area. While it once did have some 29 transformers at Dorval Airport and five at the Toronto Airport, those were all removed starting in 1986, and have been replaced with transformers of the dry type air-cooled design. All of the PCBs taken from these transformers were shipped outside Canada and sent to a specialized firm in Wales where they were totally destroyed through incineration.

In conclusion, we can assure the House that there are presently no PCBs at Air Canada owned premises in Canada.

REQUEST FOR TABLING OF DOCUMENT

Hon. Bob Kaplan (York Centre): Mr. Speaker, mine is a very brief point of order. During Question Period my colleague, the Hon. Member for York South—Weston (Mr. Nunziata) questioned the Solicitor General (Mr. Kelleher) about the penitentiary proposed to be built in Harbour Grace, Newfoundland. I recognize that the Solicitor General is not in the House, but he referred to a document which hitherto has not been known about, which is a report that he claimed was received from the Commissioner of Corrections recommending that location. He did not quote from it and I recognize that.

However, in light of that revelation can I ask the Government that that report be made public.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I would be glad to discuss this matter with the Solicitor General. I think my friend hit the nail on the head when he said that the Solicitor General did not quote directly from the report. However, I will discuss the matter with the Solicitor General.

Mr. Speaker: I thank the Minister of State. I will also look at the record. If it is appropriate I will come back and report to the House.

Hon. Herb Gray (Windsor West): Mr. Speaker, I would like to make a brief comment on the point of order of which you have taken notice. I want to suggest that even though the precedents that we have deal with the need to table a document which has been quoted or cited in debate, and that includes Question Period, I respectfully suggest that Your Honour consider making a ruling that if a Minister refers to a report from his officials recommending a course of action and says something about the advice contained in it, there should be an obligation to table the entire report so that Members of the House and members of the public will be in a position to know exactly what was in the report and the extent to which the comment about it by the Minister covers the whole of the nature of the advice and the context in which that advice is given.

Mr. Speaker: I want to assure the Hon. Member for Windsor West (Mr. Gray), and other Hon. Members, that I have listened very carefully to the intervention. I will consider the matter.

I point out that this issue was discussed some weeks ago, I think on a matter raised by another very experienced Member in this place, the Hon. Member for Regina West (Mr. Benjamin). I will consider it with care.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Hon. Herb Gray (Windsor West): Mr. Speaker, I want to ask the customary question about the intentions of the Government with respect to the business of the House, this being Thursday. I know that this morning an order was proposed by the Government with respect to the business of the House and it was agreed to. However, there are likely Members who are here now who were not here this morning. I think that in the interest of carrying on a desirable practice I should ask the customary business question and give the Deputy Government House Leader an opportunity to reply.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I wish to advise the House that at 3 p.m. this afternoon, or as soon as we finish the business of the House question, the House will immediately enter Orders of the Day and proceed to consideration of Bill C-146. That is a Bill with respect to the tax courts. This particular piece of legislation will pass through all stages. This, naturally, is on consent. It will pass through all stages without debate and without a recorded division.

The following order of business has been put together with the co-operation of the Opposition Parties. I want to thank them at this time, as I did this morning, for their efforts in this matter.

Immediately after the consideration of Bill C-146 the House will proceed to consideration of report stage of Bill C-139, with the intention that the report stage be finished by 10 p.m. this evening and the vote on concurrence at report stage to be completed this evening.

Tomorrow, we will commence third reading of Bill C-139 and complete that on or before 2 p.m. with the vote being deferred until 6 p.m. on Monday. If in fact we complete that order of business before 2 p.m. tomorrow there would be no further business called by the Government.

Monday, August 29, and Tuesday, August 30, are the two designated days for the third reading stage of Bill C-130, the free trade Bill, pursuant to the order made on August 16, 1988. Any division requested on Bill C-130 shall be deferred until 3 p.m. on Wednesday, August 31, 1988.

Following that deferred division on Wednesday of next week, or as the first item of business on Wednesday of next week, the Government will call Bill C-114, the conflict of interest legislation, for second reading. Second reading of Bill C-114 shall be completed and voted on not later than 5.45 p.m. Thursday, September 1, 1988.

I will stick strictly to business and not to any provisions the order has with respect to the rules of the House. I point out that the House will then adjourn until 11 a.m. on Tuesday, September 13.

One added item I would point out is with reference to the legislative committees which are studying Bill C-136, the broadcasting legislation, and Bill C-144, the child care legislation. If in fact the legislative committees complete their work on these two items there is provision in the Order for the reports to be tabled during the adjournment of the House. They shall be deemed to have been reported and stand on the Order Paper ready for report stage consideration on or after Tuesday, September 13.

It is provided in the Order that the Notice Paper will remain open until 6 p.m. on Monday, September 12, for any amendments thereto. I indicated this morning that when we returned on September 13, in anticipation of the report by the committee on Bill C-136, the Broadcasting Act, being tabled, the report stage amendments being ready and on the Order Paper, that we would proceed with consideration at report stage of Bill C-136.

• (1520)

I am advised that the critic for the Official Opposition finds that date to be inconvenient, and I understand that. We will therefore defer consideration of Bill C-136 until Wednesday, September 14, and we will have our staff discuss the matter with the opposition staff. We will discuss it and put together items of legislation for Tuesday, September 13, which meets the convenience of all Parties.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I wonder if the Deputy Government House Leader (Mr. Lewis) could give some guidance to the House with respect to the proposals which the Deputy Prime Minister (Mr. Mazankowski) indicated would be coming forward very shortly. It is the question of political rights for federal government employees.

As the Deputy Government House Leader probably knows, I had proposed that if we were to restore to the Order Paper the Bill proposed by the Member for Ottawa West (Mr. Daubney) and make some minor technical amendments to it, that Bill could in fact be put through the House quite quickly. That would be the responsible thing to do.

I had some misgivings about the proposals and what I understood from the Deputy Prime Minister (Mr. Mazankowski), but could the Deputy Government House Leader indicate if it is still the Government's intention to table such a Bill or is that intention now abandoned?

Mr. Lewis: My hon. friend will know that as the Deputy Prime Minister (Mr. Mazankowski) has said, consideration is being given to legislation on political rights, and that consideration is ongoing. As soon as we are in a position to put it into legislation, the Government will come forward with that legislation.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I have another question with respect to House business. A long-standing commitment to correctional officers in federal penitentiaries across Canada remains unfulfilled. That is the commitment on the part of this Government to bring forward legislation permitting early retirement, recognizing the severe stress that many correctional officers face in their jobs within the federal Correctional Service of Canada. The Solicitor General (Mr. Kelleher) is on record as saying that he supports legislation of this nature, but we are still waiting for the Government to bring forward a Bill that would provide for early retirement for correctional officers in federal correctional facilities across Canada.

I would like to ask the Deputy Government House Leader when the Government will finally bring forward this legislation, and assure him that when the Government does bring it forward, certainly we in the New Democratic Party are prepared to facilitate immediate passage of that long overdue legislation.

Mr. Lewis: Mr. Speaker, Question Period, as the House knows, went until 3.10 p.m. today. I consider this to be nothing more than an extension of Question Period. I, in all good faith, laid out the menu for a considerable amount of days in advance. If that question has to be asked, I suggest that it is for Question Period.

GOVERNMENT ORDERS

[*English*]

TAX COURT OF CANADA ACT

MEASURE TO AMEND

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada) moved that Bill C-146, an Act to amend the Tax Court of Canada Act and other Acts in consequence thereof, be read the second time and referred to a legislative committee.

He said: Mr. Speaker, I understand that there may be consent to refer Bill C-146 to Committee of the Whole.

Mr. Speaker: The Hon. Minister is indicating that there may be consent to move directly to Committee of the Whole. Is that agreed?

Some Hon. Members: Agreed.

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

Some Hon. Members: Agreed.

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

* * *

INCOME TAX ACT AND RELATED ACTS

MEASURE TO AMEND

The House resumed from Tuesday, August 23, consideration of Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts, as reported (with amendments) from the Standing Committee on Finance and Economic Affairs; and the amendment of Mr. Garneau:

Motion No. 2

That Bill C-139 be amended in Clause 19

(a) by striking out line 7 at page 70 and substituting the following therefor:

"any property is 2/3 of his capital gain"

(b) by striking out line 12 at page 70 and substituting the following therefor:

"of any property is 2/3 of his capital loss"

(c) by striking out line 17 at page 70 and substituting the following therefor:

"the disposition of any property is 2/3 of"

(d) by striking out lines 21 to 43 at page 70 and lines 1 to 28 at page 71 and substituting the following therefor:

"years and fiscal periods ending after 1987."

Mr. Speaker: I have a further ruling for Hon. Members with respect to Bill C-139. There are 17 motions and amendments set down on the Notice Paper in relation to Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts.

Members will recall that on August 23, I promised to return and give a final ruling in connection with this Bill. In my preliminary ruling I found Motion Nos. 1, 2, 7, 14, 15, and 17 in order and ruled that they would be debated and voted upon separately.

I will now deal with the remaining motions.

[*Translation*]

Motion no. 3 standing in the name of the Hon. Member for Laval-des-Rapides (Mr. Garneau) appears to be attempting to amend the Income Tax Act itself rather than this Bill. However, Clause 39 of the Bill does deal with several aspects of child care expenses and for this reason I will give him the benefit of the doubt. Motion no. 3 will be debated and voted upon separately.

Motion No. 4, again standing in the name of the Hon. Member for Laval-des-Rapides will not be selected as it is similar to a motion moved, debated and negatived in the Standing Committee.

Motion Nos. 5 and 6 standing in the name of the Hon. Member for Ottawa Centre (Mr. Cassidy) are both in order but since the Hon. Member is targetting the same clause in both motions the Chair will only select Motion No. 6 for a separate debate and a separate vote. This decision was made after consultation with the Hon. Member.

• (1530)

[*English*]

Motion Nos. 8, 9, 10, 11 and 12 standing in the names of the Hon. Member for Trinity (Miss Nicholson) and the Hon. Member for Laval-des-Rapides (Mr. Garneau) will be grouped for debate and will be voted upon as follows: (a) Motion Nos. 8, 10 and 12 will be voted upon separately; (b) a vote on Motion No. 9 will apply to Motion No. 11.

Motion No. 13 standing in the name of the Hon. Member for Laval-des-Rapides is in order and will be the object of a separate debate and vote.

[*Translation*]

Motion No. 16 standing in the name of the Hon. Member for Saint-Léonard—Anjou (Mr. Gagliano) causes the Chair concern as it does not fit in the Bill as reprinted. Furthermore, it appears that the Hon. Member is seeking to amend a section of the Income Tax Act, which has been repealed. This is not in order. In this connection, I refer Hon. Members to paragraphs 1 and 8 of citation 773 of Beauchesne's 5th edition.

[*English*]

To recapitulate, Motion No. 16 has been ruled out of order and Motion Nos. 4 and 5 were not selected.

I thank Hon. Members for their co-operation with the Table Officers in going through what has been a complicated matter and I hope that Hon. Members are satisfied with the result.

Mr. Cassidy: Mr. Speaker, on a point of order. I believe the Hon. Member for Winnipeg North Centre (Mr. Keeper) was on his feet at the time the debate adjourned the other day speaking to Motion No. 2.

Mr. Speaker: Perhaps Hon. Members can assist the Chair. I understand that the Hon. Member for Winnipeg North Centre was speaking. Perhaps the Hon. Member for Ottawa Centre can assist.

Mr. Cassidy: Mr. Speaker, if you are moving to debate on the motions, we were on Motion No. 2. If I recall correctly, the Member from Winnipeg North Centre had a certain amount of time left in his speech.

Mr. Speaker: I thank the Hon. Member for Ottawa Centre. I recognize the Hon. Member for Winnipeg North Centre.

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I want to reiterate briefly what I said when we were last dealing with this legislation. Quite simply, we are opposed to what the Liberal Party is trying to do today with this amendment by treating the taxation on capital gains even more lightly than the Conservative Government is doing.

We believe there ought to be some equity and fairness in the taxation system for ordinary families. If you continue tax forgiveness on capital gains and not treat those gains as income, the ordinary family will have to pick up the burden, Mr. Speaker.

Mr. Hockin: Mr. Speaker, I have a brief question. Is the Hon. Member suggesting that he does not support the capital gains exemption for small businesses and farmers?

Mr. Keeper: Mr. Speaker, I want to make it quite clear that we do believe capital gains ought to be taxed with an exception for farmers and small businesses. These are legitimate exceptions. As far as the rest, all other capital gains ought to be fully taxed. In that way income from capital wealth can support public activities and the burden does not have to fall on the ordinary family.

Mr. Speaker: The Hon. Member for Laval-des-Rapides (Mr. Garneau) has, without being formally recognized, brought a matter to my attention which I think must be acknowledged. The Hon. Minister of State for Finance (Mr. Hockin) has with great skill bootlegged a question in which probably was out of order. However, the question is there. The Hon. Member has handled it adequately and with dispatch. We will now continue with debate. The Hon. Member for Glengarry—Prescott-Russell (Mr. Boudria) has the floor.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I was a little confused here by the position of the socialists. They have confused a number of Canadians before on their policy.

I draw to the attention of the House the issue involving the earned depletion allowance on flow-through shares and how the policy flowed through from one position to another at one particular point in the debate, particularly after the Minister responsible for the Bill in question had made a decision. It became apparent in the mining community that it would cause some difficulties. Then we had the situation whereby the Leader of the New Democratic Party (Mr. Broadbent) asked the question, and the tone of his question was in direct contradiction to the statement made by his critic whether the date of the initiative in question had been announced. That was a little confusing and I must say it left a number of us perplexed.

Mr. de Jong: That is the history of the Liberal Party.

Mr. Boudria: That is all right, Mr. Speaker. Everyone has a right to be confused and so do the New Democrats.

In the issue we are discussing today, we are hearing from the New Democrats that they do not approve of the Liberal amendment produced by my distinguished colleague, the Hon. Member for Laval-des-Rapides (Mr. Garneau). What he is proposing is a change in the Bill by which change the capital gains and dividends would be taxed in a manner consistent one with the other.

I draw to your attention the November, 1987, report on the White Paper on Tax Reform, Stage 1. That particular committee was made up of Members from all three political Parties. Let me read the list of Members. They are indicated by name and I understand we are supposed to refer to Members by their constituency but, nevertheless, representing the New Democratic Party we had the Hon. Member for Ottawa Centre (Mr. Cassidy), the Hon. Member for Regina East (Mr. de Jong) and so on. I draw to your attention that the report on the White Paper on Tax Reform was adopted unanimously. We are talking about a unanimous report here, Mr. Speaker. Here was the position expressed in the White Paper at Article 11. I read it—

Mr. Cassidy: On a point of order, Mr. Speaker. The Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) is reading from the main body of the report, but he ignores the fact that his Party wrote a minority report dissenting with a number of recommendations of that committee, which is to be read in context with that report, as did the New Democratic Party. He should read on capital gains the New Democrats' contention that with the exception of small businesses and farms, capital gains should be taxed at 100 per cent. If the Member were to read the whole report, he would not be making the error he is making right now.

The Acting Speaker (Mr. McKinnon): The Chair would be most appreciative that when a Member is standing he waits until the debate is stopped before conducting any further debate.

I do not believe the Member had a point of order the way I heard it, which was faint because the Member's microphone was not on during his discourse. I did not detect a point of order but rather a matter of debate. I will call upon the Member to resume debate.

Mr. Cassidy: On the point of order, Mr. Speaker. I simply wanted to make the point that the Hon. Member for Glengarry—Prescott—Russell was misrepresenting a colleague in the House by not citing the minority report in the report of the Finance Committee on tax reform which quite explicitly indicated the New Democratic Party's support for capital gains tax at 100 per cent rates on everything except small businesses and farms. That was the point on which, I am afraid, the Hon. Member misrepresented our Party. He is free to make his points, but I just want to make sure that he does not obfuscate the record.

• (1540)

[*Translation*]

Mr. Garneau: Mr. Speaker, I would like to point out that the Hon. Member for Ottawa Centre (Mr. Cassidy) is not raising a genuine point of order but a matter dealing with argument and interpretation. As I understood the debate we had in the Committee on Finance and Economic Affairs, of which I was a member, the NDP agreed on that particular point, and what he is doing now is not a point of order but simply a matter of interpretation, and personally I would put a totally different interpretation on the position he took during consideration of the Bill in Committee.

[*English*]

The Acting Speaker (Mr. McKinnon): I think we have heard enough on this non-point of order and I would like to have the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) continue with his debate.

Mr. Boudria: Thank you, Mr. Speaker, recommendation No. 11 was unanimously carried by the parliamentary committee, as was recommendation No. 12. It is important to note that they were carried unanimously, with the accord of members of the New Democratic Party.

Recommendation No. 11 was that, as an interim measure only, the proportion of a capital gain or capital loss required to be included in computing an individual's taxable capital gain or allowed capital loss be increased from one-half to two-thirds for gains and losses realized in 1988 and in 1989. Believe it or not, Motion No. 2 strikes out a clause and replaces it with a clause with the figure two-thirds, the very same figure that appeared in the committee recommendation which was unanimously adopted.

There may be a philosophical point at which the New Democrats say they want the whole thing to be taxed differently. Our Party as well thinks that this tax reform would be a lot better had it been done properly. However, the point is that all political Parties agreed that if this tax reform were to take place, we should amend it in such a way as described in recommendation No. 11. Everyone agreed that that was the thing to do, but two political Parties have now changed their minds, the Conservatives and the New Democrats. We in the Liberal Party are consistent.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. McKinnon): The question is on Motion No. 2 standing in the name of the Hon. Member for Laval-des-Rapides (Mr. Garneau).

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. McKinnon): Pursuant to Standing Order 114(11), a recorded division on the motion stands deferred.

The next question is Motion No. 3.

[*Translation*]

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No. 3

That Bill C-139 be amended in Clause 39

(a) by striking out line 5 at page 106 and substituting the following therefor:

"63.(1) Subject to subsections (2) and (4),"

(b) by adding immediately after line 43 at page 109 the following:

"(8.1) Section 63 of the said Act is further amended by adding thereto the following subsection:

"(4) 26 per cent of the amount deductible as child care expenses under subsection (1) in computing the income of the taxpayer shall be converted into a deduction from the tax payable by the taxpayer and the portion, if any, of such deduction that exceeds the tax payable by the taxpayer shall be refunded to the taxpayer."

He said: The purpose of this motion is to make our tax legislation more consistent and to apply the same approach taken in other areas to the area of child care expenses. Mr. Speaker, as you know, all personal exemptions such as deductions for dependants and children have been turned into tax credits, which seemed only fair. In fact, I recommended as much, if I am not mistaken, in my first speech in the House, in response to the first Budget Speech when we were talking about tax reform. I said that it would be fairer and more equitable to turn these exemptions into tax credits, thus setting a fairer value on these exemptions and making them a better reflection of the expenses to be covered. Since tax rates differ depending on one's income bracket, the exemption tended to be more generous to people on high incomes than to those on lower incomes. The Government agreed with this proposal, except that when it got to the matter of child care expenses, instead of transforming deductions for child care expenses into tax credits, the Government maintained the deduction formula.

If adopted, Motion No. 3 would, first of all, transform the deduction into a tax credit. We know that currently, the deduction is $2,000. This Bill will raise the deduction to $4,000 for children up to the age of 6, but only for families who provide receipts. If you hire someone and you have receipts for child care expenses, you can deduct up to $4,000 annually for children up to the age of 6. Before, there was a maximum of $8,000 per family. That will disappear. We know that a family that incurs child care expenses but does not have receipts, or where one of the spouses stays home to look after the children, can obtain a maximum increase of $200 annually of the refundable child tax credit. However, this applies only to families on lower incomes.

I have no problem with this second part of the Act; since it is in keeping with what already existed and the tax credit continues and is refundable, no problem. But regarding the expense deduction, we believe that it would be preferable to have some consistency and keep the tax credit approach as much as possible. And since it is a tax credit that helps families, we believe that this tax credit applicable to child care expenses should be 26 per cent. For example, a family with $2,000 in child care expenses would be entitled to a tax credit of 26 per cent of $2,000; if it has $4,000 in child care expenses, it would be entitled to a tax credit of 26 per cent. That is my proposal. It does not change the ceiling, but simply changes the deduction into a proportional tax credit. Why 26 per cent? Because it would help families with modest incomes more. Under the present tax reform, their income is taxed at 17 per cent. The first $27,500 of refundable income and a 26 per cent tax credit would thus benefit families making $27,500 or less and would change nothing, or very little, for families with more substantial incomes.

So I make this proposal for two purposes: first, to keep some consistency in the use of tax credits, since the Government has decided to eliminate exemptions and to change them into tax credits, I do not see why this should not be done for child care expenses; second, it would enable families with child care expenses who are in the lowest income bracket to obtain a 26 per cent tax credit for them.

[*English*]

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I was just given a very sober nod from the Minister of State for Finance (Mr. Hockin). I hope he realizes that it is you, Mr. Speaker, and not he who consents to my being able to speak in the House of Commons.

This motion from the Liberal Party is like the curate's egg. It has some good portions and some that are not so good. The aim is to make the child care deduction into a refundable tax credit at the rate of 26 per cent of eligible child care expenses. This particular clause of the Bill, Clause 39 which amends Section 63 of the Income Tax Act, previously provided for the deduction of child care expenses to the limit of $2,000 per child under seven years of age. This has been raised in the Government's proposals to a maximum of $4,000 per child under seven years of age or a maximum of two-thirds of the taxpayer's earned income. The Liberal amendment proposes that that be turned into a refundable tax credit at the rate of 26 per cent of eligible child care expenses.

• (1550)

The NDP is of the view that we need to make sure child care spaces are available across the country. To act almost exclusively through the tax system as proposed by the Government is not good enough. By increasing the allowable amount from $2,000 to $4,000 we are providing a benefit to wealthy Conservatives who pay nannies to look after their children and then deduct the entire amount. Or, perhaps they are wealthy enough that they can pay for day care at full rates. However, there are an awful lot of people who do not have that kind of money.

In addition, like it or not, there is an informal child care network which has grown up because of the lack of more formal facilities. In that network it is not always possible to get receipts. If you do not get receipts, you do not get a credit. In addition to which, the wealthier you are, the more this $4,000 per child deduction is going to be worth. A secretary earning $20,000 a year who pays $4,000 or $5,000 for child care will be able to get a credit only at the rate of 17 per cent of that amount. It is worth about $680 to her, or about $15 a week. On the other hand, the wife of a company president who has a job as a co-ordinator in some company or something like that and is making $50,000 a year will have a marginal tax rate of 29 per cent, and the $4,000 or more her family spends on child care will be worth $1,200 to her.

We will support the Liberal amendment even though we have grave misgivings about this $4,000 which the Liberals choose not to interfere with, because the principle is that the child care deduction should not be a deduction but a credit. It should be at the rate of 26 per cent, which is equitable as between the person earning $20,000 a year and the person earning $50,000 a year. It is for that reason that we support this amendment.

I do want to say, however, that this is a minor improvement and, as my colleague from Vancouver East (Ms. Mitchell) will say, it is not an adequate solution to the problems faced by such a large number of working women and families across Canada which have not been responded to adequately by the Conservative Government.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I would just like to make a few additional comments. I think my colleague, as usual, has described most accurately and eloquently our concerns.

I would like to point out again that we feel very strongly that the Government's child care strategy, which would double the deduction for child care expenses, would cost a total of $2.3 billion, including the $200 child tax credit, and this would come out of the child care budget over the next seven years. That is a considerable amount of money. Our position is that it would go a long way to increasing considerably child care spaces which are the first priority across this country. It would mean that instead of many of the parents who now either do not have receipts for informal baby-sitting arrangements or have no alternative but to use unlicensed baby-sitting arrangements, would then have in their community licensed child care. If that amount of money were put into the child care system it would mean fees would be reduced and the cost of child care would not be as high.

As my colleague pointed out, this measure helps only those who pay taxes. For many mothers on welfare or with very low incomes it really will not be helpful and they are the ones that should be given priority in any money that goes into the child care system.

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I think I should take a moment to give my reaction to the motion put forward by the Hon. Member for Laval-des-Rapides (Mr. Garneau). We have in tax reform an approach which is quite different philosophically from what he is suggesting when it comes to credits. We have eliminated deductions for things such as the married exemption, or equivalent to married exemption, child tax exemption, family allowances and so on, and turned them into credits. The Minister of Finance (Mr. Wilson) has explained many times the reason for this. In this particular case the Hon. Member is essentially saying that expenses incurred to earn income should be reflected in a credit, not as a deduction. It is a technical point, really, but that is not what we are doing in tax reform. When you incur expenses to earn income, including the expenses of child care, they should be deductions, not credits. That is really what is behind what we are doing here.

The federal revenue loss on this proposal would be at least $100 million. The impact of providing a credit of 26 per cent represents that revenue loss. This would be in addition to the new child care initiatives which will cost the federal Government $380 million annually through the doubling of the child care expense deduction from $2,000 to $4,000, and the increase in the child tax credit by $100 in 1988 and $200 in 1989 and subsequent tax years for children under seven years of age. The Hon. Member was striving for consistency in his motion but the point is that if we adopt the motion we would be inconsistent with the whole philosophy of credits as compared to deductions for expenses in earning income, of which child care is one.

• (1600)

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, I would of course like to support Motion No. 3 presented by my colleague from Laval-des-Rapides (Mr. Garneau).

The very basis of this tax reform was to convert deductions into credits so as to make the system fairer and more equitable. That is why my colleague from Laval-des-Rapides proposes that under tax reform, child care deductions be made into tax credits.

I find the argument of the Minister of State for Finance (Mr. Hockin) interesting. He states the Conservative Government's philosophy on child care deductions and considers them . . . he lumps them with the other deductions. Until 1987, personal exemptions and everything else that have now been changed into credits were taken as deductions. He justifies not making child care deductions into credits by saying they are an expense to earn income. That is the crux and that is what this Conservative Government does not want to recognize . . . Today, society has changed; keeping a family is not an expense to earn income. For most single-parent families and even for families where both parents work, it is essential; it is a personal deduction like the personal exemptions and all that. I think that they should be made into tax credits, because it is fairer.

So today while the Minister wants to justify them as deductions rather than credits, the child care expense deduction should be treated in the same way as the other deductions that were changed into tax credits, to be fair and equitable, because it is a personal expense and a necessity today. Single parents have to go out and work and even in families with both parents, they have to work to balance the family budget. So the Government should review its position and support this motion to correct the social injustice it is creating by maintaining the deduction instead of abolishing it.

[*English*]

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Some Hon. Members: On division.

Motion (Mr. Garneau) negatived.

Mr. Mike Cassidy (Ottawa Centre) moved:

Motion No. 6

That Bill C-139 be amended by deleting Clause 78.

He said: Mr. Speaker, Clause 78 deals with the elimination of the $1,000 investment income deduction under the Government's proposal for tax reform. I do not think any single issue has provoked more comment and concern than this, with the possible exception of the change in treatment of automobile expenses, which provoked a great deal of reaction at our hearings from small businesses and people directly affected such as travelling sales people.

The reason this proposal provoked concern is very simple. The $1,000 investment income deduction was a tax privilege available to people on modest incomes, particularly senior citizens. I think that when the Government chose to eliminate that it did not see the essential unfairness of the system it was creating. On the one hand, it gave a $100,000 tax free exemption on capital gains income which would, of course, go for the most part to wealthy Canadians. One-third of all capital gains in the country go to the 1 per cent of taxpayers with the largest incomes.

In the changes to the tax rates the Government actually brought taxes down on only one group compared to 1984. The people affected are those who earn about $100,000 a year. They pay less than in 1984, but everyone else pays more because in the interim between 1984 and the present the Conservatives have systematically been increasing taxes on average Canadians by a number of different means. The consequence is that, even after changes brought in under tax reform, average Canadians are paying more.

In addition to that, there are a number of privileges which have been left for corporations and a number of privileges which are accessible to people who are well off, well connected, or have various types of business enterprises. Yet, the Government chose to sweep away the $1,000 investment income deduction.

Mr. Hockin: You are arguing for the rich.

Mr. Cassidy: I am arguing for average Canadians. If the Minister of State for Finance (Mr. Hockin) would like to propose an amendment to our amendment which would confine this investment income deduction to people with an over-all income of less than $30,000 or $40,000 a year, I would be happy to see that as an elaboration on the proposal I am making.

The amendment is to repeal the clause proposed by the Government which, in turn, repeals the $1,000 investment income deduction. In parliamentary terms it seemed that that was the most straightforward way to do this. I had prepared a somewhat more complex amendment. I consulted with the Clerks and in the wisdom of the Speaker he has chosen simply to accept an amendment from the New Democratic Party to repeal the clause completely.

If the Minister of State for Finance believes that it goes too far and believes that the investment income deduction should not be given to people earning over $30,000 or $40,000 a year, I can say that I agree with him. I would be happy to co-operate. We could stand this clause and he and I could go behind the curtains to discuss it. He need only indicate that and I am sure the House would be prepared to give its unanimous consent for us to work out an amendment jointly to bring this back in a way that he proposes, because that is not a bad suggestion.

The people who are particularly affected by this are senior citizens, people who have put a few dollars aside in Canada Savings Bonds, in RRSPs, or on deposit in Guaranty Trust, or people who have perhaps inherited a handful of shares in Bell Canada which give them an income of $500 or $800 a year. It is not a great deal but it is a part of their provision for their old age. This is who is hit particularly by the repeal by the Government of the investment income deduction, and that is why I am proposing, on behalf of the New Democrats, to put it back.

If the over-all tax system was fair, if there had not been concessions to people who are wealthy, if there had not been this very large tax-free zone on capital gains, again to people who are wealthy, it might be acceptable for the Government to tell senior citizens that everyone has to make a few sacrifices and that the investment income deduction has to go because that is part of the give and take, part of the trade-offs which occur with tax reform.

I have learned a great deal about tax reform and tax policy in the course of the last year as a member of the Finance Committee studying this particular issue. In fact, both my colleague from Regina East (Mr. de Jong) and I would probably agree that we have learned more than everything we ever wished to know about tax reform in the course of the last year. One of the things I have learned is that people do have an essential sense of justice.

[*Translation*]

People on modest incomes, and senior citizens are one example, see that the Goverment has eliminated the annual $1,000 investment income deduction while it gives a $100,000 tax-free exemption on capital gains income to Canadians who are rich or in any case well-off. They see that the Government has reduced taxes by $4,300 annually for taxpayers with an annual income in excess of $100,000, while people on modest incomes, like senior citizens and people with an annual income of $15,000 to $20,000, get a tax reduction of about $2,000 and maybe not more than that.

Add to this the de-indexation introduced as part of this tax reform, which means that even tax deductions received by those who are not well-off, by people on modest incomes, will disappear within three or four years.

Mr. Speaker, this is why senior citizens' organizations brought their requests and proposals before the Committee on Finance which examined this Bill, urging the Government to maintain the $1,000 investment income deduction. As far as I am concerned, it should do so until we have a tax system that is truly fair and equitable.

The Minister of State for Finance suggested that instead of giving this tax concession to everyone, we restrict it to those people with an income of less than $30,000 or $40,000.

Mr. Speaker, I accept the suggestion made by the Minister of State (Finance) (Mr. Hockin), and I suggest that two minutes from now, after I finish my speech, we both go behind the curtains and, with the help of his officials, draft a new amendment for this section which would re-instate the investment income deduction for persons on modest incomes, restricting this concession to taxpayers with an annual income of less than $30,000.

We on the New Democratic side are prepared to accept this proposal. It is a good one. But to give the rich all kinds of concessions, to reduce corporate taxes by about 6 per cent, which represents a big drop in taxes for many corporations in this country, while at the same time depriving taxpayers on modest incomes of the few tax concessions they have left—it just is not fair, it is not equitable and we cannot accept that.

Mr. Speaker, I moved this amendment to the clause to eliminate the Government's proposal and to re-instate that part of the Income Tax Act that provides this concession, that allows the $1,000 investment income deduction. This is mainly for taxpayers on modest incomes. Mr. Speaker, it is a tax concession for people who are rich, and for them it should not exist, I agree. But compared to the other concessions made to the rich, this one has no impact on their investment activities. However, it is very important to the average taxpayer, and these are the people we want to help with this amendment.

• (1610)

[*English*]

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, the Hon. Member's motion is perverse in the extreme. First, what he is suggesting would literally dry up all the major sources of charitable contributions in the country. It would be an absolute disaster for almost every charity that Members of Parliament care about. It would result in putting yet more burdens on the Government and further centralize decisions on matters of that sort. I cannot believe the House would even tolerate the implications that are inherent in the Hon. Member's motion.

As for the $1,000 investment income deduction—

Mr. Cassidy: Mr. Speaker, I rise on a point of order. The Minister knows that the amendment as I originally proposed it would not have touched other provisions relating to charities. It was the Speaker who chose the amendment as it is being considered here today. The Hon. Minister knows that it was not the intention of the New Democratic Party to eliminate that other part of what is in the Bill.

The Acting Speaker (Mr. McKinnon): I do not find that to be a point of order. The Hon. Minister.

Mr. Hockin: Mr. Speaker, I was speaking to both motions. I want to deal with the $1,000 investment income deduction. The Hon. Member is trying to make a point that was made early on in tax reform but has been subsequently clarified very well by the Minister of Finance (Mr. Wilson). I think most Canadians understand that the original concern about the $1,000 investment income deduction is groundless because when one puts that measure in the wider context of tax reform, it results in reasonably good news.

The reintroduction of the $1,000 investment income deduction would cost the federal Government $1 billion. Who would that help?

While removing the deduction, we have offset it by providing higher personal credits for all Canadians. It is elderly Canadians who wrote us early on in tax reform in order to understand the policy. For most elderly filers, the loss of the $1,000 investment income deduction has been more than fully offset by a higher personal credit of $1,020 and the age credit of $550. These changes were most advantageous to those in lower tax brackets, for whom the age and basic credits yield much greater reduction in tax than did the old exemptions and the $1,000 deduction.

The answer is to put the issue into the whole context of tax reform. This is what we are doing successfully, and Canadians understand it.

It is only wealthy taxpayers who would argue like the Member for Ottawa Centre (Mr. Cassidy) that this should be restored, because only for wealthy taxpayers will the elimination of the $1,000 investment income deduction in conjunction with conversion from deductions to credits result in an increase in tax. That is why his motion argues against what he claims is his very motivation in the first place.

I should read into the record the kinds of tax reductions for seniors that are occurring under tax reform. A single senior with income of $15,000 has a tax cut of $105, which is 7.6 per cent of tax. For a single senior with an income of $20,000, the tax cut is $235, which is 8.2 per cent as a percent of tax. The tax cut for a single senior with an income of $25,000 is $435, which is a 9.9 per cent tax cut as a percent of tax.

The tax cut for married seniors with an income of $15,000 is zero, but for those with an income of $20,000 it is $575, which is a 67.3 per cent tax cut as a percent of tax. Married seniors with an income of $25,000 have a $655 tax cut, which adds up to a 28.8 per cent tax cut as a percent of tax.

Our approach is very progressive. The whole credit approach is especially helping our elderly and those with low income. We are proud of that element of tax reform.

Even though we are invited to step behind the curtain to look at another solution, we have looked at it carefully and are very proud of what we have produced because it is progressive. It is not regressive, which is the ultimate implication of the motion of the Hon. Member for Ottawa Centre.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, I welcome the opportunity to speak to this motion. First of all, I disagree with the Government's position which is to abolish the $1,000 investment income deduction. Today, we are reminded of our senior citizens, of the neediest in this country and of those workers who have managed to accumulate a few savings. The deduction for the first $1,000 in investment income meant that they did not have to pay income tax on the interest earned. This partly compensated for inflation, which is still 4 per cent annually, so it was a form of protection for their meagre savings.

Personally, Mr. Speaker, I would have liked to deal with this matter in a tax reform plan that would make our tax system fair and equitable. We would have introduced a tax credit formula enabling small investors to avoid paying income tax on the first $1,000 of their investment income. Since the basic tax rate is 17 per cent, it would have been very easy to provide a tax credit of up to $170 per year, and this for all those who qualified for the basic tax rate of 17 per cent. This would have maintained a tax credit for low-income Canadians. That is the kind of solution I would have liked.

On the other hand, Mr. Speaker, I support the position of the New Democratic Party, and I support this motion on the principle that we cannot afford to have a double standard in our tax laws.

The Minister of State (Finance) said earlier that the Government was generous and that while eliminating this, it was providing higher tax credits that applied to everyone. However, it maintained the $100,000 capital gains exemption. People who are in position to claim the capital gains exemption will certainly take advantage of the personal tax credit to which the Minister of State (Finance) referred to earlier.

Mr. Speaker, we cannot afford to have a double standard. Since the Government has decided to provide a $100,000 capital gains tax exemption, I think the least it can do is let taxpayers who are not in a position to take advantage of that exemption to keep the $1000 investment income deduction. As I said before, for the sake of fairness I would have preferred to see a maximum tax credit of $170, since the first tax bracket is taxable at a rate of 17 per cent. However, since the Government has decided to ignore completely the low-income bracket of Canadian taxpayers, I intend to support the motion to abolish this clause and maintain the $1,000 investment income deduction.

• (1620)

[*English*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I want to support the amendment moved by my colleague, the Hon. Member for Ottawa Centre (Mr. Cassidy). I say to the Minister of State for Finance (Mr. Hockin) that I have received a substantial number of letters from senior citizens in Winnipeg who object very strenuously to the proposal of the Government to remove the exemption of interest up to $1,000. These are retired people living on modest incomes and they just do not accept the view expressed by the Minister of Finance of State for Finance a few moments ago. He tried to tell us how much people will save because of the Government's tax proposals this year. But what he did not tell us was that for the first three years of this Conservative Government, income taxes were raised and sales taxes and excise taxes were raised, so in fact this year's reduction goes only part way in decreasing the increases implemented by this Government which hit all Canadians, particularly senior citizens.

Members of our Party have consistently proposed that the tax system be examined and revised and made much more fair than it is. The Carter Commission, appointed by former Prime Minister Diefenbaker, made it clear that the tax system had been changed so many times and so many special exemptions had been given to corporations and wealthy individuals, that it was completely broken down in terms of being fair. When this Government started to talk about implementing a fairer tax system, a reform of the tax system, as it was called, we watched with a great deal of interest to see what would happen.

I want to give one illustration of what has happened to one very wealthy individual in this country as a result of the tax policies of the former Liberal Government and the present Conservative Government. I refer to Mr. Robert Campeau. He was quoted in a news story which appeared in *The Globe and Mail* on May 12, 1988. It reads:

> "He told the Canadian Club of Montreal that Canada's deficit is 7 to 8 per cent of gross national product, compared with only 2.5 per cent in the United States. And he said Canada's Government-supported medicare is a mistake.
>
> "I question whether politicians, federal or provincial, who put in medicare were really thinking of the welfare of the people, or were they, perhaps, thinking of their own political welfare."

The article concludes:

> He lashed out at the regulatory burden business faces in Canada and demanded that social welfare programs be examined and rationalized.

Let us look at Mr. Robert Campeau. In the 1960s, he was a developer and builder of houses. He owned 4,000 acres of land around Ottawa and had built 11,000 homes. In the years since then, he was able, by contracts given to him by Liberal governments, often without the Government calling for bids, to build and then rent to governments some of the largest office buildings in the National Capital Region. According to information obtained by then Conservative Members of Parliament, including the late Walter Baker, Ron Huntington from Vancouver and the present Minister of National Revenue (Mr. MacKay), when they were in opposition, the rents agreed to were substantially higher than the going rates in the area.

The Guy Favreau complex in Montreal, the largest government building in Montreal and perhaps the largest in Canada, was built by Mr. Campeau through a lease and buy-back arrangement with the then Liberal Government. The present Auditor General described it as one of the most wasteful federal projects he had ever seen. According to the *Montreal Gazette* yesterday, the rent on the building is just under $1 million a month, and bricks from the walls are falling. According to a senior official in the Department of Public Works, all the bricks on the building may have to be replaced.

Using the profits Mr. Campeau was permitted and encouraged to make in Canada, he entered the United States and has become one of the most active and successful developers in the United States. He is now operating in the multibillion dollar class. How was he able to do it? Partly because of the favourable contracts he received from Liberal governments, but also because of the kind of tax system we have.

• (1630)

We did a search and found that from 1978, which was the earliest information we were able to find, to 1985, net profits for Campeau Corporation totalled more than $125 million. Yet, according to *The Financial Post* data, in 1978, the company paid no corporation taxes at all. In fact, it received a tax credit. Since then it has not paid one penny in current taxes.

Every one of the years from 1978, on have been profitable years for the company. From 1985, alone, the company recorded net profits of $27.9 million, yet no taxes were paid. The company was able to defer $24.3 million in corporation tax. In fact, the deferred corporation taxes which this company has accumulated amount to $141.8 million as of the end of 1985.

Mr. Campeau got started in the years that the Liberals were in office. We are now four years down the road from that time. We have had four years of Conservative Government. We have had four years of talk about fairer taxes. We have had four years of talk about reforming the tax system. We have had four years of talk about a minimum corporation tax.

Mr. Turner (Ottawa—Carleton): There are now more jobs and lower interest rates.

Mr. Orlikow: Mr. Speaker, I hope the comments of the Hon. Member for Ottawa will be recorded in *Hansard*. He is obviously prepared to let corporations pay no income tax and wealthy Canadians pay no income tax as long as jobs are created. The seniors whom that Member represents, like the seniors I represent, resent the fact that they have to pay income taxes on relatively modest incomes. Many of them live in poverty and have to pay income taxes, while people such as Mr. Campeau and corporations like his and many others pay no tax at all. I am happy that the Hon. Member from Ottawa interjected. I think the people of Canada want to know who stands for a fair tax system. It is obvious that the Conservative Government and the Conservative Party do not.

Mrs. Claudy Mailly (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, with all due respect to the venerable Hon. Member I think there is a great deal of emotion which is being used to cloud the issue this afternoon. For instance, the Hon. Member for Ottawa—Centre (Mr. Cassidy) gave us his own definition of affluence which is very elastic.

On the one hand he speaks of the tax on capital gains as being favourable to the rich, omitting to say that it applied to farmers, very average farmers, and that when it was first brought in in 1971, it had a devastating effect on the price of land. I think land went up by seven to nine times immediately thereafter, which created many problems for farmers who wanted to ensure that their children could carry on with farming.

It was because of this feature of this devastating inflationary aspect of capital gains provisions that my Party, in the short time that it was in office in 1979, worked very hard to introduce a measure which would allow farmers to leave their land to their children enabling them to keep as a retirement fund a certain amount of money. I think that amount was up to $200,000. In this way they could retire in dignity. They could also hand over their land to their children and their children could afford to take over the land.

It is wrong to say that the capital gains tax was a tax on the rich. It was a tax on farmers, on their land, and it created terrible problems. It is only recently that the price of land has gone down. Unfortunately, it is because the agricultural sector is in such difficulty. It was a very bad policy decision to introduce capital gains tax.

Capital gains tax also applies to small business. The $100,000, which figure my colleagues are bandying about as being a huge amount of money which most Canadians would think is a fortune, is a one-time, lifetime deduction. In other words, it does not recur every year.

When we look at the lifetime of a small business or of a farm, $100,000 is a very modest amount of money. It does not apply to multimillion dollar corporations such as the one described by the Hon. Member. He was talking about the Campeau empire. There is no connection, no relevancy to his using that example to talk about capital gains tax or to talk about tax reform. He was giving an example of a very small number of corporations which in very clever ways have managed to arrange their affairs so that they pay either no tax or very little tax. The Minister of Finance (Mr. Wilson) has started to deal with that situation. For instance, he has removed an investment tax credit which was very useful to these types of corporations. It was a provision introduced by the Liberals with respect to which there was much abuse. Billions of dollars of taxpayers' money were wasted because it did not lead to the research that it was supposed to trigger. It lead to abuse.

We have discussed the implementation of a minimum tax. There are some problems with the technicalities of such a measure but we are still working on it.

The Hon. Member for Ottawa Centre said the $1,000 investment deduction applies to modest people. Here, again, he cannot have it both ways. These are the very same people who have investments and who could until now deduct $1,000 of interest from their income tax. Who has investments? Is it your average Canadian? No, it is not. If we look at the figures in the Revenue Canada reports we will see that that $1,000 deduction was used a great deal by people in a far higher revenue bracket than the $15,000 or $20,000 about which the Hon. Member talks. When we look at the increase in the deduction for the average senior citizen, we will see that they have gained much more. As a matter of fact, I am getting complaints from senior citizens—not ones with modest incomes—who have very good portfolios. There are senior civil servants who have retired who find that this $1,000 is being taken away from them. They are very upset about it. It is difficult for some people to realize that we had to do this.

The money has to come from somewhere. We certainly should not cut down on programs, which is what we did not want to do. To the contrary, we wanted to increase the safety net for people. The money had to come from somewhere and this was one place from which it could come.

It would be false to say that the removal of the capital gains tax or a measure to permit deductions for capital gains tax of up to $100,000 in a lifetime is helping the rich. It is helping farmers. It is helping young people who want to take over their parents' farms. It is helping small business, men and women. There are more and more women in small business now. In one lifetime they will be allowed not to pay taxes on $100,000 worth of capital gains. That is not a fortune. They pay taxes on the property when they buy it. They pay taxes on their revenue over the years which comes from owning their land.

It is unfair to define affluence in that way. It is also unfair to cloud the whole issue of tax reform in this emotion and to let people think that the Canadian Government is not helping those who need it most. That is what tax reform is all about. You cannot take one part out and say, "I like this but I don't like that, because it affects me and I want it to affect my neighbour". So it has to be looked at as a package, which is what the Minister of Finance has said all along.

• (1640)

Mr. Simon de Jong (Regina East): Mr. Speaker, I, too, wish to enter into the debate on the amendments as introduced by my colleague. It is unfortunate that the Parliamentary Secretary for the Minister of National Revenue (Mrs. Mailly) did not really understand the point that both of my colleagues, the Member for Ottawa Centre (Mr. Cassidy) and the Member from Winnipeg tried to make. In essence, the point that they were trying to make was that the tax system as it exists helps those with very high incomes, helps the very rich, whereas those exemptions that are of significance and importance to middle and to lower middle income earners have been removed, and the unfairness of the tax system continues to exist.

While I agree as well with the Member for Ottawa Centre, it is with a certain amount of hesitation that we introduce the amendment. If we really had a fair tax system, one that would consider a dollar is a dollar is a dollar, as far as tax purposes are concerned, then, to give special exemption for interest earned would not fit. A dollar in interest surely should be considered as a dollar in profit, which should also be considered as the same as a dollar in dividends or a dollar earned as a wage or a dollar increase in the capital gains.

Unfortunately, this Government has refused to accept the notion of a dollar is a dollar is a dollar when it comes to tax policies. So that a dollar earned through a capital gains increase is treated quite differently from a dollar that is earned by a wage earner or a dollar that is earned in terms of dividend payments.

We are saying that as long as these inequities exist in the tax field, we are darn well going to fight to help those, particularly senior citizens, who stand to lose their $1,000 exemption from interest earned.

The Minister of State for Finance (Mr. Hockin) has attempted to put on the record the great benefits that senior citizens have received because of tax reform. Of course, he is very selective in terms of comparing taxes paid in one year as compared to the next year. Of course, what the Government insists on doing, in attempting to show that seniors and other taxpayers are saving money because of tax reform, is to compare the taxes that they paid in 1987 to what they will pay in 1988 with tax reform. Lo and behold, yes, many of them will be paying less.

If you can compare it to 1984, when this Government was elected, those taxpayers are all paying more, and that is the truth of the matter.

The taxes that they are paying, both on income tax and on sales tax, have increased because of this Government. The Government as well fails to mention that even when the taxes paid from 1977 to 1988, are compared, the taxes that the average Canadian tax earner is paying on the goods and services that he is buying are, of course, not included. One of the things that this Government did when it introduced tax reform and lowered the rates on income taxes paid, was to have also increased the sales taxes to make up for the loss in revenue.

So, yes, you have seen a decrease in the income tax that you have paid, but you have also seen an increase in the taxes that you pay every time that you buy a chocolate bar, some clothes, a gallon of gasoline or whatever it may be. This Government is now taxing you in a way that Canadians have never been taxed before. That of course is the first year. If this Government is ever re-elected, the second shoe will drop. That will be a universal sales tax, in which everybody going for a haircut or a shoe shine or going to the dentist will also be taxed on whatever goods or services they will be purchasing.

When this Government talks about the benefit of tax reform to the seniors, it takes a very narrow view in trying to establish its case that seniors are better off. If you take an honest view, if you compare what the seniors and the average Canadian taxpayer is paying, both in income tax and in sales tax in 1984, when this Government was first elected, and what they are paying now under the so-called tax reform, in 1988, you will find that the average Canadian taxpayer of course pays substantially more.

The Minister of State for Finance wanted to present the case that tax reform was very progressive. He showed the amount of decrease and taxes paid by various groups, those earning $15,000 or less per year, those earning $20,000, those earning $25,000, single and married couples and so forth, and he presented us with figures. In some groups, we will even save up to $655 per year in income tax. But then he stopped with that group. He did not go on and he did not mention, for example, that there are 180,000 Canadians earning $100,000 and more per year that will be saving some $4,165 in income tax.

The Hon. Member, the Tory across the way, says, "Wouldn't that be too bad?" From his perspective, that is not bad at all. In fact, that is great. But from the point of view of

progressivity and fairness in the tax system, yes, it is bad. It means that under the Tory tax reform, if you are earning $100,000 and more per year, you are going to be saving over $4,000 in your income tax, but if you are earning some $25,000 a year, you are going to be saving some $435 in income tax. That is not progressive and that is not fair, and that is why Canadians generally have been somewhat lukewarm in their treatment of tax reform. Certainly, it has not produced the support that I think this Government was hoping it would produce.

Therefore, I think that the motion presented by my colleague that calls for the retention of the $1,000 investment and income tax exemption is a good one. It helps seniors. If the Government is interested in ensuring that seniors and those with middle income are the ones who will benefit, as my colleague has stated, we are willing to go behind the curtain and work with the Government for a proper amendment to put an income ceiling, if that is the wish of the Government. But otherwise, I think the amendment should be carried and the seniors of this country in particular should continue to enjoy the $1,000 exemption.

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I appreciate the opportunity to join briefly in the debate on Motion Nos. 5 and 6 that were put forward by my colleague from Ottawa Centre (Mr. Cassidy).

I want to focus particularly on his proposal that the $1,000 interest and investment income exemption in the income tax be continued. I want to do that on behalf of many of my constituents who have called me and have written to me about the kind of taxation that they have faced in the last year or two.

I remember how in the spring of 1987 many of the seniors looked at their income returns and considered the limited incomes that many of them have, perhaps with a pension plan and some investment income that they had received and had been able to build up over the years—not a great deal of money in many cases—enabling them to have a reasonably decent retirement. It allowed them to lead the kind of life that all of us are proud of having been able to achieve for senior citizens over the last 10 or 15 years, a good part, of course, because of the indexation of the old age pension which this Government tried, within a year of its election, to limit, not to do away with it completely.

• (1650)

These senior citizens found themselves over a year ago being hit with taxes. The taxes were not necessarily a great amount but the seniors were shocked that, their incomes not being very large and needing every cent to maintain themselves, they were having to pay tax. I have been sent by one or two constituents quite detailed statements of the kinds of incomes they had had for several years past. Their incomes had not improved markedly, probably had not kept up with inflation. But these senior citizens had paid very little, if any, tax until a year or two into the life of the present Government and then there they were having to pay tax.

This is the experience of individuals and couples in Thunder Bay like those in every city and town and community across the country, that under this Minister of Finance (Mr. Wilson) the Government has been wringing out of individuals, middle and lower income Canadians, every cent of income tax possible. The Government has done that without being prepared to recognize that the pressure for revenue ought to make for tax fairness, for applying to corporations something halfway like the kind of brutal search for revenue that has been applied to lower income Canadians and the poor of this country who should not have to pay tax at all.

That is the context and the background against which we consider whether the $1,000 investment and interest income exemption should be continued or removed. The Minister of Finance knows that the Government of Canada needs revenue for all kinds of purposes. He has been cutting back in many areas and not living up to the challenges that face the Government. He has been niggardly with financing of post-secondary education and health care. The Minister, who knows how much he needs income, should have remembered about the $500,000 capital gains tax holiday he gave some Canadians in his attempt to make more millionaires, as he suggested a couple of years ago. If he had been fair and treated every dollar like every other dollar, putting the burden fairly everywhere to raise the revenue he wanted, senior citizens and persons who have built up some investment and drawn income therefrom should not have been touched. But when the boots have been put to lower and middle-income Canadians the way they have by this Government as I have described, it is unconscionable and absolutely unfair to take away the $1,000 interest income exemption as the Minister of Finance proposes to do.

It is those human reasons that involve the lives of seniors in my city, persons who have built up a certain amount through their own savings over the years, who deserve to enjoy the income from small investments. If the Minister of Finance is not going to be fair about it, let us continue that exemption and allow seniors to enjoy the fruits of their savings and of denying themselves in the past in order to build up these investments.

I feel very strongly the political necessity of the motion put forward by my friend, the Hon. Member for Ottawa Centre.

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

Some Hon. Members: Question.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. McKinnon): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

Shall we call it five o'clock?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. McKinnon): It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

The Acting Speaker (Mr. McKinnon): I have received written notice from the Hon. Member for Outremont (Mrs. Pépin) that she is unable to move her motion during Private Members' hour on Friday, August 26, 1988. It has not been possible to arrange an exchange of positions in the order of precedence pursuant to Standing Order 39. Accordingly, I am directing the Table Officers to drop that item of business to the bottom of the order of precedence.

Since notice will be removed, the hour for Private Members' Business tomorrow will be cancelled and, pursuant to Standing Order 39, the House will continue with the business before it prior to that hour.

* * *

HERITAGE RAILWAY STATION PROTECTION ACT

MEASURE TO ENACT

Mr. Gordon Taylor (Bow River) moved that Bill C-205, an Act to protect heritage railway stations, as reported (with amendments) from a legislative committee be concurred in.

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

Some Hon. Members: Agreed.

Motion agreed to.

Mr. Taylor moved that the Bill be read the third time and passed.

He said: Mr. Speaker, it gives me the greatest of pleasure to move third reading of Bill C-205, an Act to protect heritage railway stations. Amended in a legislative committee, this Bill

was presented to the House on July 15 by the chairperson of that committee, the Hon. Member for Leeds—Grenville (Mrs. Cossitt).

The significance of railways in shaping our nation's destiny cannot be denied. Railways brought Canada into existence and, in large part, they have defined our fundamental character. Because of Canada's size, geographical diversity, dependence on trade and the twin needs of settlement and political identity, transportation has been of vital importance to us. It is above all railway transportation which has been the very backbone of our nation. It is the railway station that remains the most cherished of the tangible reminders of what Canada's railways have meant to Canada and her people.

• (1700)

These stations were points of departure and arrival for thousands of families as they travelled on odysseys of settlement across our enormous country. They saw the farewells of tens of thousands of Canadian troops who went off to fight in four wars, and they were the first thing that those who returned saw when they came back home. Railway stations have been the scenes of millions of journeys undertaken by Canadians from all walks of life, and they figure in the memories of millions of Canadians. So the distress of Canadians when these stations are destroyed is completely understandable. We will be a poorer nation if our railway stations are lost.

Railways were our "national dream", and the heritage of our railways is the heritage of that dream. It has often been said that a nation will be judged by what it consciously chooses to preserve. Therefore, should not Canada strive to save examples of the very buildings that speak so eloquently to the role of the railway in the birth and the growth of this country, our heritage railway stations?

The answer is undeniably yes. But we must move quickly. Our stock of heritage railway stations is rapidly diminishing, and if nothing is done soon there may be nothing left to preserve. That is the purpose of the Bill currently before us, to provide a mechanism whereby the preservation of Canada's heritage railway stations may be assured.

This Bill would forbid a railway company from destroying or in any way altering a heritage railway station or its heritage features unless authorized by the Governor in Council. Failure to seek authorization would result in a fine.

What is a heritage railway station? This Bill defines a heritage railway station as a railway station designated as such; that is to say, a railway station that has been designated a heritage railway station on the recommendation of the Historic Sites and Monuments Board of Canada.

Here may I say that the Historic Sites and Monuments Board of Canada is most interested in this Bill. The board has often expressed concern that our railway stations are disappearing. While this Bill, when passed, will add new responsibilities to those which it has had traditionally, the board has indicated that it is pleased to have a role to play in the identification and preservation of Canada's heritage railway stations. The board will move quickly to establish criteria to identify potential heritage railway stations so that it may deal with applications for designation in an effective and timely manner.

Now, if I may, I would like to say a special word of thanks to those who have made special contributions to Bill C-205, the Bill before us today. First, the former Hon. Member for Parkdale—High Park, Mr. Flis, first introduced the Bill in 1984. There are the Members of this House who, during the course of debate on this Bill, spoke so movingly of the need to preserve heritage railway stations, those stations that are so close to the hearts of so many Canadians.

Beyond that, I would like to thank the chairperson of the legislative committee, the Hon. Member for Leeds—Grenville (Mrs. Cossitt) and the members of her committee, for the thoughtful and expeditious manner in which they dealt with this extremely important matter. I believe that the amendments resulting from committee consideration of Bill C-205 have strengthened the Bill in that they have addressed a number of technical difficulties, provided for clarification and will ensure ease of implementation of the Bill.

I also want to say a special thank you to the Parliamentary Secretary for the Minister of Transport (Mr. Thacker) and to the Hon. Member for Regina West (Mr. Benjamin). The Hon. Member for Regina West worked so hard for this Bill that sometimes I wondered if it was not his Bill, he was so enthusiastic about it. I thank him for that enthusiasm and that hard work. I would also like to thank the Heritage Canada Foundation, the very life of which depends on heritage. The Foundation has done a tremendous job in supporting this Bill. I would like to thank CP Rail, CN and VIA for appearing as witnesses, as did the Heritage Canada Foundation, before the committee and the Ministers of the Environment (Mr. McMillan) and of Transport (Mr. Bouchard) for giving so freely of the time of their departmental officials at committee stage.

The time for rhetoric is over. We must now take that final step and pass Bill C-205, an Act to protect heritage railway stations. If we fail to do so, a vitally important aspect of our national heritage and indeed of our national consciousness, our heritage railway stations, will remain prey to the vagaries of corporate decision-makers and will have at best an insecure future, or at worst, no future at all. If we fail to act and these buildings, be they humble structures in tiny hamlets or grand architectural monuments in urban centres, are lost, we will have robbed future generations of what is rightfully their legacy.

Heritage railway stations must be preserved unimpaired for future generations, and I would urge the Members of this House unanimously to express their support for the Bill before us and to pass it from this House without further ado. Moreover, I would like to ask the Members of the Senate, for their part, to deal with Bill C-205 in an expeditious manner in order that the preservation of this nation's heritage railway stations may be assured.

Thank you, Mr. Speaker, and I want to thank all Hon. Members for their support. I now move third reading of Bill C-205, an Act to protect heritage railway stations.

Some Hon. Members: Hear, hear!

Mr. Les Benjamin (Regina West): Mr. Speaker, I take much pleasure in rising in support of Bill C-205 which was sponsored by the Hon. Member for Bow River (Mr. Taylor). It is a good Bill and it is long overdue.

There were many previous occasions in previous years when Hon. Members of this place from all Parties tried various and sundry ways and means of preserving railway stations as heritage sites to be refurbished or used to handle passengers. I want to compliment the Hon. Member for Bow River and say that the Bill has the full support of my caucus and my Party.

I must mention at this point a long-held dream of mine. I solicit the support of my colleague from Bow River and any other of his colleagues to finally get the beautiful old Union Station in downtown Regina converted into a multi-modal transportation centre. I have been working on this since about 1970, and there are so many players in the piece that it took years to get them all together. First the CPR was involved, then VIA Rail came into the piece and then the CTC, the Department of Transport, the City of Regina, the Saskatchewan Transportation Company, the provincial Government, and two or three others I have probably overlooked.

At one point, it looked as though we had finally gotten it together. The federal Government was prepared to put up $500,000 toward the cost of refurbishing that old station. We were to build an addition on one end for a bus administration office of about six stories and one wing of the station would be the bus terminal. The central part would be where rail passengers embarked and disembarked. There would be two or three travel agencies, a nice little restaurant and perhaps some boutiques and shops.

I am just as angry at the former NDP Government of Saskatchewan as I am at the present Conservative Government of Saskatchewan. The NDP Government dragged its feet, hummed and hawed and horsed around, but finally in February, 1982, an agreement was signed. In June, 1982, there was a change of government and the Government changed its mind. The agreement went out of the window. Now we are going to have to do the whole darn thing all over again.

In supporting this Bill, I put in my plea for help from Members from all sides of the House. I sure have not given up on it. It is one of several reasons why I am running again.

• (1710)

I also want to pay tribute to the Hon. Member for Bow River. You know, Sir, how all of us get labeled around here. I am labelled a rabid, wild-eyed, left wing socialist-communist in disguise, according to the labels.

Some Hon. Members: More!

Mr. Benjamin: The Hon. Member for Bow River gets labeled just like other Members as a wild-eyed, right wing fascist, et cetera. Yes, there are left wing and right wing fascists.

In any case, the hon. gentleman and I have sat on the Standing Committee on Transport all the years he has been here. He has not been here quite as long as I have, but he has been around a heck of a lot longer than anyone else in this place or any other place. We sat in committee many a time and kicked the heck out of each other. A few times we agreed. This is a good example of that. We worked together, confounded the bureaucrats and the governments and the fancy lawyers from the railroads and a few others. In spite of all that, or perhaps because of it, the Hon. Member has with this legislation left a good legacy behind him. I say that because I understand he is not running again.

I wish I was in as good a physical shape as he is. He can run around the block and I can barely walk it. However, I believe since 1935 or 1939, I am not sure which, he sat as a Member of the Alberta Legislature, was Minister of Highways for some 17 years, and I noticed that he did not try to get away with some of the nonsense we hear nowadays from some Tories about privatization and turning highway construction over to the private sector and whatnot. He built a lot of good highways with good people in his own department. He had then and has now a reputation for honesty and integrity in his service to the public of Alberta and Canada.

Some Hon. Members: Hear, hear!

Mr. Benjamin: That is something all of us need to emulate, whether or not we agree with the Hon. Member, and it was not too often that we did. However, he has earned the respect and regard of people in this place, the Alberta Legislature, and certainly all of western Canada. The legacy the Hon. Member is leaving behind will serve in his stead everywhere in Canada.

When I think of the thousands of locations where the two railways destroyed beautiful old buildings, I realize it is a historical and social tragedy. This legislation stops them cold. They cannot touch these buildings without someone's okay. I think it is to the everlasting credit of the Hon. Member that he took this initiative. It was a pleasure for me and my friend from the Liberal Party to support him on the issue. We took part in committee hearings, questioned witnesses, and only accepted amendments that the Hon. Member for Bow River was prepared to accept. We got it through, and I commend the Bill to the House.

I also commend the Hon. Member for Bow River. I hope no other Conservatives in the House learn how to survive as long as he has. I also hope he will not teach them. However, I do mean quite sincerely what I say about him and about this legislation, and I hope it can go through now.

Mr. Bill Tupper (Nepean—Carleton): Mr. Speaker, I just want to take a few moments of the House's time to add my congratulations to our valuable and senior colleague from Bow River (Mr. Taylor) on his initiative which will ensure that our railroad heritage is in part maintained.

I do this for two or three reasons. First, I and my family have a long-standing interest in heritage matters. We live in a designated heritage home. I have had the privilege of being on the Rideau Heritage Board. I was a founding member of the Rideau Historical Society. My wife and I have, over a long period of time, appreciated and lent our skills and interests to learning about and preserving the heritage we have grown up in and been part of.

There is, however, another dimension which is awfully important to me. I am probably one of the very few Members of Parliament ever to have lived for an extended period of time in a railway station. In 1942, my mother became the station manager in Glengarry, Nova Scotia. I lived in that railway station from 1942, until I started university several years later. There are a number of unique things about that. First is the fact that my mother was appointed station master in the early days of World War II. It was very unique for the Canadian National Railway to have done that.

The building was beautiful. It was in large part a two-storey building, gabled windows in the upper storey, a freight shed with a flat roof, a waiting room about twice the size of the entrance to the West Block, with a fully functional telegraph office. It was simply a beautifully designed building, very, very functional, serving two main functions. One was to serve a prosperous rural community in the highlands of Nova Scotia, and the other was as a landmark on the railway line between New Glasgow and Truro where there was a break in the long grade over Gordon Summit crossing the height of land across Nova Scotia.

I would remind those who are not familiar with that area that the heaviest grades on railway lines in Canada exist on that branchline. That plateau on the railway line, the break in grade, served as a point for hooking on extra engines to get over the grade. It was important to the service of the local community and it was important in the functioning of the railway line.

The tragedy of all that, as I look back now at that magnificent structure, is that it is no longer there. In fact, if you drive by where that magnificent old building stood, a building which meant so much to me in my boyhood but, more important, so much to that great agricultural community in northern Nova Scotia, it has simply been destroyed. With that has gone an awful lot of railway history in Nova Scotia and a big part of that community.

• (1720)

As a professional geologist it has been my pleasure to travel widely in Canada over the years. The adoption of this Bill will ensure that three railways stations, which I consider to be great, will be preserved. The first I want to make mention of is the railway station in Cobalt, Ontario, owned by the Ontario Northland Railway. I do not know how many of my colleagues in the House have seen that station. It is a simply magnificent building and I hope it will fall under the purview of this Act. Another is the railway station in Whitehorse owned and operated by the Yukon and White Pass Railway. It is again a magnificent historical building which is linked very closely to the heritage of Canada. The third one of which I want to make note is the CPR station in Smiths Falls. It as well is a beautiful building architecturally and is very important to the evolution of the railway community in eastern Ontario.

In offering these comments I want to express my thanks to the Member for Bow River, to those colleagues of ours who served on the legislative committee, and to all Members of the House for their co-operation in adding a dimension to Canada's heritage in order that those who follow us will benefit from a great era in the evolution of Canada. So much of our historic economic evolution is related to railways and it should be a great priority for us to enhance that remembrance.

Ms. Mitchell: Mr. Speaker, maybe I have risen prematurely. However, I understand that there is unanimous consent to call it six o'clock when we have finished with this order of business and to continue with the debate on Bill C-139 at that time.

The Acting Speaker (Mr. McKinnon): I think that this will be determined when we dispose of the Bill before us. I thank the Member for her interjection.

Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed to, Bill read the third time and passed.

The Acting Speaker (Mr. McKinnon): Is there unanimous consent to suspend the sitting of the House till 6 p.m. this evening?

Mr. Garneau: I think that if you ask, Mr. Speaker, you would get the consent of the House to continue on tax reform rather than to wait until six o'clock. We on this side are prepared to attack Motion No. 7 immediately, if the House so desires.

Mr. Hockin: Mr. Speaker, I would agree to reverting to tax reform at this time rather than calling it six o'clock.

The Acting Speaker (Mr. McKinnon): Is there unanimous agreement to proceed with the government Bill?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

INCOME TAX ACT AND RELATED ACTS

MEASURE TO AMEND

The House resumed consideration of Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain Acts, as reported (with amendments) from the Standing Committee on Finance and Economic Affairs.

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No. 7

That Bill C-139 be amended in Clause 90 by striking out lines 44 at page 224 and substituting the following therefor:

"(b) $4,675 plus 23 per cent of the amount by".

He said: Mr. Speaker, the objective of Motion No. 7 is to reduce from 26 to 23 per cent the middle tax rate for taxpayers with taxable incomes between $27,500 and $55,000. The rate structure would then be 17, 23, and 29 per cent, which would be much fairer than the one proposed by the Government.

[*Translation*]

Mr. Speaker, as I just said in English, the purpose of this motion is to reduce the middle tax rate for taxpayers with a taxable income between $27,500 and $55,000 from 26 per cent to 23 per cent. The rate structure would therefore be 17, 23 and 29 per cent which would be much fairer than the Government 's proposal.

Mr. Speaker, I would have preferred to table a different kind of amendment that would probably have added an additional tax rate. However, this would not be allowed under our Standing Orders, at this stage, and I am sure the Chair would have declared the amendment out of order at this stage of the proceedings. As you know, amending a tax Bill is not the easiest thing in the world because of the precedents and financial questions involved, and the Standing Orders of the House leave us very little leeway. The only thing I could do at this stage was to suggest a drop in the middle tax rate from 26 per cent to 23 per cent.

Mr. Speaker, the tax reform has changed the number of tax rates we had so far.

[*English*]

The Government has decided to reduce the number of tax brackets from ten to three. If this amendment is defeated, the federal rate will be 17 per cent on the first $27,500 of taxable income, 26 per cent for the additional dollars between $27,500 and $55,000, and 29 per cent on all income over $55,000.

We believe that three tax brackets are not enough. Had the rules of the House allowed me to do so I would have introduced a more complex amendment. It is not, however, possible for me to do that. I tabled this amendment in order to have the opportunity to express my point of view on the number of rates of taxation. As I have said before, three rates do not produce a progressive type of taxation.

We also believe that the gap between the second and the third rate is not large enough. It is amazing that the Minister of Finance (Mr. Wilson) decided to impose a 17 per cent tax on the first $27,000 and then jump nine points from 17 per cent to 26 per cent. There is another increase for additional earnings, but only of three percentage points. That is certainly not enough and I think that is unfair for the middle class. When we compare the taxes that middle class Canadians will pay after tax reform with the dollars they were paying in 1984 we see that the average family will have a burden of more than $1,200 per year. We say that this situation is completely unacceptable and we think it should be amended.

[*Translation*]

Mr. Speaker, when we take a closer look at the situation in various income groups, we see that according to the new tax table proposed by the Minister of Finance, with the new tax rates, people with an income of $27,000 or $28,000 will see their additional earnings... Someone with an income of $28,000 who has two children will see his additional earnings, say he has a raise of $1,000, this pay increase will be taxed at a marginal rate that is higher than for people with an income of $100,000. The reason is quite simple. At this income level, when you get a pay raise of $1,000, your child tax credit is reduced by 5 per cent, so that your actual tax rate is not 26 per cent but 26 per cent plus 5 per cent or 31 per cent—2 per cent more than for the person who earns $100,000 and gets a pay increase of $1,000.

This person will have to pay 29 per cent federal income tax on the additional $1,000. However, the other person who has a family with two children and whose income would increase from $28,000 to $29,000 would pay 31 per cent on the additional $1,000.

That is why we say this tax reform is unfair to families, something that has been repeated *ad nauseam* by all witnesses who appeared before the Finance Committee.

There are people who will say, and I am sure the Minister of Finance (Mr. Wilson) is one of them, that we don't have enough money to do something that will cost more than $1 billion. I would like to point out to the Minister that the main reason he got into this fix in the first place is that he wanted to introduce tax reform in two stages, the first stage before the election and the next stage after the election, and this remedy or, should I say, this lack of courage, is being paid for by the middle class whose income will be taxed at 26 per cent, while wealthier groups might see their additional income taxed at a lower rate.

Mr. Speaker, I therefore move this amendment, and I trust it can be considered in accordance with our Standing Orders and will reflect the objective I have in mind which is to make it quite clear that the tax reform proposed by the Minister of Finance is unfair to families. If the Minister of Finance tells me they don't have enough money and that one billion dollars is too rich for the Government, I say now, before he has a chance to give me that argument, that I find this very hard to believe, coming from a Minister and a Government that is prepared to invest $10 billion in nuclear submarines.

If the Minister has any other points to make, I would be glad to hear them. But I will say that personally, if I had the resources and if our Standing Orders had allowed me to table a more complex amendment, I would have preferred to add a tax rate, because I still believe and I am convinced that three rates are not enough and that we should probably have 17, 23, 26, 29 and 31 per cent. I pointed out earlier and explained why at this stage of the debate, the Standing Orders do not allow me to do that, and I used the little leeway I had to make it clear to the House that there was a problem here that we had to solve.

• (1730)

[*English*]

I said a moment ago that middle class families will pay an effective marginal rate that will be superior to the marginal rate of taxation for people earning over $100,000.

The Senate Standing Committee on Banking, Trade and Commerce, in its report on tax reform, calculated the real rate. These vary according to the number of dependent children and family income level. The following example has been calculated for a family with two children. What I said a moment ago about the marginal rate of 31 per cent is very well demonstrated in this report by the Senate Committee on Banking, Trade and Commerce that was tabled in the other place.

I have read the report and am convinced that they are perfectly right that for everyone with an income between $27,500 and $45,000, the marginal rate will be 31 per cent if they have two children. That is unfair for the middle class and I hope the Government will accept this amendment.

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, the Hon. Member's proposal is to reduce the middle income marginal tax rate from 26 per cent to 23 per cent. When I looked at the motion, I asked myself what would be the revenue implications. They are rather horrendous, at some $1.8 billion. That alone encourages one to look very closely at this proposal.

The other day we discussed the automobile question with the Hon. Member for Laval-des-Rapides (Mr. Garneau). This is very much a limousine Liberal kind of motion. It ends up indulging the upper middle class at the expense of the lower middle class income tax bracket in absolutely grotesque proportions.

The tax rate under $27,500 would be the same as that proposed in the tax reform. However, from $27,500 to $55,000, the Liberals would reduce the marginal tax rate from 26 per cent to 23 per cent. That is the federal rate.

In order to understand how grotesque this proposal is, let us assume a 55 per cent provincial tax rate and combine it with the federal tax rate. Those rates would be 26.35 per cent for under $27,500; 40.3 per cent for the $27,500 to $55,000 bracket; and 44.95 per cent for $55,000 and over.

Let us review the tax savings at various income levels as a result of the proposal of the Hon. Member. I would like the Hon. Member's response to these because they concern every Canadian. First, the tax savings he would turn over to those at the income level of $27,000 as a result of his so-called improvement would be zero. At $30,000 it would be $75 federal, $115 federal-provincial combined if we assumed the 55 per cent provincial tax rate. That is a 0.4 per cent change as a percentage of income, a very small step forward for the $30,000 income Canadian.

Let us look at the $40,000 income level taxpayer. The combined federal-provincial savings would be $580 according to his proposal, which is a 1.5 per cent change as a percentage of income.

At $55,000, it would be a combined federal-provincial savings of $1,275 in tax, which is a 2.3 per cent change as a percent of income.

This would not only cost the Government of Canada and the Consolidated Revenue Fund $1.8 billion, a massive haemmorrhage on the Treasury, it would be horrendously regressive within the middle income tax category. It would provide no benefit to low income filers. Lower middle income filers would receive a small tax reduction from the proposal, while upper middle and high income filers would be the major beneficiaries. That is the import of this proposal.

The marginal tax rate that is proposed in Bill C-139 provides a much better balance of tax reductions to Canadians, while respecting fiscal constraint. Tax reform respects fiscal restraint and comes to terms with constantly trying to reduce the federal government deficit. When we consider the middle income category, we can see that it is progressive.

The Hon. Member's suggestion is regressive. It is a limousine Liberal approach to the middle class.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, the Hon. Minister for Finance (Mr. Hockin) has talked about limousine Liberals. He has not talked about Cadillac Conservatives.

Mr. Jourdenais: Do not talk about my Cadillac.

Mr. Cassidy: There you are. There is one here to the left of me. Normally he takes a progressive position within his Party. I say to my hon. friend that if he really wants to be progressive, he and all other Quebec Conservatives will ensure that not a nickel of corporate donations given to the Progressive Conservative Party of Canada will be used on election expenditures in the Province of Quebec.

[*Translation*]

It is very curious, Mr. Speaker, that in the Province of Quebec, the Conservatives said they would not accept corporate donations, but this policy is only local and voluntary.

But, Mr. Speaker, will they refuse money spent by the Progressive Conservative Party at the national level that comes from corporations? No! Money from Alcan and General Motors will be spent by the Conservatives in the Province of Quebec. It is hypocrisy, Mr. Speaker.

The Hon. Minister of State for Finance talked about the Liberals in their limousines . . .

• (1740)

[*English*]

Mrs. Mailly: Mr. Speaker, I know that it is 5.40 p.m. and we have been at this all afternoon, but I fail to see the relevancy of what the Member is speaking about in relation to tax reform. It is very interesting, particularly since he omits the union aspect of his argument. He will allow unions to contribute but he will not allow companies. It is, in any event, irrelevant to the debate, as far as I am concerned.

Mr. Cassidy: I would say, on the point of order, that my points were entirely relevant to the forthcoming election. The people of Canada want to know where the Parties stand with respect to the coming election. However, I see you are taking advice as to whether or not I was relevant to the Bill, and I would say to my hon. gracious colleague from Gatineau that she is correct, perhaps this point was not totally relevant to the Bill except that corporations receive tax deductions for those political contributions.

Mrs. Mailly: So do unions.

Mr. Cassidy: Well, my colleagues are forcing me to continue this discussion.

Mrs. Mailly: You have our permission to switch back to the subject.

Mr. Cassidy: Thank you. When I refer to the Hon. Minister of State as being a Cadillac Conservative, it is partly because he comes from London, but it relates specifically to the fact that he saw the mote in the eye of the Liberal without seeing the beam in the eye of the Conservative Party, if I can quote a bit from Scripture.

The Progressive Conservative tax regime gives the greatest tax concessions since 1984 to whom? Does it give it to senior citizens, pensioners or families trying to scrape by on $300 or $400 a week? No. It gives the greatest concessions to people earning over $100,000 a year.

I have a *Summary for Taxpayers*, a booklet that was prepared by the Department of Finance. It has a little "Canada" with a blue thing over the top of it for the flag. It was changed from red. The booklet points out that for households with a decrease in tax, families under $15,000 in income will get an average reduction of $140. Families earning under $30,000 will receive a cut of $460. Families earning in the range of $30,000 to $50,000 will receive an average cut of $525. Families in the $50,000 to $100,000 range, among those with a decrease in tax, will receive a cut of $735. But what is interesting is the final bracket. This says it all. Families with an income range of over $100,000, and those who have a decrease in tax, receive an average decrease of $4,165.

[*Translation*]

The result, Mr. Speaker, is that only families and taxpayers with an income of over $100,000 a year will pay less tax in 1988, after tax reform, than they paid in 1984, when the Progressive Conservative Party came to power.

Mr. Speaker, all other families will pay more tax, although slightly reduced by tax reform, but the net result is a tax increase if you count the sales tax and other taxes raised by the Conservatives.

Now, Mr. Speaker, in real terms, the average family is suffering under Conservative rule. Its purchasing power is much less in 1988, than it was in 1984. Mr. Speaker, this is mainly due to the Government's piling tax upon tax on the average family and the average taxpayer.

Mr. Speaker, I do not fully agree with the Liberal Party's amendment, but what my friend from Laval-des-Rapides (Mr. Garneau) has suggested is specifically to change the tax rates for middle-income individuals, who are the base of the tax system. He is proposing that the marginal rate be reduced from 26 per cent to 23 per cent.

To begin with, Mr. Speaker, I wonder why, under the Conservatives' tax reform, a technician working for Bell Canada, for example, or an operator taking telephone calls who earns maybe $28,000 or $29,000 a year pays a marginal federal income tax rate of 26 per cent, while at the same time Jean de Grandpré, the president and CEO, the big chief of that company, with an income of over a million dollars a year, only pays a marginal rate of 29 per cent. Is that a real difference?

So here you have someone with an annual income of over $1 million who only pays the federal Government a marginal rate of 29 per cent. But the technician or the lady who takes telephone calls and works all sorts of hours, who is now on strike because of Bell Canada's effort to deny her a proper standard of living, pays a marginal rate that differs by only 3 per cent, i.e. 26 per cent.

Mr. Speaker, I do not deny that during the study of tax reform by the Finance and Economic Affairs Committee, the Conservative majority, which co-operated in many of our efforts, flatly refused to talk about the tax rates imposed on individuals.

[*English*]

When we got to that particular point, I am afraid to say that they were not dealing in an honest way with the various tax rates. There is an unfairness in a system where the Government proposes that someone earning $1 million or more a year, like Jean de Grandpré of Bell Canada, will pay a marginal tax rate only three points higher than the marginal tax rate paid by a Bell Telephone operator or technician who is scraping to meet the rent and make ends meet. There is something wrong with that.

When the Minister of State for Finance talked about the affect of the proposal made by the Hon. Member for Laval-des-Rapides (Mr. Garneau), he said this was regressive because it gives more money to people earning $50,000 a year than it gives to people earning $40,000, and surely people earning $40,000 a year should be better looked after than people earning $50,000 a year.

I agree once again with the words of the Minister of State for Finance. The problem is, however, that the words of the Minister of State for Finance are not matched by the actions of his Government. I would like to think that the Minister of State for Finance battled like crazy but was overruled by the Minister of Finance (Mr. Wilson), who is after all a former denizen of Bay Street where he worked in the investment industry. However, I have to say that, having perhaps worked too long at the University of Western Ontario, the Minister of State for Finance himself really buys the same argument, this neo-Conservative argument which has seeped across the border like a PCB oil spill from the United States that somehow it is good to reduce taxes on the rich and on the very rich because it will trickle down in benefits for average Canadians.

We all know that it does not. It goes into Mercedes, Cadillacs and limousines for Liberals and that kind of thing. It trickles up and stays up and it really does not benefit average Canadians at all. If we want to be honest about it, we would ensure that we had a fair tax system where the taxes on wealthy Canadians were proportionate to their ability to pay and where the average middle-class Canadian family, who is scraping by trying to pay a mortgage with the rates up by half a point today, and trying to meet the cost of living which has gone up since 1984, would in fact not have to pay a rate of tax that was just a shade off the rate of tax being paid by wealthy and very wealthy Canadians. It would be a tax system in which capital gains would be taxed on the basis of total inclusion rather than being totally exempted up to $1,000 as proposed by the Government or, for that matter, with the rate reduced by the Liberal Party.

• (1750)

These are aspects of tax fairness—

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

On debate, the Hon. Member Saint Léonard—Anjou (Mr. Gagliano).

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, I rise in support of Motion No. 7 put forward by my colleague for Laval-des-Rapides (Mr. Garneau). I would like to state in the first place that this afternoon we just discovered this Tory Government's total hypocrisy. Each time we put forward an amendment, they immediately said it would cost that much. My understanding was that when they embarked upon tax reform the intention indeed was to strive for fairness and bring in propositions that were aimed at social justice, bringing fairness to all. What the Minister of State (Finance) (Mr. Hockin) just said is unacceptable, Mr. Speaker. If we are to have rates that are fair to everyone, they should be at some point analyzed, and my colleague for Laval-des-Rapides proposed indeed for the $25,000 to $50,000 income bracket a rate that would be fair, that would be half way up the scale instead of a rate that is near the third one for the $55,000 and over bracket. Rather than come up with sound reasons and explain its position on that, the Government wonders how much that will cost, Mr. Speaker. Is this the way to go about achieving tax reform? This is not tax reform. It is adjusting the Income Tax Act to the Government's needs.

In the United States, Mr. Speaker, when the Americans decided to go into tax reform, it worked because all parties agreed on the mechanisms, the principle of that tax reform. They set up their parameters and told the officials: Here they are, implement them. There was no question of looking at costs only. Do we build up society by looking at the costs or by having principles of social fairness? This afternoon, we have clear and specific evidence that this Government has no idea of what social justice is, what fairness to all is.

Mr. Speaker, they always end up talking about money each time we come up with a proposal for child care services, which everyone has come to need. Each time we come up with proposals to lighten the tax burden of senior citizens, the answer is there is no money. But money they have, Mr. Speaker, to buy nuclear submarines. Will that bring us social justice? This shows the Conservative Party for what it really is. What my colleague for Laval-des-Rapides is proposing is very simple.

But the Minister of State (Finance) argued this would increase costs. Therein lies his error, Mr. Speaker, and I will not elaborate because this is so technical it might be difficult to explain to Canadians. What my colleague for Laval-des-Rapides is asking for is a change in rates, not the basic amount. This is what the Minister would not understand. What do we propose? We propose to reduce the rate from 26 per cent to 23 per cent, the average tax rate, for taxpayers with taxable income between $27,500 and $55,000. This is clear and simple. We are looking for social justice between the 17 per cent and the 29 per cent. Is that clear enough? The tax structure would include tax rates of 17 per cent, 23 per cent, and 29 per cent, which would be much more equitable than that proposed by the Government.

I spent two full days sitting on the Finance Committee, and whenever we proposed something . . . I remember that one night, the Conservatives Members on the Committee were fully in agreement with me and we removed one of the clauses—more on that later—but then we had to recant when an official commented that the proposal was impossible to accept because it would cost too much money. Yet, when we had discussed it without any reference to the costs, even the Tory Members were in agreement. But when faced with the costs, they said: "Hold everything!" That is what the so-called tax reform is all about, Mr. Speaker! It's really a joke to talk about tax reform when taxpayers are not treated fairly and when the only reason for amending the Income Tax Act is to make it possible for the Government to get other revenues while lulling Canadians taxpayers into believing that it is easing their tax burdens.

Mrs. Claudy Mailly (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the Hon. Member for Saint-Léonard—Anjou (Mr. Gagliano) has just stated that proposals should be considered irrespective of their costs. It is exactly that approach which is responsible for the very high deficit we are faced with today and which was responsible for such an extraordinary high level of inflation that the interest rates reached 22 per cent, that homeowners were losing their houses, and that young families who had managed to buy houses were losing them. As you know, Mr. Speaker, it is all very nice to be dreaming in colour and saying that the Government could give away everything while reducing taxes, that it could make available all the programs it is asked for, but it has to be concerned about costs because it will have to foot the bill in the end. Such an approach is both simplistic and disastrous. We had evidence of this in 1982, with the high interest rates and with inflation rates of 12 per cent, 13 per cent and 14 per cent. We had evidence of this with an unemployment rate with reached 20 per cent in some areas of my riding while it is down to about 5 per cent today.

Mr. Speaker, it is all very nice for the Opposition to speak with a sharp tongue and accuse us of being insensitive because we pause to ask just how much its proposals will cost. But after all, it is a question we have to ask, because this money we would be spending would be coming out of our own pockets. It is a fact that, as Members of the House, we would be called upon to contribute through our income taxes, but it is really the Canadian consumers who would have to pay more when they go shopping at the supermarket or when they go to the bank to renegociate their mortgages. The people who want to

buy houses would not be able to afford them because of skyrocketing inflation rates. Moreover, they would not be able to buy them anyway because they would be without jobs. They would find themselves back where they were in 1981-82, among the 20 per cent unemployed who could not meet their payments on their cars, their houses, and did not have enough money at the end of the month to feed their families properly. It is ridiculous to try and show the tax reform in this light, from this point of view. It does not make sense, Mr. Speaker.

What I am trying to say is that we are dealing today with a legislation which we put forward because we wanted to streamline public finances and put everything back in order again. We certainly do not want to return to the total chaos the Liberals had created.

[*English*]

The Acting Speaker (Mr. Fretz): The question is on Motion No. 7 standing in the name of the Hon. Member for Laval-des-Rapides (Mr. Garneau). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Some Hon. Members: On division.

The Acting Speaker (Mr. Fretz): I declare the motion lost, on division.

Motion (Mr. Garneau) negatived.

• (1800)

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No. 8

That Bill C-139 be amended in Clause 91 by

(a) striking out line 11 at page 226 and substituting the following therefor:

"118.2(1) and"

(b) inserting immediately after line 44 at page 226 the following:

"(1.1) Each of the amounts expressed in dollars in subsections 118.3 (1) and 112.2 (1) shall be adjusted for each taxation year after 1988 so that the amount equal to the aggregate of

(a) the amount that would, but for subsection (3), be the amount to be used thereunder for the immediately preceding taxation year; and

(b) the product obtained by multiplying

(i) the amount referred to in paragraph (b)

by

(ii) the amount, adjusted in such a manner as may be prescribed and rounded to the nearest one-thousandth, or where the result obtained is equidistant from two consecutive one-thousandths, to the higher thereof, that is determined by the formula:

A/B

where

A is the Consumer Price Index for the 12 month period that ended on September 30 next before that year, and

B is the Consumer Price Index for the 12 month period immediately preceding the period mentioned in the description of **A**."

Motion No. 9

That Bill C-139 be amended in Clause 92 by striking out line 15 at page 228 and substituting the following therefor:

"$5,000 - (C - $1,000)".

He said: Mr. Speaker, as you know we decided that it was six o'clock after the debate on the private Member's Bill and my colleague, the Hon. Member for Trinity (Miss Nicholson), did not know that. She was supposed to be back in the House at 6 p.m., but because of the decision taken by the House, she may be delayed a bit. I would like to see her motion accepted even though she is not here at the moment.

Mr. Garneau: I would like to propose the amendment for her.

The Acting Speaker (Mr. Fretz): Is it agreed?

Some Hon. Members: Agreed.

Mr. Raymond Garneau (for Miss Nicholson, Trinity) moved:

Motion No. 10

That Bill C-139 be amended in Clause 92

(a) by striking out line 49 at page 228 and substituting the following therefor:

"under 21 years of age and in full-time attendance at a school or under 21 years of age and unemployed or so"

(b) by striking out lines 20 and 21 at page 229 and substituting the following therefor:

"age of 21 years at any time in the year, and either in full-time attendance at a school or unemployed, an amount determined by the".

[*Translation*]

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No. 11

That Bill C-139 be amended in clause 92 by striking out line 8 at page 229 and substituting the following therefor:

"$5,000 - (D - $1,000)".

Motion No. 12

That Bill C-139 be amended in clause 92 by striking out line 35 at page 229 and substituting the following therefor:

"of those dependants and of dependants of at least 19 years and under 21 years of age, be read as twice".

—Mr. Speaker, the grouping of these motions does not make for easy debating, especially since we have only 10 minutes to address very complicated issues.

My Motion N° 8 is aimed at reindexing the refundable dependent child tax credit and the credit for mental and physical impairment.

[*English*]

In Motion No. 8 we propose to reindex the refundable child tax credit and the credit for mental and physical impairment.

[*Translation*]

Mr. Speaker, in its 1985 Estimates, the Conservative Government decided to partially deindex child tax credits, family allowances and also the tax tables. Those are all hidden tax increases which the Conservative Government, through the Minister of Finance (Mr. Wilson), has imposed on Canadians after having promised not to increase taxes.

Mr. Speaker, what we propose, once again within the bounds of the Standing Orders, is to save at least the essential. We know that there are major problems facing families. Everybody recognizes that the birth rate is down. A huge number of single parent families find themselves in difficult financial situations.

We propose to reindex completely the refundable child tax credit as well as the tax credit for mental and physical impairment. To me, it's a matter of common sense, of being compassionate towards people who are in need because of a physical or mental impairment and of ensuring that inflation will not whittle down the income of families with children.

We have limited our amendment to two specific cases, although I would have liked to do the same thing for other sectors.

[*English*]

To reindex the refundable child tax credit and the credit for mental and physical impairment.

[*Translation*]

Mr. Speaker, in Motion Nos. 9 and 11 we recommend raising the income threshold of the spouse or dependent children at which the tax credit for a married person and the equivalent credit for a married person begins to be reduced. This recommendation had been made by the Senate Committee on Tax Reform and I support it.

[*English*]

In Motion Nos. 9 and 11 that we are debating now, we propose to increase from $500 to $1,000 the income threshold of the spouse, or the dependent children; at which point the married credit and equivalent to married credit begins to be reduced. This recommendation has been made by the Senate committee on tax reform.

Nowadays, children or students at university are trying to find themselves jobs. To earn $500 is not very much. In this situation, if the student earns $1,000, even though his family is paying for all the tuition fees and the room and board, et cetera, they cannot deduct the full amount because this student has earned a little more during the summer. I think that it should be increased to at least $1,000. It would be only fair. The same applies for the spouse. It does not take much to earn $500 through a little income, a little savings, and we think that the program will be more up to date and more in line with the situation that we are facing today if we increase the limit of revenue before cutting the tax credit for a spouse or children who are still living with the family.

[*Translation*]

Mr. Speaker, the motion I am referring to would allow a wife to earn up to $1,000—or her husband if he happens to be the dependent—before the tax credit begins to be reduced because of the income level of the wife or husband who is the dependent of the household main income earner.

The same thing goes for students. We believe that the $500 ceiling on earnings is too low. A student who is not afraid to work at delivering papers every day may very well earn more than $500 a year, and as a result his father or mother would not get the full credit for this hard working child, or for another attending vocational school or college whose summer job brings in $900 or $1,000.

Finally, Mr. Speaker, Motion No. 12 would provide a $130 credit for dependent children aged 19 to 21.

[*English*]

Motion No. 12 institutes $130 credit for dependent children aged 19 to 21.

[*Translation*]

Mr. Speaker, the tax reform has eliminated the concept of dependent children over 18 so that the father of a full-time university student who lives at home and earns $500 can, as a result of the tax reform, claim the full tax credit deduction. But if he happens to be over 18 it does not matter whether he attends university or even vocational school, no more deductions.

And that is not all, Mr. Speaker. When the head of the family dies, the mother takes over, she works outside and earns an income, but if her 18-year-old son is a full-time university student she cannot claim him as the equivalent of a spouse. These are new changes imposed by the Minister of Finance in his tax reform.

I find that totally unacceptable because, in the case of a family with a dependent child at school, there should at least be exceptions for those attending school on a full-time basis or for those who are staying at home and are without work. Those people, those families, are almost forced to make living arrangements outside the home to be able to get welfare. I

think that the Minister of Finance and the Conservative Government have adopted an approach which is totally unjust and insensitive, which disregards the situation of families and which makes things even more difficult, particularly for single parents because women who are heads of families can claim the equivalent of married exemption for a child under 18. They are heavily penalized however when the child reaches 18 because they can no longer claim that exemption. Furthermore, if the child is responsible enough to earn some money and his income exceeds $500, his mother's tax advantage is eroded.

Mr. Speaker, it is too bad that we have to debate these motions together because we could have brought forward much more detailed and convincing arguments.

Earlier I listened to the Hon. Member for Gatineau (Mrs. Mailly) who talked about balance, the deficit, interest rates and, of course, she would have been well advised to read up on what was happening in the world during that period before making her speech. There is something I do not understand. Where was the Hon. Member for Gatineau when her government proposed to spend 12 or 16 billion dollars on nuclear submarines? Did she rise in the House to point out we could not afford it? Did she rise to say it would cost too much? Money can be found for nuclear submarines without any problem. But when it is a matter of re-indexing child tax credits, tax credits for the mentally or physically handicapped, there is no money. When it is a matter of allowing a spouse or children to earn as much as $1,000 before reducing the tax benefits the father or mother can claim, there is no more money. When it is a matter of giving a $130 tax credit to the father or mother who wholly supports a full-time university student, which is the case 80 per cent of the time, there is no money. However, no Conservative Member brings up the matter of money or lack of it with regard to nuclear submarines.

Mr. Speaker, it is time to introduce more fairness in our proceedings, and if we lack money to make the tax system more equitable, then we must not have enough to buy nuclear submarines either.

• (1810)

Mrs. Mailly: Mr. Speaker, the Hon. Member for Laval-des-Rapides has a selective memory because if he had total recall, he would remember that there is now a very hot debate on the issue of nuclear submarines, which is being examined from different angles including their cost. But it would be very simplistic on his part to compare a National Defense expenditure with tax reform and to conclude that, since we cannot reduce or eliminate any exemptions, we cannot proceed with tax reform.

Once again, he is selective. He picks the exemption for dependent children which is equivalent to the married exemption.

I was one of those single parents for several years. I took advantage of that exemption and I agree with him that many of those single parents are very sad to see it go, but what he fails to mention is that to compensate for its elimination we have reduced the tax rate. He suggested earlier that we should have reduced it even more. However, the amounts needed to increase exemptions have to be found somewhere. He said we should not be concerned with the deficit and all that jazz. Mr. Speaker, I find that speech a little strange coming, as it is, from a former provincial Minister of Finance.

We are still hearing emotional speeches in here, Mr. Speaker.

Mr. Garneau: Please sit down!

Mrs. Mailly: You see, Mr. Speaker, instead of debating he says I should sit down. He does not like my arguments because they hit very close to home and he has a problem with that.

That is because instead of discussing frankly and honestly the advantages and disadvantages of that tax proposal, he would rather attempt to sidetrack the debate with an outpouring of emotion, half-truth and exaggeration. It is very unfortunate because that debate is a very important one for Canadians, Mr. Speaker.

[*English*]

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, as the Hon. Member for Laval-des-Rapides (Mr. Garneau) said, it is a bit difficult to comment on at this point because five motions are grouped. Motion No. 8 deals with full indexing for the cost of living in tax rates, in brackets, as opposed to the partial deindexation which is proposed by the Minister of Finance (Mr. Wilson). Three of the amendments deal with the deduction for earned income of dependants and of students. The final one relates to the amount which is given for the child tax credit for dependants where there is a dependant aged 19 to 21 in a family.

Let me comment briefly on that. The Government in the massaging it went through on tax reform created a system which was wildly inequitable and unfair to people with children. It was so unfair that once you got beyond having a couple of children you would actually be worse off under tax reform than you would have been without it. That certainly seemed like a perverse situation. That is why the Government decided that it would increase the child tax credit for the third or subsequent child.

I believe that the amendment extends that to a dependant aged 19 to 21. My colleague, the Hon. Member for Vancouver East (Ms. Mitchell) will talk about that. However, there is something more generally perverse about the Government's proposal. Take a couple of people in similar circumstances, say Joe and Jim or Mary and Sue who all work for Revenue Canada. Each one is a bread-winner. Each has comparable circumstances as far as the family is concerned and each is aged 31 or 32. Joe has a wife and couple or three kids. His seat-mate, the person working right next to him, Jim, has the same job with the same income, but instead of having children he is putting money into RRSPs to the maximum allowable according to government policy. Anybody would assume that the wage earner with the family would be treated more generously than the wage earner with the RRSP deduction, but it is the contrary under the Conservatives. I think there is something wrong with that.

The Government shows that it has its values turned around. If the Government were really concerned about the family, which I believe will be an important issue in the forthcoming election campaign, it would not have to bring in these artificial amendments about the third and subsequent child and so on. The Government would have demonstrated a commitment to equity by ensuring that the tax system in this country genuinely aided people with family responsibilities. Tax systems are there to raise revenue, but they also are there to express a social philosophy about the kind of society and the kind of country we want to have. Conservative tax philosophy does not have a great deal to say about the men and women, the parents who are raising kids in our society. I get upset over that, Mr. Speaker, as I get upset when I find developers and entrepreneurs in my constituency open up what they call adult only apartment buildings. My constituents who have children find they are shut out of desirable accommodation because it is adult only. I would have thought that everybody in society should have a commitment, but the Conservatives do not seem to have that.

I want to comment specifically on Motion No. 8 which aims to substitute full indexing for the deindexation put forward by the Minister of Finance in his tax reform proposals. It is very interesting to think that the Conservatives have come full circle on this question of indexing. You will recall that it was the Conservatives under Robert Stanfield who proposed that the tax system be indexed, some time back in the late 1960s. They fought for that and they thought it was fair. The New Democrats thought it was fair as well. Finally, ironically, it was the then Minister of Finance, the now Leader of the Official Opposition (Mr. Turner), who brought indexing into the tax system.

• (1820)

My Party still supports indexing, particularly for people with modest incomes. I know where Robert Stanfield was on this issue and I know where the Conservatives are now. They have turned full face. They have abandoned the commitment they made in the 1960s and the 1970s. Now, instead of full indexation, it is indexation minus 3 per cent.

This is a very subtle way to impose a tax increase on average Canadians year after year. The child tax credit is partially deindexed. The value goes down by 3 per cent every year. The family allowance is partially deindexed. The value goes down by 3 per cent every year in any year when the rate of inflation exceeds 3 per cent.

The tax reform brackets are only partially deindexed, and therefore, rather than rising with inflation, they decline in value every year. That means that for people who are sitting around those turning points there is an increase in taxation every year. It is a hidden increase in taxation and, therefore, it is a dishonest increase in taxation.

I suppose that the Minister of State for Finance (Mr. Hockin) will tell us that the $100,000 limit on tax-free capital gains is totally deindexed, that it will be worth $100,000 next year, the year after that, and the year after that. I suppose that is the case, but it will take an awfully long time for an average family paying these increases in taxes to catch up with the privilege given to the wealthy family who is able to take advantage of having an investment property, some stocks and bonds, or an investment in a company and make $100,000 without paying a nickel in tax on that investment. Therefore, I would say that that argument falls.

My own feeling is that we should focus the indexing and protection against inflation at people on modest incomes. In the United States, as a matter of fact, there is a procedure by which the lower rates and the lower tax brackets for people at the top of the income scale are recaptured. Once the income of an American goes above $70,000 or $80,000, he then finds himself paying additional taxes on the money in the $20,000, $30,000, or $40,000 bracket which was initially taxed at the lower rate. I do not think that that is unfair. I think that is reasonable and recognizes the fact that if there is to be some moderation of tax rates, then there should not be the additional moderation for people at the top of the income scale getting reduced rates on the first $5,000, $10,000, or $15,000 when it is taxed.

The Government has focused this particular measure on people with modest incomes. The deindexing which takes place should not be there. I believe we should have full indexing for people on modest incomes so that, as their incomes rise, in order to keep pace with the cost of living, they do not then find that the tax person has his or her hands in their pockets before they get the benefit of some protection against inflation through rising incomes.

We have seen over the last few years just what the Conservatives have done. They raised the sales tax in 1984, they raised it again, and they raised it again. They eliminated the special tax cuts that were given to families on modest incomes. They brought in tax reform which they say will take 850,000 people off the tax rolls without pointing out that they added one million people to the tax rolls beforehand. All these things are a part of a tax grab which seems to be hitting particularly at people on modest incomes.

There is a theory of taxation that says we have to hit average people because there are so many of them. I think that is to hold average people in contempt. I think average, ordinary Canadians are prepared to pay their fair share, but they do not think it is right if they are paying, and paying, and paying again because wealthy Canadians are getting a privilege, on top of a concession, on top of a loophole, on top of another new way they can avoid paying income tax. Partial deindexing is particularly offensive because it is not just a once-and-for-all kind of thing, it is a measure which will go on year after year.

It is as though the Minister of State for Finance is reaching out from his heartland in London. Long after he ceases to be a Member of Parliament, he and the Minister of Finance will still have their hands in the pockets of ordinary Canadians with this partial deindexing proposal if we do not do something about it. That is why I happen to believe that Motion No. 8, which seeks to substitute full indexing for the deindexation contained in the Finance Minister's proposal, is a good one and should be accepted.

The Minister of State for Finance might pop up and say: "Oh, you are giving a privilege to people earning over $55,000 a year because you are going to let them benefit from full indexing". I would then challenge him to come behind the curtains with me and devise a tax system which is really fair for those people earning over $55,000 per year, a system designed on the American model, perhaps, a system that would ensure that the rates paid are more appropriate, given the ability to pay.

Let us get rid of the system in which the rich get tax cuts, ordinary people get tax increases, and partial deindexing will hit average Canadians in *secula saeculorum*, century after century, unless we do something about it. The time to do something is now, and I would urge you, Mr. Speaker, to step down from your chair and join the New Democrats, and in this case their colleagues, the Liberals, in ensuring that some tax fairness is put back into tax reform.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I want very much to have the opportunity to speak on this group of amendments, particularly those that apply to family benefits. We have to think of families in a different way than we think of single taxpayers who are concerned only with their own costs and with two wage earners who have no dependants. It is absolutely essential that we put a much greater emphasis on the needs of families, both from the point of view of the cost of raising children and from the point of view of the contribution parents with their children, the next generation, make to society for the rest of us. This is the generation that will pay for our old age pensions.

The Government has spoken a lot about being sympathetic to families, wanting to recognize families, yet the whole tax system has done the reverse. Family benefits have gone down rather than up and single taxpayers have had greater increases in tax benefits than have parents who have the extra costs and responsibilities and are contributing so much to society by raising children.

I would like to speak particularly to Motion No. 12 which concerns child tax credits for older children, dependants who are in the age bracket of 19 to 21. There are many, many parents who still have dependent children in that age group. The Government, of course, has disregarded this and has entirely removed them from the child tax credit coverage. We are talking now about lower income families.

• (1830)

We are told that this is fair since the parents of those going on to post-secondary education will be able to deduct the school fees from their income tax. Of course, it is absolutely essential that parents of these children are able to deduct at least these fees. There are many other costs which they will not be able to deduct. However, the Conservatives have completely disregarded a very large group of young people who are not going on to post-secondary education of any kind. They are not lucky enough to be able to get into college or university or trade training. Essentially they are at home. We must think also of parents with disabled children and the tremendous costs involved.

However, I would like to speak primarily about young people, many of them in my riding, who are unemployed, unable to get into training programs, and their parents have very low incomes. Many of those parents are single parents, on welfare in many cases, and they have been completely ignored by the Conservatives, and ignored in this Liberal amendment unless they happen to have two children. I do not know why they penalize the parent with one or two children. It costs quite a bit to feed them if they are at home and not working. There are many costs that their parents have to cover.

I happen to have Statistics Canada figures for the riding of Vancouver East. I would like to point out that for the age group of 15 to 24, the unemployment rate for males is 26.5 per cent; very high. For females it is a little less at 16.9 per cent. Let us compare that to 20 per cent and 15 per cent for those adults over 25. That is a very high unemployment rate, and I see that there are some 40,000 people in my riding who are not in the labour force but are over the age of 15 years.

These young people are living at home under a lot of stress. It is a time of conflict between parents and children. The young people are feeling very discouraged and worthless, and parents are feeling pretty hostile because they have to carry the expense and are barely managing to survive as it is, I am sure. It is grossly unfair and increasing the tension in families for the Government, then, to remove the child tax credit. It is kind of a last straw for poor families. I cannot understand why the Government would not cover these children and make the child tax credit available to the parents. We urge the Government to reconsider this.

Nor do we think that Motion No. 12, the Liberal amendment, is adequate. It recognizes that the child tax credit should be increased for dependants aged 19 to 21, but only if the taxpayer has three or more dependants. I do not know why they put that restriction on it. It seems very unfair. Certainly poor families that I know of cannot manage with two children. The alternative for these young people is to go on welfare. As my colleague says, in Quebec they would only get $150 a month living out of the home. That means that they are forced on to the streets to earn additional money for survival by illicit means. It certainly happens in my riding. If they are still staying at home, their parents are penalized, and it is very difficult for young people living at home to qualify for social assistance. This in turn forces children out of the home and forces parents to tell them that if they leave home and go out on the skids at least they will get welfare; very inadequate welfare it is.

This policy is adding to that syndrome for welfare families, so we should not support Motion No. 12. It is a slight step in the right direction, but it discriminates against certain kinds of families with one or two dependants. We urge the Government to reconsider its tax measures in this area.

Miss Aideen Nicholson (Trinity): Mr. Speaker, of the amendments grouped for debate I would like to address Motion No. 10 which stands on the Order Paper in my name. It deals with the tax treatment of older dependent children, 18 and up. The (a) part of my amendment deals with older children in a one-parent family and the (b) part deals with older children in the two-parent family.

I first want to talk about the equivalent to married tax credit or tax deduction which was available before this so-called tax reform to a single parent with a dependent child under 21. The equivalent to married deduction which could be claimed by the parent in such a case has been valued by the Department of Finance at $3,740 for 1987. A single parent can no longer claim that. The Government is, instead, offering a new credit which is only available if the child is under 18. This fails to consider the 18 year old who is still at home and going to school. In Ontario the average 18 year old is still in high school. This also fails to consider the 18 year old living at home and unemployed.

For a number of years now the unemployment rate for people under 25 has been double the national average. People with high school education only have particular difficulty in getting into the labour force. In 1986, the national employment rate for 18-year-olds was 21.4 per cent; for 19, 20, and 21-year-olds it was 19.3 per cent, 18 per cent, and 16.5 per cent respectively; generally about twice the national average, twice the unemployment rate for people over 25, particularly for those who have specialized skills. Single parents who are supporting older children at home are particularly hard hit because when the child reaches 18 the family allowance cheque stops, the right to receive the child tax credit, which will be increased in 1988, stops, and for the parent who receives support from the other spouse, child support payments very often stop when the child becomes 18.

For a single parent with a low income, and it is mostly women and single parents who have custody of their children, removing access to the equivalent to married deduction for a dependent child under 21, which is, as I said, valued by the Department of Finance at $3,740 in 1987, comes at a very difficult time when other forms of support are drying up.

The Government claims that it has made up for the loss of this deduction by providing a sales tax credit of $70 to 18-year-olds regardless of their dependent status. Also there will be a tuition fee credit for the parents of youths in post-secondary education. This does nothing for the parents of dependent youths who are either still in high school or unemployed. Clearly, the government proposal makes life harder for single parents with older dependent children. That is the purpose of my Motion No. 10 (a) which would amend Bill C-139 in Clause 92 by striking out line 49 and substituting the following therefore:

"under 21 years of age and in full-time attendance at a school or under 21 years of age and unemployed or so"

The second part of my motion deals with the older dependent child living in a two-parent family. The child who is in high school or the child who is unemployed is quite a heavy burden financially—although he or she may be a great joy in other ways—if the parents have a low income. As in the case of a single parent, family allowance benefits and the right to a child tax credit stop at age 18.

• (1840)

The Government argues that a credit will be available to parents with physically and mentally infirm children. This is no help to parents with healthy 18-year-olds who have to be supported in high school and whose clothing, transportation, recreation, and food bills still have to be met. It certainly is no help for the parent with an unemployed 18-year-old who also has to be provided with the necessaries to help in a job search.

In order to return some fairness to the situation, Motion No. 10 (b) would extend the current personal exemption to parents with children 21 years of age and under, regardless of the state of their health.

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I would like to speak to these motions because they raise some important matters of principle on which the Government should make its response clear. I would like to begin with a blanket comment about the analogy and example used by the Hon. Member for Ottawa Centre (Mr. Cassidy) which seems to underpin his critique of tax reform, that is, his example of the Chairman of Bell Canada and the average Bell worker because he is concerned about progressivity. I think I can help him with his problem because he is using marginal tax rates instead of average tax rates. If he took average tax rates he would feel better about the progressivity of our system.

I will given an example. If you take the combined federal and provincial rate, under tax reform a one-earner couple earning $30,000 with two children has a 13.7 per cent average tax rate. I think the Hon. Member knows what an average tax rate is. It is different from a marginal tax rate which is the tax on the next dollar when you move into a new bracket. The average tax rate is what you actually pay on an income of $30,000.

On $60,000 the average tax rate is 29.2 per cent. On $100,000 the average tax rate is 35.8 per cent. Once again, I am talking about combined federal and provincial taxes. The average tax rate on $200,000 is 40.8 per cent. I have no idea whether Mr. de Grandpré earns $1 million a year, but if so he would be taxed at a 44.8 per cent average tax rate.

The system is very strongly progressive when you use average tax rates which, of course, is the rate you should look at. We all know that when we do our taxes we think the marginal tax rate is high, but when we work it out we see that it is somewhat less because the average turns out to be less. It is the average ladder which is really the measure of a tax system progressivity. The Member is misunderstanding tax reform because he misunderstands the difference between marginal and average tax rates.

The Hon. Member for Trinity (Miss Nicholson) and the Hon. Member for Laval-des-Rapides (Mr. Garneau) have brought motions before the House as well this evening and I would like to respond to those. First, the implications of removing the indexing restrictions of the CPI minus three for the refundable child tax credit and the disability credit, from a point of view of revenue, are not trivial. This would cost $75 million.

Allow me to speak to this proposal. Over recent years the Government has introduced a number of changes increasing the benefits of both the refundable tax credit and the disability credit. The general problem that I have with all these Liberal motions is that they take one little piece out of the mosaic and look at it rather than looking at the whole mosaic.

I remind Members that we have been increasing benefits under the refundable tax credit and the disability credit. The child tax credit was increased by $70 in 1986, and by $35 in 1987-88. Tax reform further increased the refundable child tax credit by $35 in 1988. The new child care initiatives also increase the refundable child tax credit by $100 in 1988, and by $200 in 1989, and subsequent taxation years for children under seven years of age without child care receipts.

This is all part of the story. This Liberal motion conveniently overlooks these very important parts of the mosaic which makes up the tax system of Canada after tax reform. As a result of the combination of these changes, many parents with children under seven years of age will benefit from a $375 increase in the refundable child tax credit. It must be said in this House over and over again that all these credits end up being much more beneficial than the restriction on the CPI minus three about which Hon. Members opposite complain.

The new disability credit, too, is more advantageous than the old exemption for the majority of beneficiaries. The credit is worth $550, while the old exemption of $29.20 was worth $496 for someone with income of less than $27,500. There, too, the system is more generous and better targeted. The House should know that as a result of the change introduced by the Government in 1986, 85,000 new disabled persons have benefited from the expansion of the criteria of eligibility.

Motion No. 9 would increase from $500 to $1,000 the amount of income that a spouse may earn before the credit for marital status is reduced, and Motion 11 would do the same in the case of the equivalent to married credit. I want to speak to that, another motion which would cost the federal Treasury $75 million.

We do not feel that this is the way to go because, first, the $500 is the exempt income threshold under the existing law. It is important that we understand that increasing this amount would simply open the door to increased income splitting between high income spouses with income from property and non-working spouses. We just do not believe that this is fair. We thought about this very carefully and did not want to stand on the side of unfairness with regard to this.

The increase in the value of the marital credit provided in tax reform increases by over $1,200, from $4,300 to $5,500, the amount of income that may be earned before the relief for married status ends up being reduced to zero. This makes sense. This is clearly the way to approach tax reform. It does not make sense to accept this motion and incur an extra $75 million from the Consolidated Revenue Fund.

Motion No. 10 (a) extends the equivalent to married exemption for children aged 19 to 21 who are in full-time attendance at school or unemployed. The Hon. Member for Trinity spoke to this and I would like to deal with it. This, too, would cost around $75 million. Let us understand the history and all that surrounds this. Prior to tax reform the equivalent to married exemption could be claimed by a taxpayer who was single, divorced, separated, or widowed who supported a dependant of any age living with him or her during the year.

• (1850)

Under tax reform, the equivalent to married exemption has been converted into an equivalent to married credit. The credit can be claimed for a parent or grandparent of the taxpayer, an infirm relative, or a dependant 18 years of age or younger. Let us remember that we have broadened what we mean by dependant.

The Hon. Member for Trinity expressed concern for those between the ages of 19 and 21. Things have changed in this country. Previously, the age of majority was 21 but it has been reduced over time, and age 18 is now generally regarded as the age of majority for most federal laws and programs and most provincial family laws and social assistance programs. Would the pages want us to raise the age of majority to 21? Does it not make sense that it is at age 18? This has been done at the provincial level as well as at the federal level. For example, both the family allowance and the Canadian and Quebec Pension Plans regard age 18 as the upper limit for minor children.

There could have been a misunderstanding in this debate. We must remember that children who turn 18 in a year will continue to benefit from the refundable child tax credit, the dependent child credit, as well as the equivalent to married credit. Dependants 19 and over in full-time attendance at a post-secondary school will be able to transfer the unused portion of up to $600 of the education and tuition credits to a supporting spouse, parent, or grandparent. This represents a significant improvement over the existing system for children in post-secondary schools.

Recently I talked to a group of university presidents who said that this was very helpful. Again, the pages must appreciate this proposal. That deduction used to have to be taken by the low income earning student. Now it can be transferred to a parent or grandparent who could get more benefit from it.

The suggested increase to age 21 would set a wholly arbitrary age restriction. Those are basically my problems with the motion by the Hon. Member for Trinity. We have a new age of majority, we have the unused tuition fees credit, we have dependents 19 and over who can claim the refundable sales tax credit in their own right. This means that it would be inconsistent for the tax system to treat a 19 to 21 year old person as two things: a dependent child and as an adult. It is one or the other. This system treats them as an adult.

All these measures add up to a significant improvement over the existing system for children in post-secondary schools. Furthermore, children turning 18 in a year will continue to benefit from the refundable child tax credit, the dependent child credit, as well as the equivalent to married credit. Tax reform provides a $250 tax credit for older children who are dependent by reason of mental or physical infirmity.

The burden of my intervention this evening is to say that we should not look at one piece of tax reform and criticize it, try to increase it or make it more liberal. We should consider the whole mosaic to see the fairness of tax reform, the useful targeting of tax reform, and the progressivity of it as well.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Madam Speaker, I would like to talk about this group of motions, but especially about Motion No. 8. Of course, the main purpose of tax reform and of any tax system is fairness. The tax system takes money for the Government to distribute and match with those who need it. Also tax reform and tax policy give indications as to how we want our society to go.

Of course, I am thinking of several studies and I am sure that most or maybe all Hon. Members will agree that we have a demographic problem; everyone is concerned about what will happen in future with fewer children being born, the declining birth rate and all the problems related to the aging population.

So we need a family policy and it is clear that the reason we in the Liberal Party, the Official Opposition, have to propose amendments is because this Government's tax reform has completely overlooked the family. There is no incentive for the family. How can one have a tax reform and not think of indexing the refundable credits for dependent children? We talk about dependent children. We talk about the family. If we want to encourage the family, we have only to take the latest Quebec provincial budget as an example. The Liberal Finance Minister understood that a fiscal policy on the family was required and everyone applauded this budget. Here this Government has an ideal opportunity with tax reform—we do not have tax reform every year—but it has completely missed this opportunity. Definitely, the situation for mentally and physically handicapped dependent children is incredible! How can they not index those credits? Any Government of whatever stripe that neglects this aspect is not honest.

Of course, we just heard the Minister whose whole argument was based on the question of cost. Such a motion would cost so many millions, another motion so many millions, and of course we cannot afford it, the Government does not have the money for it. However, Madam Speaker, I do not want to come back to the submarine issue, I do not want to repeat myself, but there are other expenses the Government is committed to. On military expenses, for example, it spent $2.7 million to change the military uniforms. This money could have been spent for families and social justice. Has the $41 million for the prison in Port-Cartier helped families?

When we talk about money, let us put things in their true perspective. The capital gains exemption of $500,000 announced in 1986 by the Minister of Finance (Mr. Wilson) cost the federal treasury $800 millions in 1987. If we want to put things in their proper perspective, let us do it right. Let us be honest: this Government has no family policy. Family is not one of its concerns. If they could tell us what their family policy is all about, maybe we could understand them better, but they don't have any. That is why we have to propose amendments, just as we have been doing since this afternoon, proposing amendments to the child care Bill, amendments to make the tax rate fairer. We are moving amendments to index the tax credit for dependent children, for children over 18 years old, for physically handicapped children, and the Minister still talks about costs. We could spend all night talking about expenditures, and about the money this Conservative Government has been wasting for the past four years.

Madam Speaker, even if they want to make you believe that they have reduced the deficit, later, in one of my motions, I will prove that they have not reduced it at all. They want to make us think that they are reducing the deficit, but after wringing more than $25 billion in extra taxes from taxpayers, they have still not really reduced the deficit because the figures they quote come from an accounting system that they changed to make it look like they reduced the deficit, but in fact, the real deficit still there in spite of $22 billion in tax increases over four years.

Madam Speaker, on this point, I would just like to tell the House that I support Motion No. 8, as well as all the other motions grouped together that come from my colleagues, because I believe that we do need a clear and precise family policy so Canadians can know where we are going and what we have set for Canadian families.

• (1900)

Mrs. Mailly: Madam Speaker, once more the Hon. Member for Saint-Léonard—Anjou (Mr. Gagliano) served us a mish-mash, stating first the deficit was no problem, and then we had not really reduced it, and finally we had reduced it through accounting gimmicks. Once more he confused everything in order to create an impression that this administration has no concern for Canadian families.

This is really ridiculous, because he just stated we debated the child care Bill. In the first place, Madam Speaker, are day care centres for senior citizens? Are day care services for childless couples? Or are they for families with children? He should make up his mind! If we introduced a child care Bill and asked provinces to increase day care spaces, because as you know day care centres are a provincial responsibility and we respect provincial jurisdiction . . .

So we asked them to increase the number of spaces, because we know very well that child care accessibility is what Canadian families need. Here is an initiative which helps Canadian families! Here is a family policy initiative!

Second, Madam Speaker, we introduced in this House legislation against pornography, especially child pornography. Therefore, Madam Speaker, can they blame us for not being concerned with families? No way! We had a lot of difficulty getting the Opposition Members to accept a pornography Bill. They told us we were stuffed shirts, we had no sense of humor, we lacked lifestyle, et cetera, we wanted to police Canada's bedrooms. They did not say: Hear, hear! We wanted to protect the dignity of women, we wanted to protect the dignity of Canadian families, we wanted to protect children, the innocence of children. No, they told us we were stuffed shirts, morons, et cetera.

So, Madam Speaker, they should make up their minds. Either we came up with measures to help Canadian families, or we did not introduce them! We did introduce good ones, and the Official Opposition did not support them.

Moreover, we came up with a prostitution Bill. Once more, Madam Speaker, when people complained that their neighbourhoods were invaded by prostitutes, many teenagers of both sexes indulged in prostitution, they could see no way they could bring up their children in a neighbourhood where prostitutes dominated the sidewalks . . . Tell me, Madam Speaker, is a bill against prostitution not a Bill to help family life? Of course it is! I am sorry to state that they left the House, those Members who earlier stated we did nothing . . . but they are not interested in hearing the facts. As I said, emotions come first. They want to wrap emotions around everything in order to hide the facts.

We introduced tax reform because it was needed. Canada went through very difficult times in the 80's, when the inflation rate was so horrendous people lost their homes because they could no longer afford payments on their mortgages. There were so many unemployed people that we were faced with incredible deficits.

And now, Madam Speaker, we are proud to say that we have created jobs for more than 1,500,000 Canadians who are paying taxes. Of course, when the Opposition talk about the increase in taxes collected by our Government, they usually forget to mention that we now have 1,500,000 more Canadians paying taxes. That explains the increase in Government revenues.

What they forget to say when they mention the increase in the sales tax is that, when we took office, we inherited such an increase passed by the previous Government. Why? Because they were out of funds to support the already existing programs.

So, Madam Speaker, they can rise on their feet in this House as often as they want, they can try to act like heroes, they can brag, and say "We are the defender of the weak and the oppressed". But, the truth is that they simply did not do their jobs while they were in office. On the contrary, they created overwhelming economic problems, ruined the economy in western Canada, and harmed Quebec with their hostile policies. Today, we are trying to solve these problems, which explains why they are so annoyed. They don't like to admit that, finally, someone is looking after the people of Canada.

[*English*]

The Acting Speaker (Mrs. Cossitt): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Cossitt): The question is on Motion No. 8. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Cossitt): The motion is negatived on division.

Motion (Mr. Garneau) negatived.

The next question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Cossitt): The motion is negatived on division.

Motion (Mr. Garneau) negatived.

The Acting Speaker (Mrs. Cossitt): The next question is on Motion No. 10. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Cossitt): The motion is negatived on division.

Motion (Ms. Nicholson) negatived.

The Acting Speaker (Mrs. Cossitt): The next question is on Motion No. 11. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Cossitt): The motion is negatived on division.

Motion (Mr. Garneau) negatived.

The Acting Speaker (Mrs. Cossitt): The next question is on Motion No. 12. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Cossitt): The motion is negatived on division.

Motion (Mr. Garneau) negatived.

• (1910)

[*Translation*]

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No. 13

That Bill C-139 be amended in Clause 92 by adding immediately after line 47 at page 229 the following:

"1.1) The personal income tax credit established by subsection (1) is refundable."

Madam Speaker, I would like to thank my colleague from Saint-Léonard—Anjou (Mr. Gagliano) for supporting this motion.

Madam Speaker, this motion amending Clause 92 of Bill C-139 is aimed at bringing to the attention of the Members of this House what I think is a very important issue.

The whole idea of tax reform, we were told, was to bring a greater measure of equity and social justice in our system and to ensure a better distribution of the tax burden between the various classes in our society, between the various income groups.

I have said time and again that the approach taken by the Minister of Finance (Mr. Wilson) and the proposals he has made are completely out of line with the objectives and the principles he himself has outlined in his White Paper on Tax Reform.

There is no relationship whatsoever between what the Minister of Finance says and what he does as far as tax reform is concerned. And an example of this is the whole matter of tax credits given to married persons, dependants, and so on.

Though tax reform was aimed, as I said, to bring a greater measure of justice and equity in our system, a taxpayer who earns a lot of money or quite a bit of money, not hundreds of thousands of dollars, but $35,000, $40,000, $45,000, can get a tax credit, thereby reducing his tax burden. But if the taxpayer is a low-income earner, he cannot get the full tax credit because his income is too low. The tax system proposed by the Minister of Finance therefore gives tax credits to those who have money, but not to those whose income is not high enough for them to pay taxes.

According to the Minister's proposition, if you do not pay income tax you are not entitled to a tax credit. If you have—Madam Speaker, would you call the Member for Gatineau (Mrs. Mailly), to order, she has the right to take the floor in a few minutes and if she wants to speak she should first read the texts.

As things stand now, an individual who does not earn enough to pay taxes is not entitled to the tax credit—no ifs and buts, the law says so—but someone else earning a big income can claim the tax credit. So under the tax reform of the Minister of Finance a person earning a big income will get something back from the Government, but the man or woman who earns a pittance simply does not qualify for this tax credit. This is like a subsidy for people who earn a fair amount of money and a sort of negative levy against those with a limited income.

This is why in Motion No. 13 I suggest we add after line 47 of Clause 92 at page 229 that the tax credit be refundable. This way, all taxpayers regardless of earnings, but particularly those who have no money and those at the bottom of the wage scale or without any income, could at least have the same thing, the same tax credit as someone who gets $250,000 and who at that income level will claim the full credit, like a taxpayer who gets paid $40,000 or $45,000.

As I see it, the refundable tax credit is the approach the Minister of Finance should have taken in his tax reform because that would have been the only way for him to achieve the goals he outlined in his remarks when he tabled the White Paper. The problem I have with the tax reform—and we could see that for ourselves during the many weeks when the parliamentary committee heard the testimony of a number of Canadians, accountants, and what have you—is that we were told over and over again that the legislative text and the recommendations do not square with the principles which had been established by the Minister and the Conservative Government.

The purpose of my amendment therefore is to have the tax reform reflect the words of the Minister. I think that the refundable tax credit approach is more equitable from both a social and a tax standpoint. It would be the first step towards a kind of guaranteed minimum income which, I suggest, would be a lot fairer, much more effective, and a much better incentive to a return to the labour market than all the formulas we have now. That is something the Minister has failed to achieve with his tax reform because the wording in this piece of legislation simply does not jibe with the principles he talked about when he tabled his paper.

Mrs. Mailly: Madam Speaker, I should like to quote a booklet published by the Department of Finance under the title "*Tax Reform 1987: A Summary for Taxpayers*". On page 5, it is stated: "The key to making the personal income tax fairer is replacing personal income tax exemptions and some deductions with tax credits. Exemptions and deductions reduce taxable income. The value of an exemption or deduction depends on an individual's tax bracket and tax rate. Tax savings are the greatest for higher-income individuals." To put it more simply, Madam Speaker, I will say that until this Government proposed to move from a system a deduction to a system of tax credit, people in higher income brackets benefited more from deductions.

Let me give you an example: Suppose that you earn a salary of $40,000, that your tax rate is, say, 30 per cent, and that you are entitled to a $3,000 deduction; because you would have to pay 30 per cent on these $3,000, you would have saved $1,000 in taxes. But if you had a salary of $15,000, with a tax rate of 10 per cent on this $3,000 deduction, you would have saved only $300 on that amount. If such is the case, how can a former Quebec Minister of Finance tell the House that we moved from a system of deduction to a system of tax credit to help the affluent? On page 5 of that booklet which was distributed free of charge to all Canadians, it is clearly stated that the tax credits are the same for all. In other words, whether your income is $27,500 or $55,000 a year, your personal exemption, which is a credit, will amount to $1,020.

Until now, a taxpayer with a $27,500 income would have had a very small credit, a very small deduction, because his or her tax rate was very low, while the taxpayer with a $55,000 income would have had a very large deduction. The fine print is that a $27,500 income resulted in a $725 deduction, while a $55,000 income resulted in a $1,240 deduction, which is almost twice as much. With the tax credit system, the taxpayer with a $27,500 income and a taxpayer with a $55,000 income are both entitled to a personal $1,020 tax credit. How can the Hon. Member suggest that we are favouring the affluent and only people on higher income brackets? It is quite the contrary, Madam Speaker! The purpose of the conversion was to help lower income people.

Moreover, he said that a person must earn a lot of money to be entitled to a tax credit. What he means is that a person must earn enough money to pay taxes. But there are refundable tax credits. Even if you do not pay a single cent in income tax, you are entitled to the refundable sales tax credit. All you have to do is fill in your income tax return and say: I owe no income tax, but I am entitled to a sales tax credit of $50 for every member of my family. And these $50 per person largely offset the sales tax increase that had to be brought in because there was no money to maintain existing social programs. Consequently, it is rubbish to argue that there is no equity in such a system. It is rubbish to assert that one has to earn a lot of money to get a tax credit which is refundable.

And as far as indexation is concerned, what the Hon. Member for Saint-Léonard—Anjou is not saying is that he is talking about a 3 per cent reduction of a cost of living indexation. In terms of old age security pensions, this meant approximately $7 a month. He is talking about millions, even billions for nuclear powered submarines but he is not saying that even if the family allowances indexation had been maintained, Canadian families would not have gained more than $2 or $3 with inflation above 3 per cent. Fortunately, the inflation rate is about 4 per cent right now. Why? Because we, the Conservatives, have had the courage to take steps which the Liberals have shied away from for decades. This is how we succeeded in cutting down the deficit, four years in a row. Moreover, we have reduced both inflation and interest rates, we have created jobs, we have put back to work 1,500,000 Canadians, 70 per cent of which are women, and 80 per cent of those jobs are full time jobs. Therefore, they can say what they want, Madam Speaker, but they have nothing to offer except a lot of eyewash.

• (1920)

[*English*]

Hon. Tom Hockin (Minister of State (Finance)): Madam Speaker, I would like to speak to this motion because I guess I have seldom seen a motion on tax reform that is so fiscally irresponsible as this one. I choose my words carefully. This particular proposal would cost the Government of Canada $4 billion. The provinces would be matching it, and it would cost them $4 billion. This is an $8 billion proposal. It is a proposal from a kind of limousine Liberal approach that would drive the whole country to the poor house.

What happens with this proposal is that we would give a refundable personal income credit to everybody; a newborn child one day old would get it, a 12-month old child would get it, a housewife who is not going to work but can stay home all day long would get it. Everybody would get it. This particular proposal is the most fiscally irresponsible proposal that I think has ever come before the House. If in fact we ever did such a thing, we would end up hurting the very people that we want to help, that is, those who have the most difficulty economically in getting through life, the lowest incomes, because the provinces of course would cut back their social assistance.

When they found out that you had another $1,000 or whatever income, they would simply cut back their provincial assistance. This proposal costs $8 billion, but it does not even

accomplish what the Hon. Member wants it to do. I cannot understand the thinking behind this and I cannot believe that if that Party were in government it would ever bring it in. Why did they propose it tonight? They proposed it because they do not have any coherent ideas themselves about what they want to do in tax reform. This particular proposal would cost so much money that no matter what good ideas a government would have, they would not have the funds to dispense.

This kind of credit is not only fiscally irresponsible. It would not only refund over $1,000 annually to spouses who could stay at home or to wealthy corporate executives who do not need the money; everybody would get it. This whole notion of a progressive tax system would be fundamentally undermined by this proposal.

As I say, too, unfortunately much of the assistance that would go to lower income Canadians would simply be deducted by the provinces because of the income that would be picked up by this proposal at the federal level. To debate this much longer is to dignify a proposal which I do not think any credible economist or Minister of Finance would ordinarily recommend.

If in fact all that is meant in the motion is that the credit for dependent children should be refundable, that is not the way that the motion reads. I would remind the House that the refundable child tax credit is in place. This is the appropriate mechanism to ensure that it is properly targeted, and it has increased significantly by this Government, from $367 in 1985 to $559 in 1988, an increase of more than 50 per cent in just three years. We are targeting it.

Good economic management is to target properly, to help those who are in most need, but also to be fiscally responsible. This particular proposal does the exact opposite on both counts.

The Acting Speaker (Mrs. Cossitt): The Chair apologizes to the Hon. Member for Vancouver East. She should have been recognized before the Minister of State for Finance.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I would just like to speak briefly to Motion No. 13. I think that the New Democratic Party supports the philosophy of refundable tax credits. We would agree that one of the more positive policies from a social point of view is the fact that the child tax credit is refundable. I am sure that this would apply with other forms of tax credits, perhaps the sales tax credit, for example, which I understand is about $50 per person. Why should that go only to people who pay income tax when it is the marginal people who do not earn enough to pay very much income tax, or those who do not earn enough to pay any income tax? Surely, they should be able to take advantage of that. It would make sense to make it refundable, so that it applies to those who do not have enough income tax to declare but still should have the benefit of the tax credit.

Another aspect to think about from a social policy point of view is that this is the beginning of the mechanism that a number of people feel is a start on a form of guaranteed income in Canada. We very much need to find a way and a mechanism for redistributing incomes that will benefit lower income people and that will tax higher earning people at a much greater rate. By redistributing this through refundable tax credits, it would mean that lower income people would receive more.

The Minister pointed out differences between provinces and the federal Government. I think that that would be a point of negotiation to work out. Basically we are in favour of the principle of refundable tax credits.

Mr. Vic Althouse (Humboldt—Lake Centre): Madam Speaker, I do not intend to make a long speech. I see that the Minister had to leave the Chamber, but there are a couple of questions that occurred to me when this question of refundable versus ordinary tax credits came up. The Minister expressed great concern that making all tax credits refundable could have the effect of costing the federal Treasury something like $4 billion, which he felt would be matched by the provincial governments. He then went on to explain that while it would cost the provincial governments in income tax, they would save a like amount through the welfare system. It is basically with the federal Government that the cost accrues.

The question that I want the House to consider a little is: If the Government, any government now or in the past or in the future, is proposing a tax credit and begins the practice of making it a refundable tax credit, will that not make governments a little more specific about why they are putting the tax credit in place in the first place?

There is not much point in pretending to have a universal tax credit for individuals for sales tax, as my colleague from Vancouver East has pointed out, if the low income people for whom the general public thought that tax credit was being put into effect could not take advantage of it. The only way that those kinds of programs make any sense is if they are refundable tax credits. What is the point of having a refundable tax credit if the bulk of the poor people do not have enough income tax against which to write off the tax credit?

• (1930)

Mrs. Mailly: That is what they are. It is a refundable tax credit.

Mr. Althouse: We are saying that if there is a tax credit, make all of them refundable or be more careful about what you make a tax credit for.

Mrs. Mailly: That is like saying everything that has wheels is a car.

Mr. Althouse: We are proposing that if there is a tax credit it be made a refundable tax credit in every case. As I understand the motion, that is what is being proposed, yet the Minister was telling us that if we do this it will cost the federal Government $4 billion.

Mrs. Mailly: How can you have a tax credit on tax that is unpaid?

Mr. Althouse: If I may complete my remarks, Madam Speaker, the Hon. Member shouts: "How can you have a tax credit on tax that is not being paid?" That is precisely the point I stood to make, had Members opposite been here at the beginning of my remarks. The reason for having the tax credit was to give poor people a tax break on sales tax. Therefore there ought to be a refundable tax credit.

Mrs. Mailly: It is refundable.

Mr. Althouse: All other tax credits that are put forward with the same argument need also, we are saying with this amendment, to be refundable tax credits. If that is not the intention, then we are saying that the Government should not put them forward as tax credits unless they are refundable as tax credits.

Mrs. Mailly: They do not pay income tax. They are below the tax level.

Mr. Althouse: The Hon. Member has presented an argument to the House already. I understand that if they do not have the income they will not be able to take advantage of those tax credits that are not refundable. That is the point of putting forward the amendment. The social reason for having put it forward, presumably, was to give them a break because people need it.

Mrs. Mailly: They need a job.

Mr. Althouse: If you are not prepared to follow through with it, there is not much point putting through a tax credit unless it is refundable. That is the only point we are trying to make with this amendment.

Mrs. Mailly: They need a good, well-paying job.

The Acting Speaker (Mrs. Cossitt): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Cossitt): The question is on Motion No. 13. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Cossitt): Motion No. 13 is negatived on division.

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No. 14

That Bill C-139 be amended in Clause 97 by striking out line 13 at page 260 and substituting the following therefor:

"(ii) $25,590"

He said: Madam Speaker, the purpose of this motion is to increase by $1,500 the threshold at which the refundable child tax credit begins to be reduced. This amendment will simply re-establish the pre-tax reform threshold.

[*Translation*]

Madam Speaker, the purpose of Motion No. 14 which I am proposing and which, if passed, would amend Clause 97 of Bill C-139 is to raise by $1,500 the net income threshold over which the refundable dependent child credit begins to be reduced.

In fact, this amendment seeks only to bring the income treshold back to what it was before tax reform.

Madam Speaker, once again, justice and equity are our considerations in moving this motion in an attempt to correct the approach which the Minister of Finance (Mr. Wilson) and his colleague the Minister of State for Finance (Mr. Hockin) have taken in this tax reform one which I can only describe as being utterly mean heedless of families' needs.

We are proposing to raise from $24,090 to $27,590 the net income threshold over which the refundable child tax credit begins to be reduced because tax reform has changed the definition of net income. It has been changed because some deductions which were allowed before and on which net income was based have been eliminated. For instance, contributions to a pension fund, to the Quebec Pension Plan, to the Canada Pension Plan for those who live in provinces other than Quebec, to unemployment insurance and the $500 employment income have all been done away with, and the definition of "net income" has thus been changed without any amendment to the legislation itself.

The normal thing to do, Madam Speaker, would be to bring the level back to what it was before. Before tax reform, married couples with children who were entitled to the refundable tax credit saw that credit diminish once their family income reached about $25,500. Under tax reform, and because of the changes introduced with regard to contributions to the Quebec Pension Plan, unemployment insurance and the $500 employment income, the child tax credit will now begin to decrease at the $24,000 treshold. Before tax reform, families earning $1,500 more than that could get the full child tax credit amounting to some $500, but after tax reform, that credit will start being reduced, not at an income level of $25,590 but of $24,000.

I think it is turning everything upside down and I hope the Hon. Member for Gatineau (Mrs. Mailly) and the Minister of State (Finance) will at least recognize that. I don't know if the Minister has forgotten, but we have raised that issue at other times during debate and it seems that nobody wants to understand that low-income families will see their child tax credit reduced while their income is at the same level as before tax reform.

[*English*]

I think this motion should be accepted. The net effect of the fiscal reform is that the definition of the net income for personal income tax has been changed. The contributions to the Canada Pension Plan and to unemployment insurance and the $500 exemption all disappear. The net income before and the net income after fiscal reform is not the same. The family with children who would receive the refundable child tax credit will have seen that child tax credit diminish if it has a net income of over $25,590. That will be reduced to $24,000.

This motion should be adopted. I will seek the support of all Members on both sides of the House to bring back the same level of income for those families in great need who otherwise would see their refundable child tax credit diminish at a very low personal income level.

[*Translation*]

Therefore, I ask the Government and the Conservative Members to think it over before refusing that amendment which would only bring things back to what they were before.

I would also like to say, Madam Speaker, that with partial de-indexation of the child tax credit that the Government refused to re-index earlier, we are greatly increasing the difficulties facing Canadian families, who are hit hard by the Minister of Finance and the Conservative Government and their tax reform. The child tax credit is now de-indexed but it will be reduced to an income level which is the same as last year but has been affected by tricky changes the Minister of Finance hasn't been willing to correct so far.

• (1940)

[*English*]

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I would like to support this motion on behalf of the New Democratic Party. However, I wonder if the Liberals realize that they are being somewhat conservative in the level of the turning point for the child tax credit for which they are asking. I am trying to recall the study we did almost two years ago on the reform of family benefits. If my memory serves me correctly, when we studied the amount of the child tax credit, we discovered that the Conservatives had reduced the level considerably from where it was under the Liberal regime when it actually went to average marginal families. It seems to me that if we really care about children, about struggling families, and about the one in five children in Canada who are poor, then we have to give higher priority to the family benefits that will benefit children. The child tax credit and the family allowance are the best vehicles for doing this.

The Government has deindexed by 3 per cent the family allowance and the child tax credit as well. I am not sure if the Liberals had maintained full indexation for the child tax credit or not. At the time of the family benefits study, we proposed that in order to bring the turning point for the child tax credit higher, the credit itself should be increased by 80 per cent. I think that would have brought it up to where it would have been under the Liberal regime. We felt as well that it should be fully reindexed because if it is not reindexed, it then goes down progressively each year. It is very hypocritical to say that we are giving extra credits to poor families when in fact the basic child tax credit is going down in value by the 3 per cent deindexation every year.

If we care about children, and if we want to do something about child poverty, we have to give higher priority to benefits for families, particularly the child tax credit. This is one step forward. We would be more generous in that we would want an 80 per cent increase.

I believe this clause also covers the new $100 child care credit which will go to $200 in 1989. This would be available only to families with children under seven years of age and only to very low income families. As I have said many times in this House, I think any mother at home struggling to raise children will not feel that $200 recognizes the value of her work. She would much prefer a more generous child tax credit that is refundable. As well, the $200 for those parents who use informal baby-sitting arrangements is a big laugh when we think how much it costs per year for baby-sitting arrangements. Even if it is not licensed care, it is still expensive, and $200 is almost an insult.

I do not think the Conservative Government is realistic. Conservative Members talk about families and children, but they will not do anything substantive to remove child poverty.

Hon. Tom Hockin (Minister of State (Finance)): Madam Speaker, quite frankly, increasing in three years 50 per cent of the expenditures on any social program shows a very important priority. In fact, the child tax credit has been increased by this Government from $367 in 1985 to $559 in 1988. That is an increase of more than 50 per cent in three years.

The Liberal motion wants to increase the refundable child tax credit threshold by $1,500. The increase of $35 we have brought in for the child tax credit achieves much the same goals simply by a different means. I do not know what this motion really accomplishes.

For example, in 1988, partial child tax credit benefits will be provided to a one-earner family with two children and with an income of up to about $46,500 as compared to $45,000 for the same family under the original White Paper proposal. Moreover, these changes benefit all families who qualify for the refundable child tax credit at all income levels rather than just those whose family income is above the current threshold. This improves the progressivity of the child tax credit and the benefits system in particular and of the tax system in general.

This motion is unnecessary. I ask the House to defeat it, but I must ask another question of the Hon. Member for Vancouver East (Ms. Mitchell). Perhaps she can respond to this when she speaks on the next motion, as would the Hon. Member for Humboldt—Lake Centre (Mr. Althouse). I hope Hon.

Members heard this. They would give, as would the Hon. Member for Laval-des-Rapides (Mr. Garneau), the personal exemption credit to all Canadians, whether they had to pay tax or not. In other words, a child who has just been born would get it. A person who earns no income would get it. This would cost the Government of Canada $4 billion. I could not believe it, but they did say that. They believe in spending $4 billion that way when it would simply reduce what the provinces would end up giving because of their increased revenues. The targeting that we have achieved would be totally dissolved in essentially a fiscal haemorrhage. I ask that Hon. Members defeat this motion.

The Acting Speaker (Mrs. Cossitt): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Cossitt): The question is on Motion No. 14 standing in the name of the Hon. Member for Laval-des-Rapides. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

Some Hon. Members: On division.

Motion (Mr. Garneau) negatived.

Mr. Raymond Garneau (Laval-des-Rapides) moved:

Motion No. 15

That Bill C-139 be amended in Clause 102 by striking out line 18 at page 265 and substituting the following therefor:

"amount equal to 18 per cent of the least of".

He said: The purpose of this amendment is to reduce from 12 per cent to 10 per cent the taxation rate of all small businesses.

[*Translation*]

Madam Speaker, the aim of this amendment contained in Motion N° 15 is to reduce from 12 to 10 per cent the rate applicable to small businesses.

Had the House's rules permitted, Madam Speaker, I would have liked to present an amendment geared more towards the small manufacturing businesses. But the legislation and the rules are structured in such a way that Opposition Parties cannot, at this stage, present amendments that would have been acceptable to the Chair and would have reached the exact end we are aiming at.

The reason for this is that when the Minister of Finance (Mr. Wilson) spoke some months ago about fiscal reform in this House, he committed himself to reducing from 10 per cent to 8 per cent the rate applicable to small manufacturing businesses.

Now, Madam Speaker, the Minister did not keep his word even though he had then gained a certain amount of support and congratulations and was praised and applauded by the small manufacturing businesses and their organizations. When time came to deliver on his promise, not only did he not reduce the rate from 10 per cent to 8 per cent as promised . . .

Madam Speaker, this tax reform was supposed to help our small businesses that were badly hit by the elimination of the accelerated amortization provision, by the more complex paperwork for the remittance of source deductions, which are now on a monthly basis if not on a weekly or a fortnight basis, by the elimination of some other benefits in terms of research, and now, by tax rates that are raised and not reduced.

People who had made plans with tax rates 4 per cent lower in mind now find themselves in a rather ackward situation where their rates are 2 per cent higher than before.

Madam Speaker, I find the Minister has a cowardly attitude in that he makes wonderful promises and not only fails to deliver them but does the exact opposite. That is why we have proposed this amendment which is not even up to the goal stated by the Minister. If I had proposed the right amendment, the Speaker would have rejected it because it would have meant too many changes to the legislation which is before us and I would have been told that only the Minister of Finance can do that. But failing anything better that would correct the injustice resulting from a Minister who does not keep his promises, we must look for a compromise and at least keep for small businesses the tax rates they had before. They already have suffered too much from other tax changes mades by this Government.

• (1950)

[*English*]

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I want to take a few moments to speak to Motion No. 15 presented by the Hon. Member for Laval-des-Rapides (Mr. Garneau). The motion he put forward in the name of small business is certainly worth considering in those terms. However, it gets a bit more complicated than that.

Obviously our economy is all too dominated by very large enterprises which manage to do very well in comparison to small businesses. Small businesses find themselves all too often under-capitalized and forced to turn to financial institutions, particularly our chartered banks, for support. They have often found those banks in these last few years not nearly so sympathetic to their needs as has been true in the past.

Certainly small business has reason to be concerned about the tax rate. As the critic speaking on behalf of the Opposition suggested, to have the Minister of Finance (Mr. Wilson) promise an 8 per cent rate to small manufacturing businesses, and having obtained credit in industry for doing that, and then turn around and hand them a 12 per cent rate, is only one more example of the breaking of faith which has marked the Government. It demonstrates the greediness of the Minister of Finance and his blind desire for revenue as it has been applied to small enterprises and individual taxpayers. In case after case the Minister has gone after small operators, small people, small companies, and allowed the big ones to get away with lesser payments or no payments at all.

That kind of economic situation would certainly justify support for this amendment. The difficulty with it for us in the NDP caucus is that the Canadian controlled private corporations to whose profits its rate reduction from 12 per cent to 10 per cent applies are characterized not by their necessarily being small businesses but by the anomaly, if you will, of being a big corporation.

There is in the nature of our corporate law something that strikes me very often as a contradiction in terms. You have a business as large as Eaton's, for example, which operates from coast to coast. It has a long history, a long and venerable history one would like to say, although I am not too sure I want to say that as a New Democrat being well aware of the labour policies of the Eaton family over the years, of being a supposedly private corporation. It has been closely held by the family and those involved with it, and because of this anomaly of corporate law it has been allowed to get away with reporting very little of its activities. This great company operates in the cities across our country. It pretends it is like a corner store. Conceivably one might argue this is the kind of private business in which the public has a limited right to know what is going on.

One could expand on this strange thing in our corporate law which allows such a company to be private in this way, but what counts is that companies such as Eaton's, which are Canadian controlled private corporations, would end up in this amendment the recipients of what is supposed to be a small business rate. Surely what is necessary if this kind of amendment is to be genuinely a small business rate, as the Hon. Member for Laval-des-Rapides said it was, is that there must be some other quantitative measure of what is genuinely a small business.

There is a number of ways of doing that. One could use as a measurement the number of employees. A small business might be 50 or 100 employees or conceivably more than that. One could use sales as a measure, whatever the figure happens to be, some several million, perhaps. One could use this as a way of distinguishing small businesses under that level from the large ones over it which one would not want to call small businesses.

Clearly there are a number of objective standards that could be applied, and I have no doubt that the Department of National Revenue would have the information at hand or be able to obtain it in order to draw these distinctions. If there is any difficulty in getting it from some of these private corporations, it is quite, quite timely to ensure that they report in the way that American companies have to report information to the authorities. We should long since have done that with Canadian corporations which have gone beyond this charade, I would say, of supposed private corporations. If the law has to be amended to get us some information, it might only have to be filed with Revenue Canada. It would not have to be published for all those who are concerned to protect the privacy of these supposed private enterprises.

Those are the kinds of concerns we feel about this particular amendment. We clearly want to support that part of it which is relevant to small business. The fact that it has the wrong qualifications in it with respect to Canadian controlled private corporations leaves us much more ambivalent. In the context of the votes this evening on division, of course it is not going to matter actually how we come down on this, but it is a motion which clearly is useful in spirit but should have been far more carefully drawn in the actual letter of the amendment.

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I listened very carefully to the Hon. Member for Thunder Bay—Nipigon (Mr. Epp) because of a number of questions posed in this House by his Party complaining about the number of corporations in Canada that do not pay tax. Do you remember those questions, Mr. Speaker? Tonight he is saying that we should lessen the tax burden on small business. The Hon. Member has admitted tonight that in fact most of the corporations which do not pay tax are small businesses struggling to get under way. When he asks me in the future about corporations that do not pay tax I will remind him that what he said tonight is a contradiction to all the questions he asked previously.

• (2000)

More important is the actual motion itself. I can deal with it very quickly. First, the 12 per cent small business rate is one of the most generous in the industrialized world. If you compare with other countries you will find that this rate is as low as you can find almost anywhere in the top 30 countries in the OECD. Therefore, we are taxing our small businesses at a very generously low rate.

Why not 10 per cent instead of 12 per cent? This proposal would cost the Consolidated Revenue Fund about $25 billion. There are a lot of things that can be done with those funds.

Third, and most important, is the point which the Hon. Member made, with which I agree, that all corporations, on the first $200,000 of revenue, would be taxed at a lower rate. That would help the large corporations as well as the small ones.

Mr. Epp (Thunder Bay—Nipigon): It is a Liberal motion.

Mr. Hockin: It is a Liberal motion which you are supporting.

Mr. Epp (Thunder Bay—Nipigon): No, no, we are equivocal about it.

Mr. Hockin: With regard to why we are leaving it at 12 per cent, the House will be interested to know that the rate of the dividend tax credit has been reduced under tax reform from one-third to one-quarter. This amount integrates perfectly with the 12 per cent corporate tax rate so as to ensure that corporate income that is subject to taxation at the small business rate is not taxed inordinately heavily as it is distributed by way of dividends to the shareholder. If the small business rate was to be reduced to 12 per cent, the dividend tax credit should also be reduced, otherwise too great a credit will be available.

Thus, the total tax on income, flowed through a corporation, would be less than tax on the shareholder if he earned the income directly. We are keeping the 12 per cent in order to ensure that these two are in balance and symmetry. Reducing the dividend tax credit further than has already been done by tax reform would have extensive repercussions in the public capital markets.

Once again, the Hon. Member for Laval-des-Rapides (Mr. Garneau) has proposed an amendment which moves in a contradictory direction to what even he intended.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, this motion proposed by the Hon. Member for Laval-des-Rapides (Mr. Garneau) and the motion that I presented, which was ruled out of order, are meant to correct the injustice that the tax reform proposed by the Conservative Government does to small business.

So far, we had a tax system that allowed manufacturing companies a lower tax rate; there was a reduced tax rate for large manufacturing companies and a reduced rate for small manufacturing companies. Even the Minister of Finance (Mr. Wilson), when he first presented his corporate tax reform, maintained this differential treatment and then proposed a reduced tax rate for small manufacturing companies, 8 per cent instead of 10 per cent. So the Minister of Finance wanted to continue along the same lines as we have for decades in Canada.

Since tax reform, the Minister of Finance has changed completely. Instead of continuing the tax reduction for small manufacturing companies, he increased the rate by 2 per cent. It is the only sector in the whole tax reform that is hit with a direct tax increase. Also keep in mind that this sector is hit by the lower capital cost allowance. The CCA was reduced across the board, so it applies to small business as well.

When the Minister says that the Conservative Government was generous to small business by increasing its tax rate 2 per cent, I would like him to define what he means by generosity for us. It is the only sector hit with a tax increase under tax reform. It is the only sector that creates more than 80 per cent of our jobs. Why then penalize the sectors which make the economy thrive? Is that good leadership? It is this unfair treatment of a sector which provides most of our jobs that we wanted to eliminate. Because the Standing Orders of the House prevented us from proceeding as we intended, we had to resort to this amendment in order to deal with the issue.

Mr. Speaker, we submitted this issue to the Finance and Economic Affairs Committee and once again we were given the same answer. We are told that we are too generous. Today I am asking the Finance Minister again to increase by 2 percent the small manufacturing businesses tax rate. Is that too generous? Is that excessive generosity? I am sure that the small businesses will remember that come the next elections!

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, we cannot possibly have the question now, I have not yet had the time to make my contribution in this debate. I am hoping that my words will influence the Parliamentary Secretary, the Hon. Member for Gatineau (Mrs. Mailly), to change her position in favour of the right one which is the one we are suggesting.

I want to compliment the Hon. Member for Laval-des-Rapides (Mr. Garneau), and I say that in a totally objective and non-partisan manner, in my usual way.

We could do even better than this, we could withdraw this amendment and ask the Government to do the right thing, that is, lower income tax for small businesses. However, we on this side of the House know that the Conservatives do not have a tendency to assist small businesses because they are too busy assisting big businesses. That is the nature of being a Tory and I accept that. My colleague from Laval-des-Rapides very astutely recognized that and proposed an amendment, the purpose of which is to lower that level of taxation.

My colleague wants to do this for a very simple reason. The current rate of income tax for general business is 36 per cent. Under tax reform that is reduced to 28 per cent. That sounds like something to applaud. If you group everyone together the rate is lowered by 8 per cent. That sounds good. However, the catch is that for small business in manufacturing the rate goes from 10 per cent to 12 per cent. Would you believe that the rate is actually going up from 10 per cent to 12 per cent under the Conservative administration? I do not want to belabour the point because my colleague from Saint-Léonard—Anjou (Mr. Gagliano), who is an expert in small business, has spoken very eloquently on this, as has my colleague from Laval-des-Rapides.

• (2010)

Given the constructive input I have just made, I hope the Government will agree with us and will vote in favour of the Liberal amendment.

As for the New Democratic Party, which is ambivalent about how it will vote, according to its words, I hope it will reconcile itself to vote for one side or the other. I hope they choose the right side, the Liberal side.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is on Motion No. 15 standing in the name of the Hon. Member for Laval-des-Rapides (Mr. Garneau). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

I declare the motion negatived.

Motion (Mr. Garneau) negatived.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou) moved:

Motion no. 17

That Bill C-139 be amended by deleting Clause 137.

He said: Mr. Speaker, for the past two years, the Conservative Government has been using all the means at its disposal to make us believe it is reducing the deficit, when it is actually using a different accounting system to fool Canadians, so that when it says it is reducing the deficit, it is not doing that at all.

Mr. Speaker, for starters, the first measure accelerated the remittance of source deductions. As a result, the Minister was able to assemble the sum of $2 billion, just once, and subsequently, we were shown a drop of $2 billion in the deficit, while in fact there had been no reduction in expenditures or increase in revenue. It was just that one time when, instead of getting the money before April 15, it came in before March 31, so the Minister had $1 billion more in his fiscal year.

Mr. Speaker, the following year we got the accelerated remittance of federal sales tax. A nightmare for small businesses, Mr. Speaker, because every month the remittance must be made by estimating what the sales tax will be, and then the following month, the books have to be reconciled to calculate the exact difference—add and substract! Imagine, Mr. Speaker, the kind of nightmare this is for small businesses!

How can the Government say it is concerned about this sector? We have just considered a motion to increase income tax for small businesses.

The Government's tax reform is going to take money out of the pockets of low-income Canadians and senior citizens, with their modest pension and investment income, Mr. Speaker!

So what is the Government suggesting? The Government wants to change quarterly remittances. Everybody look at the calendar! According to us, the first quarter is up to the end of March. From now on, according to the Canadian Government, it will be until March 15, so two weeks early. Mr. Speaker, this was how they got another billion dollars to reduce the deficit, although they don't reduce anything because they just collect $1 billion two weeks early.

But we have to take into account the fact that for the Government, the fiscal year ends on March 31, and each time it announces early remittances, and it invariably does so before March 31, the Government can claim a reduction in the deficit, but this is simply not the case because all it is is a change in accounting rules.

But here, we are not dealing with source deductions, held by employers and deducted from employee paycheques or sales tax to be remitted. That would simply involve accounting methods of working capital.

This time, Mr. Speaker, we are talking about taking money out of taxpayers pockets, from those who need it the most. I am sure that senior citizens come to see you too, Mr. Speaker, in your constituency office with their quarterly form that they do not understand, while the Government is charging $1.29 interest because they sent it in a day late, after attempting to figure out their year-end remittance and finally losing everything. Can you imagine that they must now get used to paying remittance on March 15, June 15 and September 15 instead of at the end of the month? Why, Mr. Speaker? Not too long ago, last week in fact, we had that same debate in the House and before officials of the Finance Department could figure out how much that measure would cost, even Conservative Members said that we could not possibly do such a thing to our senior citizens! As if it were not enough to try to reduce their pensions, we now want to pick their pockets.

And when I suggested to the Committee on Finance and Economic Affairs that we should delete the clause changing quarterly remittances, even Conservative Members agreed, Mr. Speaker. We had deleted that clause, Mr. Speaker. But officials went to see them one by one at dinner time and the Government Members said no, it's not possible! Just like the Minister of State (Finance) said all evening . . . It costs $20 million so we cannot accept it! Civil servants calculated it would cost $20 millions in interests. Since we could not afford that, the Conservative Members came back at the end of the evening, and voted conclusively to finally reintroduce this clause . . . For all these reasons, Mr. Speaker, I am standing here tonight to propose again the same amendment. We simply cannot do this to our senior citizens. If the Government want to put an end to their working capital problem, they should look elsewhere for a solution, not at our senior citizens and our low income people. This is ridiculous, Mr. Speaker, fifteen days! They have enough trouble as it is simply to reconcile their quarterly remittance.

Mr. Speaker, tonight, throughout this debate on tax reform, we have clearly seen the Government's hypocrisy. They want us, and all the population, to believe that they are reducing the deficit, which is not true, and all that time they are taking money from people who really need it. That is why I move to delete this clause, and I hope the House will support my amendment.

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I wish to make one last attempt to convince the Government of the validity of removing Clause 137 from the Bill. I draw this to the attention of the Deputy Government House Leader (Mr. Lewis).

Mr. Gagliano: He is an accountant. He should understand.

Mr. Boudria: Yes, he is an accountant so he should know how to count.

An Hon. Member: He is a lawyer, too.

Mr. Boudria: No one should have to apologize for being a lawyer. We do not hold that against the Minister, as you would appreciate, Mr. Speaker.

I want the Deputy Government House Leader to pay attention, because we will ask questions later. The parliamentary committee discussed this Bill in its usual objective fashion. All the committee members reviewed Clause 137, when suddenly one Member, then another and finally all members of the committee agreed that Clause 137 should be removed because it was unfair.

The issue was put to a vote and the committee decided to remove Clause 137. The Assistant Deputy Minister who was in attendance got quite upset and banged on the table so hard that the hub caps nearly flew off the Minister's limousine.

During the dinner hour the Assistant Deputy Minister had time to lobby the individual Conservative members of the committee. After having feasted on the meal, the Conservative Members suddenly had a change of heart and reinstated the clause which they had removed before the dinner hour. When the Conservative members were hungry they were willing to remove Clause 137 because they recognized that it was unfair. After they had feasted, however, they returned to their old Tory selves and reinstated the clause in question which would make senior citizens and many others who have to remit on a quarterly basis do so 15 days before the end of the month.

Apart from everything else, this is mathematically incorrect. How can one talk about quarterly remittance when someone has to remit at a period which has nothing to do with a quarter of the year? If one remits in the last half of the month of the quarter, it is not quarterly, it is something quite different. It is a Tory quarterly period, as my colleague says.

I will let the Conservatives figure out the fraction. It strikes me that it is something quite different from a quarter.

The Government wants to advance the payment by 15 days in order to get an extra bite out of the taxpayers before the end of the tax year. As my colleague said so eloquently, this is exactly what the Government did with the corporate sector. It is now imposing it on individual Canadians.

• (2020)

Conservative Members and all members of the committee recognized this and removed that section because it was unfair. However, as I said, after the Assistant Deputy Minister became really angry, we saw who the real boss is. It was obviously not the Conservative Members because they were whipped into line after having feasted and they came back and reinstated the offensive clause. If there are any Tory Members who have not feasted tonight and are still hungry, I say to them, let them go back to the good selves they were the day their hunger for votes made them withdraw that clause. Why do they not do the same thing now? If it was right then, surely, it must be the right thing to do now.

[*Translation*]

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I would like to speak on the proposal made by my colleague from Saint-Léonard—Anjou (Mr. Gagliano). The goal of this motion is to eliminate the change that has been made by the Minister of Finance (Mr. Wilson) in his fiscal reform concerning the remittance of tax instalments that must be made quarterly by self-employed workers and that must now be made at an earlier date than before.

Mr. Speaker, that measure in itself is inconceivable, but on top of that, it is being concealed in another way by postponing its implementation until after the election. They forgot to . . . I do not know why, Mr. Speaker . . .

An Hon. Member: Coincidence!

Mr. Garneau: . . . a coincidence that must . . . I do not know exactly how it is that we have a fiscal reform that is coming into force on January 1, for the most part except that Clause 137 of the fiscal reform concerning earlier remittance of tax instalments by self-employed workers is now being postponed until fiscal year 1990.

Of course, Mr. Speaker, if that measure had been implemented openly as of today, self-employed workers and especially senior citizens would have been so offended by this petty trick from the Conservatives that they decided not to take any chance and to postpone the whole thing until after the election, just as they did for sales tax reform.

Mr. Speaker, do you know how much this represents in a given year, when it is finally done? It is as if the Government had received $1.1 billion more in revenue during the year when it is implemented.

[*English*]

There is $1.1 billion more for the Canadian Government for only one year. Can you imagine, Mr. Speaker, in that year, the Tory Government could say it has diminished the deficit by $1.1 billion, but, in fact, that will not be the case, as it has not been the case when the Government changed the remittance day for the personal income tax. It was not the case when the Government changed the remittance date for the sales tax. That was a trick the federal Tory Government used to try to tell the Canadian people that its deficit was lower and so it was able to tell a few stories about it.

[*Translation*]

Mr. Speaker, when one considers the three measures taken by the Federal Government in the past few years, one can understand why it was able to boast about artificial lowerings of the deficit. This time around, they did not take the risk of doing it right in the middle of an election year. It will be done only in 1990 because given was is going on now a days, sure enough, there will not be any election in 1988, but rather in 1989. That is the last chance, so they said "Let's do it in 1990!". No problem, they said, let's hit them right now and they will make their remittance at this time.

Clearly, they will not be in Government then, but the ones who will still be in Opposition might have the gall to blame the Liberals for it.

Mr. Speaker, I am saying that senior citizens are the ones most severely hit, because people with an income from employment or from a business, whether they are lawyers, accountants or something else, will not have any problems as their money is coming in on a regular basis—daily, weekly or monthly—and moving up the date of remittance of their taxes to the federal Government will not be as critical. However, senior citizens on fixed income, either pension income, paid at the end of the month, or interest income, paid maybe every six months or even annually in the case of Canada Saving Bonds, might have to pay taxes four times a year on an income paid on given dates.

The Government, whether it is Red or Blue, cannot take into account all types of income, but changing the date of remittance from the end to the middle of the month is a hassle for everyone. If the Government gets a billion more that way, it means that someone is not getting the interest on that money, and that someone is the taxpayer. This is a devious way for the Conservative Government to show that in this one year the deficit has been reduced by 1100 million, but it is a one year shot. With the transfer of interest income from senior citizens or self-employed persons to the federal Governement, when the interest rate is said to be around 10 per cent to 15 per cent, depending on the way it is computed and on the frequency of the interest payments, the Government, according to our figures, stand to gain about $20 million from our senior citizens.

The Government tried to de-index old age pensions. Fortunately, that did not work. Now it is making up for that by forcing senior citizens, whose pension or interest income totals $18,000, $20,000, $21,000, to make their remittances on the 15th of the month. Mr. Speaker, this is so unacceptable that even the Conservative Members who sit on the Standing Committee on Finance and Economic Affairs decided to vote against it. I hope that, after thinking it over, all Members of the House will see that the members of the committee were right the first time and that this motion moved by my colleague from Saint-Léonard—Anjou (M. Gagliano) should be voted on and agreed to very quickly by the House.

[*English*]

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, I will be very brief. I think this is one of the silliest and pettiest aspects of the tax reform package the Government has put before the country. This is an absolutely outlandish kind of suggestion. What the Government is asking for is that all those people who make their income tax payments on a quarterly basis, retired people, small businesses, contractors and some farmers, a whole host of people who pay their taxes on a quarterly basis, will have to change their bookkeeping practices so they can make their cheques out 15 days sooner.

Why is the Government asking that all this disruption take place? It is simply that in the year that it comes into effect, for that one quarter, the Government will have one more bit of money allocated to the previous fiscal year instead of to the next year. For that one year, when it comes into effect, the deficit will be that much smaller by the amount of that particular quarterly payment. That is a pretty silly and cynical reason for forcing people all across the country to change their bookkeeping and accounting practices. I think the fact this may turn out to come into effect during an election year makes people even more cynical and quizzical about the utilization of this particular tax reform package. This is silly and petty and has no place in a genuine tax reform package.

[*Translation*]

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Yes.

Mr. Deputy Speaker: The question is on Motion No. 17. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Some Hon. Members: On division.

Mr. Deputy Speaker: I declare the motion negatived on division.

Motion negatived on division.

[*English*]

Mr. Deputy Speaker: The House will now proceed to the taking of the deferred division at the report stage of the Bill now before the House.

Call in the Members.

And the division bells having rung:

• (2100)

[*Translation*]

Mr. Deputy Speaker: The first vote is on Motion No. 1.

Mr. Garneau moved:

That Bill C-139 be amended in Clause 6

(a) by striking out line 37 at page 11 and substituting the following therefor:

"a taxpayer in excess of $20,000 (plus the provincial retail sales tax, if any) or such"

(b) by striking out line 41 at page 15 and substituting the following therefor:

"passenger vehicle exceeds $20,000 (plus the provincial retail sales tax, if any) or"

(c) by striking out line 45 at page 15 and substituting the following therefor:

"$20,000 (plus the provincial retail sales tax, if any) or that other prescribed"

(d) by striking out line 9 at page 16 and substituting the following therefor:

"(iii) $20,000 (plus the provincial retail sales tax, if any) or such other amount as".

Motion No.1 was negatived on the following division.

(*Division No. 563*)

YEAS

Members

Allmand	Foster	Mitchell
Althouse	Gagliano	Nicholson (Trinity)
Angus	Garneau	Prud'homme
Benjamin	Gray (Windsor West)	Robinson
Boudria	Kaplan	Waddell—20
Cassidy	Keeper	
Epp (Thunder Bay—Nipigon)	Killens	
	MacLellan	

NAYS

Members

Andre	Grisé	Pietz
Attewell	Guilbault (Drummond)	Porter
Belsher	Hicks	Reid
Bertrand	Hnatyshyn	Reimer
Blackburn (Jonquière)	Hockin	Ricard
Blais	Horner	St. Germain
Caldwell	Joncas	Scowen
Champagne (Champlain)	Jourdenais	Shields
Cossitt	Landry	Taylor
Crouse	Leblanc	Tremblay (Québec-Est)
Darling	Lewis	Tupper
Daubney	Lopez	Van De Walle
Dick	Mailly	White
Edwards	Malone	Witer—51
Ferland	Martin	
Fraleigh	Mazankowski	
Fretz	Minaker	
Graham	Mitges	
	Oberle	

Mr. Deputy Speaker: I declare the motion lost.

Mr. Deputy Speaker: The next question is on Motion No. 2.

Mr. Garneau moved:

Motion No. 2

That Bill C-139 be amended in Clause 20

(a) by striking out line 33 at page 70 and substituting the following therefor:

"any property is 2/3 of his capital gain"

(b) by striking out line 38 at page 70 and substituting the following therefor:

"of any property is 2/3 of his capital loss"

(c) by striking out line 43 at page 70 and substituting the following therefor:

"the disposition of any property is 2/3 of"

(d) by striking out lines 2 to 46 at page 71 and lines 1 to 6 at page 72 and substituting the following therefor:

"years and fiscal periods ending after 1987."

(*Division No. 564*)

YEAS

Members

Allmand	Gray (Windsor West)	Nicholson (Trinity)
Boudria	Kaplan	Prud'homme—11
Foster	Killens	
Gagliano	MacLellan	
Garneau		

NAYS

Members

Althouse	Ferland	Mitchell
Andre	Fraleigh	Mitges
Angus	Fretz	Oberle
Attewell	Graham	Pietz
Belsher	Grisé	Porter
Benjamin	Guilbault (Drummond)	Reid
Bertrand	Hicks	Reimer
Blackburn (Jonquière)	Hnatyshyn	Ricard
Blais	Hockin	Robinson
Caldwell	Horner	St. Germain
Cassidy	Joncas	Scowen
Champagne (Champlain)	Jourdenais	Shields
Cossitt	Keeper	Taylor
Crouse	Landry	Tremblay (Québec-Est)
Darling	Leblanc	Tupper
Daubney	Lewis	Van De Walle
Dick	Lopez	Waddell
Edwards	Mailly	White
Epp (Thunder Bay—Nipigon)	Malone	Witer—60
	Martin	
	Mazankowski	
	Minaker	

Mr. Deputy Speaker: I declare the motion lost.

[*English*]

Mr. Boudria: Mr. Speaker, I think that if you would seek unanimous consent of the House, you would find that the House would be favourably disposed to apply the results of the vote on Motion No. 1 to the vote on Motion No. 6 and the same results in reverse to the concurrence motion.

Mr. Deputy Speaker: Is there unanimous consent to apply the vote we have just taken on Motion No. 1 to Motion No. 6?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Cassidy), which was negatived on the following division:

Income Tax Act and Related Acts

(Division No. 565)

YEAS

Members

Allmand
Althouse
Angus
Benjamin
Boudria
Cassidy
Epp
(Thunder Bay—
Nipigon)
Foster
Gagliano
Garneau
Gray
(Windsor West)
Kaplan
Keeper
Killens
MacLellan
Mitchell
Nicholson
(Trinity)
Prud'homme
Robinson
Waddell—20

NAYS

Members

Andre
Attewell
Belsher
Bertrand
Blackburn
(Jonquière)
Blais
Caldwell
Champagne
(Champlain)
Cossitt
Crouse
Darling
Daubney
Dick
Edwards
Ferland
Fraleigh
Fretz
Graham
Grisé
Guilbault
(Drummond)
Hicks
Hnatyshyn
Hockin
Horner
Joncas
Jourdenais
Landry
Leblanc
Lewis
Lopez
Mailly
Malone
Martin
Mazankowski
Minaker
Mitges
Oberle
Pietz
Porter
Reid
Reimer
Ricard
St. Germain
Scowen
Shields
Taylor
Tremblay
(Québec-Est)
Tupper
Van De Walle
White
Witer—51

Hon. Don Mazankowski (for the Minister of Finance) moved that Bill C-139, as amended, be concurred in.

Mr. Deputy Speaker: Is it also agreed that the vote we have just taken will be applied in reverse to the motion for concurrence in the Bill at report stage?

Some Hon. Members: Agreed.

The House divided on the motion, which was agreed to on the following division:

(Division No. 566)

YEAS

Members

Andre
Attewell
Belsher
Bertrand
Blackburn
(Jonquière)
Blais
Caldwell
Champagne
(Champlain)
Cossitt
Crouse
Darling
Daubney
Dick
Edwards
Ferland
Fraleigh
Fretz
Graham
Grisé
Guilbault
(Drummond)
Hicks
Hnatyshyn
Hockin
Horner
Joncas
Jourdenais
Landry
Leblanc
Lewis
Lopez
Mailly
Malone
Martin
Mazankowski
Minaker
Mitges
Oberle
Pietz
Porter
Reid
Reimer
Ricard
St. Germain
Scowen
Shields
Taylor
Tremblay
(Québec-Est)
Tupper
Van De Walle
White
Witer—51

NAYS

Members

Allmand
Althouse
Angus
Benjamin
Boudria
Cassidy
Epp
(Thunder Bay—
Nipigon)
Foster
Gagliano
Garneau
Gray
(Windsor West)
Kaplan
Keeper
Killens
MacLellan
Mitchell
Nicholson
(Trinity)
Prud'homme
Robinson
Waddell—20

Mr. Deputy Speaker: I therefore declare the motion agreed to.

Mr. Lewis: Mr. Speaker, I think you would find that there is a disposition in the House to call it ten o'clock.

Mr. Deputy Speaker: It being ten o'clock, this House stands adjourned until ten o'clock tomorrow morning.

The House adjourned at 9.12 p.m.

HOUSE OF COMMONS

Friday, August 26, 1988

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

INCOME TAX ACT AND RELATED ACTS

MEASURE TO AMEND

Hon. Tom Hockin (for the Minister of Finance) moved that Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts, be read the third time and passed.

He said: Mr. Speaker, I am very pleased to speak on third reading this morning of what is the most comprehensive reform of our tax system which the Parliament of Canada has seen in the last 20 years. We have had vigorous debate in the House this week. I have said pretty well all I want to say about the motions that have been moved by the Opposition. I would commend those who are interested in the debate to read my responses to the amendments which the Opposition brought forward yesterday.

The Bill, as you know, Mr. Speaker, had its genesis in the June 1987, White Paper on tax reform. This was followed by extensive consultations with taxpayers by myself, by the Minister of Finance (Mr. Wilson), by departmental officials, and by the standing committees of the House and the Senate.

I must say, having chaired a parliamentary committee in the first two years of Parliament, that I know how hard Members work on committees. The Standing Committee on Finance and Economic Affairs has worked particularly hard in this session of Parliament, especially so on tax reform. I would like to commend the members of all Parties for the work they have put into this project and the seriousness with which they conducted their deliberations.

I would like to summarize, as we begin third reading, what the objectives were of tax reform in the first place and what we are trying to accomplish. I want to reiterate the momentum we have put behind each objective of tax reform with our various provisions.

First, we believe the fairness of the tax system should be increased. Second, we believe the tax system should encourage competitiveness and growth in jobs. Third, the system should be internally consistent with other Government programs and it should provide a more reliable and balanced source of revenues to finance essential public services. These were our objectives and what we have tried to accomplish. They have been achieved by broadening the base of corporate and personal income tax systems, and by broadening the base we have been able to reduce the rates.

Let us not forget that tax reform reduces rates, and converting personal exemptions and some deductions to credits of course is a major philosophical and practical step forward for fairness in our tax system, which is often overlooked. People say that they would like more deductions or more credits. By shifting exemptions to credits we have made the system fairer and more progressive.

The results of tax reform illustrate how the objectives have been achieved. We are not sort of saying that we are aiming for objectives, but the results prove that the objectives have been reached by shifting more of the tax burden from individuals to corporations and, by lowering tax rates, removing preferences and loopholes in the system, the reforms make the personal income tax system fairer and more progressive.

Let me give you some examples, Mr. Speaker. People ask for results. What are the results of tax reform? How can you prove that it is fair and more equitable? First, net personal income tax revenues to the federal Government will be reduced by $12 billion over the next five years. Second, income taxes will be reduced for 9.7 million, almost 10 million households in this country—85 per cent of all the households—by an average of $490. People will see that difference when they fill in their tax forms.

• (1010)

Lower income Canadians, how have they done? Some 850,000 low-income Canadians will have their income tax reduced to zero or receive refundable credits in 1988.

Income taxes will also be cut for about 1.3 million of the 1.4 million households with at least one person aged 65 and over. About 250,000 elderly Canadians will have their income tax in fact reduced to zero as a result of tax reform. Elderly Canadians in preponderant proportion—1.3 million of the 1.4 million households with at least one person aged 65 or over—will benefit from tax reform.

Taxes paid by persons with similar incomes and in similar circumstances will vary less after tax reform. One of the great problems that we have in Canada, in the sense of unfairness in the last 20 years, is that people felt that people with the same income were being taxed differently. They did not understand fairness regarding this. A good example is that some people are on salary, some people work for themselves, some people can take advantage of certain preferences and loopholes, and others cannot. We have tried in tax reform, and in a major way have changed this, by putting in place a situation where tax that is paid by persons with similar incomes and in similar circumstances will vary less after tax reform.

A good example—and I constantly had this brought to my attention when we were first elected—is a secretary who works for a large company, London Life, for example, in my home town and did not have the same deductions as somebody who was self-employed. This was becoming a very strong feeling of inequity. The tax reform deals in a major way with that.

Another feeling of inequity that existed was at the corporate tax level. People were saying that it is not just a question of small business and large business; it was industrial sectors. A manufacturing enterprise or a distribution enterprise or a warehousing enterprise pays a certain kind of average tax, but other industrial sectors in Canada such as real estate and financial institutions were in effect paying no tax. There was a perceived sense of unfairness among industrial sectors. For the first time this Government has come to terms with that problem and has made sure that all industrial sectors paid their fair share of taxes. It has not been easy and the finance committee knows this, because it went through the reverberations of this cost.

We have emerged with a package which, when it comes to corporate tax across the industrial sectors, is much more fair. Most taxpayers, as I have said, whose incomes consist primarily of a salary or wages, family allowances or standard pension and retirement revenue, will enjoy tax reductions. It is very important news and we cannot say that often enough.

I said at the opening of my remarks that we were able to reduce taxes. People say: "How can you reduce taxes?" We have done it by removing preferences and loopholes and by broadening the base. Because of base broadening measures through the removal of tax preferences and the conversion of exemptions and reductions to credits, we have produced a more progressive system. This is why I objected yesterday to the motion to amend our Bill, arguing for changing the middle income rate from 26 per cent to 23 per cent. Not only would this end up being an $8 billion haemorrhage on the system, but it would be regressive within the middle income bracket, not progressive.

While taxpayers with incomes of less than $15,000 represent 46.7 per cent of total taxpayers, their share of federal tax payable will now decrease from 1.6 per cent to 1.1 per cent. In other words, we are relying on that group.

The lowest income Canadians, the lowest income tax filers, we are relying on them profoundly, but less than we did before tax reform. The share of federal tax payable by taxpayers with incomes greater than $50,000—these are the wealthier Canadians who represent only 6.3 per cent of the total of taxpayers—will increase from 34.9 per cent to 36.4 per cent. Do not let anybody tell you that we have not increased the burden on the wealthy and decreased it on the lower income groups. In fact, we have increased the burden on the wealthy and decreased the burden on those of lower income.

People ask: "Well, is anybody going to pay more taxes under tax reform". Yes, there are Canadians who will pay more taxes under tax reform. Who are they? These are the ones who have been claiming in the past large special tax preferences or large tax credits. Those with substantial investment income or self-employment earnings will be subject to the new, fairer expense deduction rules. Those people will be paying more tax. They understand it, but that is part of the base broadening measure in order to lower taxes for other Canadians who are not taking advantage of those preferences.

Corporations will also be paying more taxes. The broadening of the corporate tax base will more than offset the lowering of tax rates. Corporate taxes will increase by 10 per cent or about $5.5 billion over the next five years.

We must remember that tax reform is about fairness on the corporate tax side. This is brought about by broadening the tax base, which allows us to lower tax rates. The result of those two moves, of broadening the base and of lowering the rate, is in fact the production of more corporate tax revenue.

Many more large, profitable corporations will now pay tax as a result of tax reform. With the reduction in tax preferences, the number of profitable corporations not paying tax will be reduced by more than 50 per cent.

Most corporations that do not pay taxes are generally small operations, fledgling operations, that are struggling to keep alive. Through tax reform we are going to be able to find ways to make sure that large, profitable corporations not paying tax will be paying tax. A good example of that, of course, is the taxation of the insurance industry.

Variations of tax paid by different sectors will be reduced prior to tax reform. Average corporate tax rates across industrial sectors range from 14.5 per cent to 24.5 per cent of income on financial statements, and reform has cut this range This is what I was speaking about earlier, the huge differences among industrial sectors on their burden. It is this range, which has been quite wide. It is now going to be narrowed so that it is going to be cut to 15.5 per cent from 22.6 per cent.

Tax reform will also reduce the rate of tax on the return from new investment, strengthening the incentive for firms to invest in profitable ventures. We have heard from the NDP members—and I do not want to ignite a new debate this morning—about how they do not like the capital gains tax. I would think that they would object to me reminding the House that they do not like the capital gains tax being treated differently from income tax.

We need in this system, and in just about all industrialized countries, a way to treat capital gains somewhat differently from ordinary income in order to encourage people to take some risks and to take advantage of opportunities that ordinarily would not be taken advantage of. Why? Because we can employ those people and put our economy into a new creative mode with higher employment. That is why there is slight difference in the treatment of capital gains and income tax. We therefore want to make sure that incentive remains.

• (1020)

The over-all financial sector in Canada will pay significantly more in taxes after tax reform, and I would like to speak to that as the Minister of State for Finance, answerable in the House for financial institutions. We have very strong financial institutions. Quite frankly, we have a system which is a model for the rest of the world.

There is a large country in South America with a very weak financial system. There are 360 different banks with just two or three branches each in that country and the people of that country are having great trouble mobilizing capital to lend or to invest in new ventures. The financial system is weak and therefore the economy of that country is very weak.

In Canada, our economy is strong because we have strong and highly efficient capital markets through a highly effective system of financial institutions. As a matter of fact, Canada has the fourth or fifth largest capital market in the world, and it is sustained and made stronger by strong financial institutions.

The strength of financial institutions does not mean exemption from tax. We all know that banks, trust companies, or insurance companies have certain reserves set aside for rainy days or for problems that might occur with people not paying their debts or for insurance claims coming due, but those reserves have to be appropriate from a tax point of view as well. We have attacked this problem. It has been a thorny problem and a difficult problem and we have emerged out the other end with a system that will now be taxing financial institutions fairly, unlike what went before, but not in such a way that will put in jeopardy in any way the great strength of our financial system.

The average tax burden for small firms is unchanged by tax reform while that for large corporations rises. We had a debate yesterday about small business, and there was a motion to decrease the rate on small business still further. The problem with that proposal was that it would also deliver the same benefits at the lower level to large corporations. It would put out of sync the taxation on dividends that flow through a corporation with the taxation of capital gains and the taxation on the corporations themselves. We have tried to align it carefully and have put in place this 12 per cent rate.

The average tax rate for small businesses over all will be 13.5 per cent, a full 7.6 per cent advantage over large firms. Large firms will have an average tax rate of 21.1 per cent. A major part of this relates to the small business deduction which has been maintained and gives a statutory tax for small business that is less than half that of large firms. These are very important steps to keep our small business sector strong and creative. As a result of tax reform, we have secured in place the advantage of small business over large corporations when it comes to taxation.

Canada is a very special country with its huge mining and resource industries. Incentives to the mining industry are very important to this Government. Flow-through shares and the ability to write off all investment against the income of a new mine will be retained, and the average tax rate of the mining sector will remain one of the lowest of all sectors in Canada. I spoke about equity among industrial sectors. There is a sector that we are treating in a preferential way and that is the resource and mining sector. The lower tax rate will more than offset the slightly broader tax base for the oil and gas industry.

All Canadians are concerned about the vitality and dynamism of firms that rely on research and development. Firms engaged in research and development will continue to benefit from one of the most favourable tax regimes for R and D in the industrialized world. Going through OECD arrangements for each country for tax treatment of research and development, one would be hard pressed to find one more generous than the one provided through the tax reform of this Government for research and development in Canada.

Revenue Canada's recent streamlining of the administration of the fully refundable R and D tax credit for small firms is a further useful step forward. A new general anti-avoidance rule will also help prevent abuse of tax avoidance arrangements and new information requirements for investment income and tax shelters will help identify avoidance and evasion.

I will not take much more of the time of the House, but let me relate all of this back to the objectives of the Government as stated by the Minister of Finance when he brought forth the White Paper in June of 1987. He said that in the final analysis, this whole package will be judged on whether we have given to our senior citizens more peace of mind and security, to those in greatest need a sense of a fairer and reduced tax burden, to our young a greater sense of opportunity and hope, and to our working people, more incentive, more stability and more freedom. I think Hon. Members can agree that we have met these objectives.

I would like to say a very special thank you to my colleagues and all members of all Parties who worked hard on the Standing Committee on Finance and Economic Affairs which, starting last fall, spent endless hours studying the tax reform package. The thorough review of the members of the committee led to a number of improvements and refinements in the legislation and I know that they are rightly proud of their work.

[*Translation*]

The tax reform proposals were designed to provide Canadians with a more equitable and more comprehensive system that encourages initiative, strengthens competitiveness, growth and job creation and provides a more reliable and balanced source of revenues to finance essential public services.

[*English*]

In conclusion, tax reform comes to terms with two difficult tasks. It makes the system fairer but it is also fiscally responsible. Yesterday during debate, a number of amendments were discussed. Good intentions were behind a number of these amendments, I have no doubt, in order to help certain groups, but I pointed out that the amendments themselves in every case ended up almost contradicting their own objectives because they would interfere in a contradictory way with the rest of tax reform.

Second, I did some mathematics. It would cost almost $9 billion in extra revenue for governments, and that would have the result of putting an additional burden on the Government of Canada to borrow, borrow, borrow. This causes the Government to pay more and more interest on Government borrowings, which in the long run simply burdens generations of those who will have to grow up and pay for the system. With tax reform, we have tried to make it fair, to make it clear, and to make it a system of hope for all Canadians, but also to be fiscally responsible.

[*Translation*]

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, before starting the comments I wanted to make on third reading of this Bill, I would like to comment very briefly on what was said by the Minister of State (Finance) (Mr. Hockin). First of all, I must say I was very disappointed the Minister of Finance (Mr. Wilson) did not take part in the debate himself and left that responsibility to his Minister of State. This is no reflection on the competence and sense of responsibility of the Minister of State (Finance), but since the debate is about tax reform which the Minister claims has taken up the majority of his time since he was appointed, I wonder why he is not taking part in the debate and entrusted a junior Minister with the task of informing Canadians about the various aspects of this Bill.

• (1030)

In any case, the Minister of State (Finance) repeated the same kind of rhetoric the Minister of Finance gave us when he brought down his Budget. Unfortunately, this repetitive rhetoric fails to reflect the substance of the legislation. That is unfortunate and that is the whole problem.

Earlier, the Minister commended members of the Standing Committee on Finance and Economic Affairs of the House of Commons, and in fact all three Parties, for having worked so hard, both at public hearings and when drafting a report that was later tabled in the House. Of course we appreciate those kind words, Mr. Speaker, but for over three months we heard testimony from witnesses, both before and after the Finance Minister's report was tabled. We received a very clear message from most witnesses and it was: The Government's rhetoric is at odds with the contents of the Bill. We heard this from senior citizens, businessmen, the mining industry, the insurance sector and from practically all groups that appeared before the Committee, explaining that they agreed with the principle but were against certain aspects. In fact, Mr. Speaker, it became a farce. Every time we received a brief, it said: We agree with the principles, we urge the Government to continue in the direction it proposes, but finally, the brief would shoot down the tax reform paper.

The Standing Committee on Finance and Economic Affairs made any number of recommendations over ninety if I am not mistaken, and practically none were accepted. It got to the point that even Conservative Members on the Committee on Finance and Economic Affairs who examined the Bill were tempted many times to vote against certain provisions. As my colleague from Glengarry—Prescott—Russell (Mr. Boudria) said last night, it was because of subsequent pressure that certain decisions were reversed.

Mr. Speaker, once again, the Minister has served up the same rhetoric we heard from the Minister of Finance, the rhetoric that does not coincide with the Bill and the tax measures it contains. He talked about lower taxes, as the Minister did, but of course he refrained from pointing out that these adjustments don't even compensate for the tax increases we had before. I have often explained tax reform by comparing it to a woman whose handbag is stolen by a thief in a park. A few minutes later, the thief gives the woman her purse back, after taking all the money, and he expects the woman to be grateful! That is something like what they have done. They increased taxes for four years and on the eve of the election, they lower them by about 10 per cent. Big deal! They claim to be the saviours who are bringing fairness to the tax system.

Mr. Speaker, today we are beginning the final stage of consideration of the tax reform Bill. I do not intend to repeat all the arguments that I developed in Committee and yesterday when the report was considered. The Minister, in referring to these amendments, just told us that it would cost a fortune! But the Minister knows very well that at the report stage, we cannot present amendments that are as complex as tax reform itself, because the Chair would reject them. What we were trying to show with these amendments was the inequity of this tax reform, which should have eliminated this unfairness towards different population groups and brought a little more justice to the various classes of taxpayers.

For example, I proposed full indexation of refundable tax credits for children and for blind or disabled people. Obviously, I see this as a matter of social justice, for two reasons: the financial problems families have and the declining birth rate in this country. Therefore, a way had to be found not to penalize families. The cost was not exorbitant. As for the disabled, it seems to me that the tax credit for them . . . if there is one group in society that deserves to be protected from the ravages of inflation, it is this one! That was suggested by many groups. But the Minister and Government Members said no, it was too expensive.

I will get back later to the issue of cost and the promises made by the Conservative Government. Why do they have money for promises and none for providing a fair tax system?

The Minister says that some of our measures would cost billions of dollars. Yesterday, for instance, I suggested that the tax credit that would replace personal exemptions be made refundable for people on very low incomes, the reason being that people with high incomes can take advantage of 100 per cent of the credit, but if a person has no taxable income, he loses out on the tax credit.

The Minister ridiculed my suggestion, saying that the Government would have to give a refundable tax credit to every new-born child. Mr. Speaker, that is the silliest thing I ever heard and it is a deliberate attempt to trivialize the purpose of this amendment. I realize that it is only fair for Members on the other side of the House to try and shoot down the arguments of their opponents, but for a Minister of Finance, for a Minister of State (Finance) to put this kind of interpretation on an amendment and calculate the cost at billions of dollars is totally irresponsible.

So despite the hard work by the Finance Committee and by Liberal Members on that Committee—we tabled the fifteen amendments we considered yesterday—despite all our hard work, the Government did not see fit to accept those amendments. If it had, it would have been possible to improve the Bill and bring it more into line with the Government's objectives.

Mr. Speaker, I think we should see tax reform within the broader context of the fiscal strategy we have seen unfolding in recent years.

There is always a tendency on the part of the Government—fair is fair, I suppose—to put the spotlight on tax reform so as better to hide the tax increases it introduced in recent years. If you put this reform in its proper perspective, we see that despite tax reform, over the past four years Canadian taxpayers have been hit by tax increases that are the biggest and most massive we have known in our parliamentary history.

Mr. Speaker, I will start with indirect taxes. When I give you the figures, I am going to give the rates and amounts the Minister gave us, which do not allow for the effects, if any, of economic growth.

For instance, since 1984, the Conservative Government increased federal sales tax from 9 per cent to 12 per cent. That decision alone will, in 1988-89, raise $3 billion more in revenue than the Government would have collected in federal sales tax if there had been no increase, and I am not talking about any effects of economic growth or growth in consumption but only about the rate. In one year, as a result of successive increases in sales tax, the Government collects $3 billion more, and I am referring to 1988-89.

The Government also expanded sales tax to cover candy, soft drinks, certain pharmaceutical products, snacks and so forth. On an annual basis, for 1988-89 this change in the sales tax structure provides the Minister of Finance with $400 million more in revenue. The excise tax on a litre of gas was increased 5 cents, which means that for 1988-89 alone, the result is additional revenue for the Minister of Finance totalling $2,225,000.

The Minister of Finance has repeatedly raised taxes and excise tax on alcohol and tobacco. For 1988-89 alone, the result of the policies of the Minister of Finance has been to take an extra $735 million out of taxpayers' pockets. I take all those figures, Mr. Speaker, from the budgets tabled by the Minister of Finance.

By imposing a 10 per cent tax on long distance telephone calls and cable television service, the Minister is taking another billion dollars from the taxpayers' pockets in the current fiscal year. The Minister raised the tax on paint, wallpaper and air transport by $60 million a year.

If one adds all this up for the 1988-89 fiscal year alone, without factoring in economic growth, the effect of the Government's policies to increase tax rates is to collect $7.4 billion more from the taxpayers in this fiscal year.

• (1040)

[*English*]

The sales tax had been increased from 9 per cent to 12 per cent; the excise tax on gasoline by five cents per litre. Taxes on tobacco and alcohol have been increased during the last four years. There was a 10 per cent tax on long distance calls, costing Canadian taxpayers $1 billion. When we add it together, in the fiscal year 1988-89 the Minister of Finance (Mr. Wilson) collected, just from the increased rate of taxation on indirect taxes, $7.4 billion of new money.

Let us consider the direct tax system, particularly the personal income tax. The numbers I will give to the House come directly from the budget speech. I did not invent them. The fact is that since 1986, personal income tax has been deindexed one year after the another. This means that in this fiscal year the Government will collect $1.8 billion of new taxes from personal income tax. This is not due to a change in rate but as a result of partial deindexation of our tax system. It is a hidden tax because the Minister does not announce those changes every year.

In the first year it amounted to $650 million; the second year it was $1.2 billion; and this year it is $1.8 billion. It has an accumulative effect year after year. In 1988-89, the Minister will collect close to $2 billion more in taxes due to partial deindexation.

The Government has eliminated some of the fiscal advantage that the family received in the past and, as a result, will collect $600 million more in 1988-89.

[*Translation*]

Mr. Speaker, the Government imposed a general 3 per cent surtax which was to be temporary, but which has been in effect for several years and now seems to be embedded in the system. This too provides the Government with more money, so that the total amount of new money that the Government has obtained not from economic growth but from changes in tax rates and fields of taxation and from partial deindexation of the system is $4 billion.

Mr. Speaker, if I take the increases in sales tax, which in 1988-89 amount to $7.4 billion, and add the increases in personal income taxes of $4 billion, I come out with a total of $11 billion in direct taxes for only one year. I did not add up the figures for 1986, 1987 and 1988, but for the 1988-89 fiscal year alone, the increases in direct and indirect taxes were $11 billion.

[*English*]

For the fiscal year 1988-89 alone, the Minister of Finance will collect from the Canadian taxpayer $11 billion more just through the increase in the tax rate in the field of taxation. It is not as a result of an increase in the economy.

Let us examine those figures and take into account certain fiscal advantages coming from the fiscal reform. While the tax breaks are less, let us be generous and assume that they will be $2 billion. If we take $11 billion of increases minus $2 billion in tax breaks just before the election, there is a net amount of $9 billion in new taxes. When one considers that there is a deficit of $28 billion, without those tax increases the real deficit of the Government would be $37 billion. One of the Government's main campaign platforms from the Minister of Finance was deficit control. He said that the deficit would be solved, not by tax increases but by better management of public affairs. It is really a farce.

[*Translation*]

Adding up the $7 billion in indirect taxes and the $4 billion in direct taxes, and taking account of the positive effects of tax reform on some sectors, one sees that the Minister of Finance has collected $9 billion net more in taxes in 1988-89 alone; comparing that to the $28-billion deficit, one realizes that were it not for massive tax increases, the deficit would be $36 or $37 billion. For a Government that boasts of its good management of public finances, this is really laughable.

Mr. Speaker, consider as well that economic growth is due to the world economic situation and that the Minister of Finance clearly said in his budget speech, perhaps a little naïvely, in the first part of his speech, that the economic recovery in Canada had begun before the Conservatives took power. If we were in a more stable economic situation, we would have a deficit of over $40 billion. I want to point out to the Minister of Finance that his management of public finances has been completely irresponsible and that the promises he made to Canadian taxpayers . . . I still hear the Finance Minister and the Prime Minister talking to us about this solemn promise not to raise taxes, that the deficit would instead be controlled by reducing expenses. Well, as in other cases, these promises have not been kept. Not only were they not held, but the Minister of Finance and the Prime Minister chose a direction directly opposite to their commitments.

Mr. Speaker, returning to tax reform proper and the legislation now before us, I would say that one feature of those tax increases, in addition to being the most massive in Canadian history, because no other government had succeeded in a four-year period in raising taxes to such a dramatic extent—the worst part of the matter is that most of those tax increases were hidden by the indirect effect of de-indexation and by increases in indirect taxes that the taxpayer, the consumer does not see when he buys goods from the store. Because the Government preferred to raise indirect taxes, the invisible ones, those that are hidden in the price of goods, rather than direct taxes. Even when the Government increases direct taxes, it does so in a secretive, devious way. This is why, instead of raising rates directly, it went through partial de-indexation.

Mr. Speaker, one of the major failures of that tax reform is that it did not reach the goals set by the Minister in his White Paper, neither did it meet the goals referred to by the Minister of State (Finance) each time he rises. It is one thing to recite principles and state objectives, but when bills are introduced that fly in the face of those principles, Mr. Speaker, we wonder whether they are being naive or quite simply hypocritical, whether they are trying to deceive electors. For instance, looking at the major questions that might be asked on the matter of fairness, I am not the only one to suggest this, Mr. Speaker. True I have been stating this *ad nauseam* since the beginning, because this tax reform is structured in a way that is unfair to middle-income people, to families and to some extent to low-income senior citizens.

I would like to know how the Government explains away a number of concerns raised by taxpayers, by associations that appeared before the Committee on Finance and Economic Affairs. I would like to refer to those questions that were raised and that I am also raising to the Government and the Minister of Finance.

• (1050)

[*English*]

How does the Government explain that Canadian middle-income earners will pay $1,200 more in taxes this year than they did in 1984, while Canadians whose earnings are greater than $117,000 a year will pay $3,500 less in taxes? How does the Government explain the inequity of low income earners paying more and higher income earners paying much less?

Why has the Government abolished the $1,000 deduction for investment income which is frequently used by middle income earners and by old age pensioners, while granting an exemption of $100,000 in capital gains for the benefit of the wealthy? Why this double standard? Why do we abolish exemptions that help the middle class and senior citizens, on the one hand, and give to the rich people an exemption of capital gains?

Why did the Government not follow the suggestion made by the Standing Committee on Finance and Economic Affairs and abolish the capital gains exemption with a formula that would take inflation into account? Why did the Government set aside this proposal? Why does it have money to give capital gains exemptions to the rich and does not have the money to keep the $1,000 interest deduction for senior citizens?

How does the Government explain that benefits which flow from the child care expenses deduction or those from the RRSP contributions are greater for higher income Canadians? Why were these deductions not converted into tax credits which would have contributed to improving the equity of the tax system and the usefulness of these programs?

Why has the tax rate for small manufacturing companies increased from 10 per cent to 12 per cent when the objective of tax reform is to reduce the tax rate?

Why did the Government give a break to large companies? It seems to have the money to do that, but the Government increases the tax rate for small manufacturing companies from 10 per cent to 12 per cent. Not only did the Government increase the tax rate for small businesses from 10 per cent to 12 per cent, but it went back on the promise the Minister made in this House to bring down that rate to 8 per cent. Not only did the Minister not respect the commitment he made in this House to the small business sector, but he did the opposite and increased the rate from 10 per cent to 12 per cent.

How does the Government explain that some 60,000 profitable businesses will continue to pay no taxes after tax reform? How does the Government explain that the tax system has not been simplified? According to the report of the committee on finance, the tax system will be more complex when the objective was to simplify it.

How does the Government explain its decision to base its tax system on credit which can be easily and fully used by taxpayers in the middle income or higher income brackets but which cannot be fully used by lower income taxpayers? Why are they not made refundable? Why was this opportunity not used to set the stage for a true minimum guaranteed income? Where is the equity in this legislation?

[*Translation*]

As I asked a moment ago in English, Mr. Speaker, how does one explain the Government's decision to do away with the $1,000 deduction? First, alleging that it is too costly, they scrap the $1,000 investment income deduction of older Canadians, then they turn around and allow a $100,000 capital gains tax exemption. What is the rationale behind the fact that, through direct taxes and lower family benefits, the average income taxpayer with children has to pay back to the federal Government 31 per cent of any salary increase, whereas the very wealthy taxpayer's repayment is only 29 per cent? Is that fair? Why would family assistance programs be eroded every year as a result of partial de-indexation when Canada's birth rate happens to be among the lowest in the world? Where is the fairness in the approach of the Minister of Finance? Would someone tell me why the Government chose to abolish the deduction for dependent children aged 19 to 21 precisely when they undertake costly post-graduate studies?

Mr. Speaker, not only does the Government disallow the child deduction even for those aged 19 to 21 and still attending school, but it also eliminates the option a mother living alone might otherwise have had to claim her 19-year-old child as spouse for tax purposes. This has always been possible under our system. In the case of a widow or the case of a single-parent family it was possible to claim the so-called equivalent to married credit. The Conservative Government has now struck out that provision in the case of children over 18 so that a family whose children are attending a post-secondary institution or going to university can no longer claim the child tax credit. And a widow or a single-parent family will no longer be able to use a university-attending dependent child to claim the equivalent to married deduction in the tax return.

How are we to explain this inequity? How are we to explain the Government decision to base its tax system on credits which can be easily and fully used by middle and higher-income taxpayers, but which cannot be used by lower-income taxpayers?

Mr. Speaker, it is clear that if you do not have enough income to pay income tax, you cannot benefit from this tax credit. This seems to me as clear as day! It seems to me also that if the Government had wanted to be a little imaginative it might at least have allowed this class of citizens to use and benefit from the tax credit system just as their fellow citizens in higher-income brackets do.

When the Minister of State (Finance) mockingly suggested that perhaps the Government should grant tax credit to newborn babies, he showed both his ignorance and unwillingness to make our tax system more equitable.

How are we to explain that small businessmen, as well as self-employed workers and contractors will no longer be allowed to claim a full deduction for entertainment expenses on their income tax returns, even those who have to go outside their towns or villages where their head-offices or main working locations are situated.

The situation is such that if you were to go and work for a corporation, or if you are self-employed and living, say, in Quebec, and decided to come and attend a seminar in Montreal to improve your skills or seek more expertise in attending work groups, you could not use 100 per cent of your hotel or restaurant expenses against your income, even if these expenses are directly related to your business operations.

I suggest it is alltogether unfair. These expenses will be limited from now on to only 80 per cent. We know that will result in all sorts of complication and encourage these people into making income tax returns which are not true to reality, because the Minister of Finance has failed to demonstrate openmindedness, and both listen to and understand the recommendations made by all these self-employed workers.

That is the reason why we, on this side of the House, declare that this Tory Government has failed in its effort to carry out a true tax reform, and that the Minister and his Tory colleagues are making claims which are not at all reflected in the Bill before us. I suggest that the Government did not avail itself of this opportunity to . . .

Mr. Speaker, I understand that it is now 11 o'clock and that we will resume following Question Period.

Mr. Deputy Speaker: It being 11 a.m., pursuant to Standing Order 19(4), the House will now proceed to Statements by Members pursuant to Standing Order (21).

STATEMENTS PURSUANT TO S. O. 21

[*English*]

NATURAL RESOURCES

PROPOSED LEGISLATION TO PROTECT WATER RESOURCES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, Bill C-156, the Bill to protect Canadian water resources, which was tabled yesterday by the Minister of the Environment (Mr. McMillan), is not comprehensive, or coherent. It is a hastily put together, incomplete, and hollow response to public pressure. For example, because the Bill only prohibits the increase of water flowing across the international boundary, it will not prevent the export of water by tankers.

• (1100)

Cabinet has powers to allow the export or diversion of water without an environmental impact assessment. Cabinet can also remove restrictions on the quantity of water that can be exported without consultation with Parliament, according to Clause 13.

The offences under the legislation are bizarre. Can you visualize, Mr. Speaker, someone being fined or imprisoned for diverting a river? Would it be after diversion, before, or when cutting the ribbon?

Finally, and most important, this Bill makes no difference to the free trade agreement, confirming the fact that this Bill cannot stop the export of water under the free trade agreement.

* * *

HUMAN RIGHTS

U.S.S.R.—TREATMENT OF UKRAINIANS

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, since the announcement of the 1988 version of *glasnost* and *perestroika*, many have held high expectations for change in the Soviet Union. However, those expectations continue to be dashed and betrayed.

On August 7, Reverend Michajlo Hawryliw was arrested in Ukraine for serving a Catholic mass. He was sentenced to 15 days at an internal KGB prison in Rozhniatiw. Reverend Petro Zeleny was fined 100 rubles for serving the holy liturgy.

In Lviv, Ivan Makar is serving time in the Hapaev Street Prison for his part in the July 7 demonstration in front of Ivan Franko's monument, where thousands of demonstrators, in the spirit of the supposed reforms, asked for the legalization of the Ukrainian Catholic Church, proclaiming Urkainian the official language in the schools and erecting a monument to the victims of Stalin's terror.

Once again we are reminded that we must not confuse Soviet promises with Soviet reality.

I call upon the Government of Canada to issue a formal protest to Soviet officials for their continued blatant violations of fundamental religious and human rights in Ukraine.

* * *

PUBLIC SERVICE

UNION NEGOTIATIONS—POSITION OF PRESIDENT OF TREASURY BOARD

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I want to draw to the attention of the House the problems that members of the Professional Institute of the Public Service and its leadership have been having in dealing with the President of the Treasury Board (Miss Carney) and with the Government.

This is a union which is not militant. It is a union whose 18,000 or 20,000 members serve the Government loyally and strongly in many areas.

In 1984, the Prime Minister (Mr. Mulroney) promised that his Party looked forward to working "constructively" with the Professional Institute of the Public Service as they negotiated solutions to many complex Public Service issues.

Since the new Minister took office this spring, apart from one reception which she gave for Public Service union leaders, she has refused to arrange any constructive and reasonable meetings with those Public Service unions, including the head of PIPS. She has told them that she does not want to meet if collective bargaining is going on. However, the fact is that collective bargaining has been frustrated for a year with PIPS members and leadership on a master bargaining contract, which means that the President of the Treasury Board would never meet them.

Her office has told the President of PIPS, Iris Craig, that she is either too busy or too tired to meet with those representatives. If the President of the Treasury Board is too tired, then she should resign and let someone else have the job.

* * *

SMALL BUSINESSES

SUPPORT FOR CANADA—UNITED STATES FREE TRADE AGREEMENT

Mr. William G. Lesick (Edmonton East): Mr. Speaker, there are more than 840,000 small businesses in Canada. Over 1,200,000 jobs have been created since the election in 1984 of the Conservative Government. Many of those positions have been created by small businesses.

The President of the Canadian Federation of Independent Business maintains that small businesses view free trade as being advantageous for growth and future prosperity.

This week I visited numerous small businesses in my riding of Edmonton East. All the small business people with whom I spoke endorsed free trade with the United States.

One company, Titan Foundry Ltd., stated that the elimination of the 7 per cent American tariff would immediately double exports to the U.S. market.

It is clear that most small businesses in Edmonton want to see the free trade agreement with the United States become a reality.

* * *

[*Translation*]

LA FRANCOPHONIE

FUTURE OF FRANCOPHONES IN CANADA

Mr. Nic Leblanc (Longueuil): Mr. Speaker, since our Progressive Conservative Government is in power, we have realized the urgency that Canada be better recognized internationally as a French-speaking country, since an educated, intelligent and enterprising French-speaking population represent almost one third of the Canadian population.

What have we done for that in concrete terms? First, we advocated French-speaking Summits, as the one in Quebec City last year. Second, we have passed Bill C-72 on the official languages to protect, maintain and promote the French-speaking minority in Canada.

Next week, that is September 2 to 9, the International Association of French-speaking parliamentarians, of which I am an executive member, will meet in Quebec City, Pointe-Au-Pic and Ottawa, as an ad hoc follow-up commission after the French-speaking Summit of Quebec City.

Mr. Speaker, those are the concrete measures that our Governement has taken to support the French-speaking people of Canada and of Quebec.

* * *

UNEMPLOYMENT INSURANCE

SITUATION IN SOUTHERN NEW BRUNSWICK—REQUEST FOR MINISTERIAL ACTION

Mr Fernand Robichaud (Westmoreland—Kent): Mr. Speaker, for some months now, people in southern New Brunswick have been very concerned about their Unemployment Insurance benefits. The eligibility period has been extended from 10 to 16 weeks in an area where often unemployment adjusted rates nearly reach or are even higher than 30 per cent. The only reaction from the Minister to this serious problem has been to announce a full review of all economic regions. Again another review! Why did the Minister choose this course of action? Many studies have already been conducted. This problem has been examined quite a few times. The Standing Committee on Labour, Employment and Immigration submitted a unanimous report on unemployment insurance. That report suggested as a first recommendation the establishment of a standard eligibility period of 10 insurable employment weeks. The Minister has all the facts at hand. Time has come for her to act, and right now, so that people from southern New Brunswick be treated with some justice.

* * *

[*English*]

DANGEROUS SUBSTANCES

WINNIPEG—STORAGE OF PCBS IN RAILWAY BOXCAR

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, the tragic incident at Saint-Basile-le-Grand has alerted us all to the dangers of PCBs. We find now that in Winnipeg there is a boxcar with PCBs in it sitting in the city of Winnipeg. It is right beside an actively used railway track. There is no fencing. This boxcar is inadequately secured.

My colleague, the Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie), has taken the time to see this site and talk to officials involved. He is looking into the matter.

The provincial government has said that it is not its responsibility. It is the responsibility of the federal Government. Environment Canada says that it needs the guidelines of the department. We need more than guidelines to protect us from these environmental hazards. We need regulations.

As a first measure we ought to be inquiring into the whole question of PCBs across the country, where they are, under what conditions they are presently stored, and what standards are needed so that people can be assured that they are safe.

* * *

LABOUR RELATIONS

CANADA POST CORPORATION—ADOPTION OF COMPULSORY ARBITRATION ADVOCATED

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, Canadians do not like strikes. In an article in yesterday's *The Gazette* William Johnson made the following observations regarding the postal strike:

"Postal strikes are absurd. The government creates a monopoly of mail delivery which makes the entire population vulnerable; then it gives a few thousand post office workers the right to stab the public.

Strikes in the post office are not an economic tug-of-war in which both sides to the dispute must take into account the survival of the company being struck.

Post office strikes are political strikes. The damage is not done to the employer; it is done to the public.

In his recently published book, *A Public Purpose*, Tom Kent, a policy adviser to the Pearson Government, refers to collective bargaining and the right to strike. He makes this comment:

"The cause of subsequent trouble lay not in public service collective bargaining, which was inevitable, but in the broadness of the right to strike and the carelessness of bureaucratic expansionism that followed. Before the end, the Pearson government was beginning to take fright at the prospects.

In his article Johnson went on to state:

"To restore labour peace and restore true collective bargaining, some form of compulsory arbitration must be imposed on the post office.

I whole-heartedly endorse the above views.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—CANADIAN WHEAT BOARD

Mr. Brian White (Dauphin—Swan River): Mr. Speaker, the Canadian Wheat Board has been a valuable asset for Prairie farmers. Under the terms of the Canada-U.S. Free Trade Agreement it will continue to benefit Canada. The agreement will not require changes in the Wheat Board marketing system, nor will it require disclosure of Wheat Board prices or other commercial information that could benefit competitors. If anything, the Board's ability to market grain will be enhanced.

As well, with the requirement under free trade for end-use certificates for imported grain, the integrity of our grain system will not be compromised. What the agreement does is create tremendous opportunities for Canada's grain producers in the U.S. market. Commodity groups, such as the canola producers and the Western Canadian Wheat Growers Association, agree.

The opponents of the free trade agreement will have a tough time convincing Canada's grain farmers.

* * *

• (1110)

NATIONAL DEFENCE

PROPOSED ACQUISITION OF NUCLEAR POWERED SUBMARINES

Ms. Sheila Copps (Hamilton East): Mr. Speaker, last night in the town of Milton the Minister for National Defence (Mr. Beatty), in his usual courteous manner, referred to the Member for Hamilton East as a dog. I can tell the Minister one thing. I would rather be a dog than a Tory.

I also challenge the Minister who, in the same speech, did not have the courage to address his position on the submarines. Instead of making snide remarks about opposition Members, he should be dealing with his Government's dossier and shelving the horrendous fiasco of the submarines that even some of his own colleagues do not want. The Minister should cut out the partisan bitterness and get down to the issues. Submarines are no good for this country. Nuclear submarines will cost us billions of dollars. That money would be better spent in other dossiers.

However, I do not expect a Minister who compares an hon. Opposition Member to a dog to understand what it means actually to deliver programs in this country. Again, Mr. Speaker, I would rather be a dog than a Tory.

* * *

ABORTION

POSITION OF CANADIAN MEDICAL ASSOCIATION

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, at recent conventions both the United Church of Canada and the Canadian Medical Association reaffirmed the position that a decision regarding abortion is a medical decision that should be made by a woman and her doctor after all options are seriously considered.

The Canadian Medical Association also recommended medical standards for counselling, informed choice, medical, surgical, and nursing procedures, and follow-up care. Health care insurance should cover costs of medically required services, including counselling, early diagnosis of pregnancy, and early access, across Canada, to abortion should be encouraged.

The medical profession has provided an important contribution in clarifying abortion as a medical procedure with standards for practice and respect for differing personal views. The Canada Health Act must ensure fair access across Canada.

The best manner in which to reduce unwanted pregnancies is prevention; greater emphasis on effective and safe birth control, and government funding for family planning are essential. Women and doctors make responsible and moral decisions, and there is no evidence to the contrary.

* * *

[*Translation*]

ECOLOGICAL ACCIDENTS

EXPLOSION IN PCB WAREHOUSE AT SAINT-BASILE-LE-GRAND—GOVERNMENT FINANCIAL ASSISTANCE

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, since last Tuesday, my constituents in Chambly, and especially in Saint-Basile-le-Grand and Saint-Bruno, have been going through an emergency crisis.

The area was the scene of the worst-ever environmental disaster in Quebec. A PCB warehouse caught fire, and several thousands of residents in my constituency had to evacuate their homes.

As soon as I heard about the fire, I rushed to the scene. I stayed until the next morning ensuring all concerned of my full co-operation.

When such a disaster strikes, it is comforting to see the joint efforts by authorities to ensure the security of the people. For example, when I was asked to contact the CFB Saint-Hubert, they immediately sent a fire truck specially equipped for this kind of accident.

I want to mention the tireless efforts and hard work of the firefighters in my constituency of Chambly. I also want to congratulate them for their courage.

Our Government also took their responsabilities, as is the rule in this kind of situation. Yesterday, on the Prime Minister's (Mr. Mulroney) request, the Transport Minister (Mr. Bouchard, the Environment Minister (Mr. McMillan), the Member for Verchères (M. Danis) and myself went to the scene of the accident to guarantee the population our support.

In fact, the Prime Minister has announced that our Government will join others in offering financial assistance to the residents of Chambly. Last night, following a request by Environment Canada, a sophisticated mobile laboratory was sent to evaluate the air inside the homes. This service is paid for by the federal Government.

Mr. Speaker, I want to assure the population of my constituency of Chambly, of Quebec and of Canada that our Government is doing all we can to help the victims and to make sure such a tragedy never happens again.

* * *

[*English*]

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—POSITION OF FARMERS

Mr. Bob Porter (Medicine Hat): Mr. Speaker, on August 24, a press release from the Canadian Agricultural Policy Alliance strongly endorsed the trade agreement with the United States. This group, which represents farmers all across Canada, has expressed strong support for the free trade agreement.

Past CCA president, Stan Wilson, stated: "Contrary to the view expressed by the Canadian Federation of Agriculture, it is clear that the large majority of farmers would welcome freer access to the large and prosperous U.S. market". The Canadian Agricultural Policy Alliance represents grain, oilseed, hog, beef, and cattle producers from all parts of Canada.

The United States is already Canada's largest market for farm commodities, and it is becoming more important as other countries reduce their purchases.

The members feel the removal of tariffs and quotas, the improved method of dealing with disputes, and the process for resolving non-tariff barriers are all positive developments for Canadian farmers. This is especially true for the sectors interested in selling processed, high quality products into the large and sophisticated U.S. market.

Mr. Wilson concluded: "There is no doubt freer access to the U.S. market will be beneficial to the large majority of Canadian farmers. With the decline of traditional markets for grains and oilseeds, the very survival of large sectors of Canadian agriculture could well depend on secure access to the large and prosperous North American market. All farm groups should be working together to that end".

* * *

UNEMPLOYMENT INSURANCE

STANDARD ENTRANCE REQUIREMENT URGED

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, last week the Minister of State for Employment (Mrs. Vezina) announced a further study on unemployment insurance. This is the result of persistent questioning by my colleague, the Hon. Member for Westmorland—Kent (Mr. Robichaud), who has put questions to the Government with regard to the unfair situation in New Brunswick and the variable entrance requirement for unemployment insurance.

Why another study? This whole subject has been exhaustively studied, first by the Forget Commission, and then by a long study made by the Standing Committee on Labour, Employment and Immigration. That committee recommended that there should be a standard 10-week entrance requirement for unemployment insurance.

There have been enough studies. Why do we not have some action from the Government? Let it take up the recommendations of the Standing Committee and give us some action, not more studies.

* * *

PESTICIDES

BOYCOTT OF CONTAMINATED CALIFORNIA GRAPES

Mr. Gus Mitges (Grey—Simcoe): Mr. Speaker, there is no question that the pervasive use of toxic pesticides by many countries is the greatest threat posed to the health of people, and to the world environment.

A plea for reduced pollution and wiser world economic development always seems to fall on deaf ears, whether they be governments or the private sector, which show little remorse in gambling peoples' lives and health for the sake of the almighty dollar.

Eating food or drinking water contaminated with toxic residue has resulted in deaths, in cancers, and in birth defects.

It is shocking to read that the U.S. Government has estimated that, of 600 active ingredients used as insecticides, only 10 per cent have been studied enough to form an adequate opinion of their health risks.

However, it is gratifying to see some light at the end of the tunnel. More than one thousand labour, community, consumer, and health organizations, including the City of Toronto, and the Ontario Public Health Association, have endorsed the boycott of insecticide contaminated grapes from California. More action and leadership along this line is needed if we are ever to eliminate this scourge of contamination from our food products.

* * *

NATIONAL CAPITAL COMMISSION

DISMANTLING OF SPEAKER'S CORNER

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, correctly spelling Prime Minister Wilfrid Laurier's first name is one of the smaller challenges confronting students of Canadian history.

The National Capital Commission has finally been forced to recognize that the spelling on the plaque placed at Speaker's Corner on the Sparks Street Mall is wrong.

I expect that you are as shocked as I am, Mr. Speaker, that the NCC's response to this discovery is not to replace the plaque with a corrected version but to dismantle the Speaker's Corner.

The Speaker's Corner was, after all, originally unveiled by the Speaker of the House of Commons and the Mayor of Ottawa, now also a worthy colleague in this debating Chamber the Hon. Member for Hamilton Mountain (Ms. Dewar).

The NCC Director of Communications blamed Murphy's Law for the original spelling mistake. However, the NCC's decision to remove Speaker's Corner this fall surely gives new meaning to the corollary of Murphy's Law—Murphy was an optimist!

* * *

THE ECONOMY

INCREASING INTEREST RATES

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, how many times have we seen the Prime Minister (Mr. Mulroney), and the Minister of Finance (Mr. Wilson), rise in this House and tell Canadians how the Tory Government was responsible for lowering interest rates while the trained Tory seals, surfers, and book-ends were cheering and applauding?

Well, Mr. Speaker, if one can take credit for lowering interest rates, then one has to take credit for increasing interest rates. As you know, Mr. Speaker, I always give credit where credit is due.

The Government cannot only blow its own horn when it feels that things are going its way. Can we expect both the Prime Minister, and the Minister of Finance, to rise in the House today and say to Canadians: "If the interest rates are higher and you need to dig deeper in your pockets, you can say, 'thank you Brian, thank you Michael, we did it for you'"?

ORAL QUESTION PERIOD

[*Translation*]

ECOLOGICAL ACCIDENTS

SAINT-BASILE-LE-GRAND—REQUEST THAT POPULATION AFFECTED BE BETTER INFORMED

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, the fire at a PCB warehouse in Saint-Basile-le-Grand near Montreal is becoming one of the worst environmental tragedies in Canada's recent history. Would the Minister of the Environment or the Minister now acting on his behalf tell us what advice his experts have given him concerning the negative impact of this tragic incident on the health of the residents of Saint-Basile and surrounding areas? What steps has the Government taken to give the residents precise and clear information on their situation? All sorts of rumours are circulating. What is the possible impact of toxic fallout on the health of pregnant women? Are vegetables safe to eat, is milk from cows grazing in contaminated fields safe to drink? Those are the kind of questions people are asking and I am sure the Minister would be willing to share the advice from his experts with this House and, through television, with all Canadians. This would surely help and reassure the people involved.

• (1120)

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, we are obviously very concerned by this human and environmental tragedy, and I can assure my colleague that, despite the fact that provinces are primarily responsible for the storage and handling of PCBs, the Government of Canada is cooperating fully with the Government of Quebec to help everybody who, directly or indirectly, is affected by this disaster.

Concerning the precise information which my colleague is asking for, tests have been going on since the tragedy occurred and the results should be made public next Monday. In the meantime, I am told that my colleague, the Quebec Minister of the Environment has set up two information centres on the site so that all questions from residents who are understandably worried by all this might be answered immediately. And I repeat that the Government of Canada will do all it can to assist the Government of Quebec and the residents affected by this tragedy.

REQUEST THAT GOVERNMENT ESTABLISH WORK COMMITTEES

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I thought that the Minister would take this opportunity to convey to the people the advice he has received from his experts. However, perhaps he will be able to do it at some other time because I think it is important. Among the questions asked, in addition to the health impact, there is the whole matter of financial security.

I would like to ask the Minister whether the Government has established working groups at the level . . .

An Hon. Member: Question!

Mr. Garneau: Mr. Speaker, what is wrong with the Hon. Member? Is he going nuts, or what? I would like to ask the Minister whether the Government has established working groups either at the Canadian Mortgage and Housing Corporation or at the Department of Agriculture in order to prepare specific plans to come to the assistance of affected people? Already, people contend their property will lose value. Farmers have seen their crops seized and taken off the markets, with good reason no doubt. At this point, mention has been made of significant financial losses.

I would like to ask the Minister this: Are working groups already on stream, particularly at the Department of Agriculture and also at the Canadian Mortgage and Housing Corporation, in order to assist the people with specific programs, concrete measures?

I recall other situations much less serious wich arose in the past. Problems had then been solved with the help of working groups established right from the start to dispense adequate information to the people.

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, first of all, regarding the issue of making public the advice from experts, as I indicated earlier, tests being made are now in the process of completion, therefore I think it would be wise to wait before making it public. As I also said earlier, the results of the tests should normally be announced on Monday or sometime next week.

Mr. Speaker, concerning the assistance to the people affected by this disaster, I believe the Prime Minister of Canada announced yesterday that the Federal Government will provide assistance to the province in accordance with the disaster financial assistance arrangements as was done after the tornado that hit Edmonton, and in other similar circumstances.

On the other hand, Mr. Speaker, the departments concerned are obviously appraising the situation. Indeed, as early as yesterday, the Minister of Transport and the Minister of Environment were sent to the site by the Prime Minister precisely to assess what was going on and to report back to him.

QUERY ON WHAT PREVENTIVE MEASURES GOVERNMENT INTENDS TO TAKE

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I find my viability to get some specific answers from the Government rather disappointing because when thousands of human lives are at stake, it is not the time to make federal-provincial differences an excuse for lack of action.

Perhaps if we wait until next week, the Minister's answers might be more definite.

Now that we finally come to the realization that this environmental crisis may be much more serious than we had contemplated at first, I should like to know . . .

Mr. Deputy Speaker: I suggest all Hon. Members should pay attention to the extremely serious issue raised by the Hon. Member for Laval-des-Rapides.

Mr. Garneau: Now that we realize that this environmental crisis will not be solved overnight, that it is very serious indeed, I should like to ask the Government and the Minister what precautions, what program and what approach the Government intends to develop to avert a repetition elsewhere in Canada of such a tragic incident, either with the PCBs, because now that the cat is out of the bag, we know that there are sites almost everywhere in this country where PCBs and other very toxic materials are stored! What is the Federal Governement planning to do to avert the reoccurrence of such a dramatic situation?

Hon. Pierre H. Cadieux (Minister of Labour): First of all, Mr. Speaker, I agree with you that these are very serious issues which sould transcend partisanship.

Mr. Speaker, my Hon. friend has just said that this problem will not go away overnight. Just the same, it took the Liberal Party two days to suddendly become aware of it.

In view of the previous Liberal Government's record on this issue Mr. Speaker, I do not think the matter of Federal-Provincial differences should come up because I suggest even Mr. Lincoln, the Quebec Minister of the Environment and my own provincial representative at the National Assembly, has clearly indicated that the two levels of government are working hand in hand and doing everything possible do deal with this very serious situation.

Concerning the Federal Government's approach to this problem, I should like to call my hon. friend's attention to a press release issued on April 20, 1988, by the Public Relation Information Service where it is stated:

> "NRC scientists have developed a process to render highly concentrated PCBs harmless for elimination."

Mr. Speaker, negotiations are now in progress with a view to marketing this process in order to deal with the situation.

* * *

[*English*]

DANGEROUS SUBSTANCES

DESTRUCTION OF PCBS—PROPOSED NATIONAL NETWORK OF FACILITIES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in the absence of the Minister of the Environment my question is for the Deputy Prime Minister. In view of the fact that three years ago when the federal Environmental Minister met with provincial Environmental Ministers and agreed—here I am reading from the final statement of May 31, 1985:

> "That a co-ordinated national system of destruction facilities must be quickly put in place".

—will the Deputy Prime Minister admit that the federal Government has failed to deliver on this commitment?

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, perhaps I could answer the question. Following the statements made by my colleague, the problem at that time was that no technology was available to proceed with the destruction. It was deemed advisable throughout the country to store these harmful substances in a safe and supervised location until such time as technology became available to destroy and dispose of them. My colleague has already informed the House that the National Research Council continued its research in that area and he announced in April that technology has now been developed and is available. We are negotiating presently with 30 firms throughout the country to develop a commercial licence for them to go on site and destroy the substances wherever they are stored.

PROPOSED MOBILE TREATMENT FACILITIES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, at the same meeting three years ago it was decided that, and I quote again from the same statement by the Environment Ministers:

> "The federal Government will take the lead in arranging for mobile treatment facilities, and as a matter of urgency, Ministers agreed to develop national codes of practice for storage and destruction of PCBs".

Will the Deputy Prime Minister admit that his Government has failed to deliver on this commitment as well?

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, my hon. friend insists on reading from his prepared text.

An Hon. Member: It is your text.

Mr. Oberle: I just told him that the federal Government did assume its responsibility, did take the lead, did develop the technology, and did arrange a federal-provincial code in terms of the storage of these substances until the technology was ready to destroy and dispose of them. That technology is now ready, including the private sector in developing commercial licences, to have it done. Whatever the Hon. Member asks us to do, he is as usual two years behind the times.

• (1130)

INVENTORY OF STORAGE SITES—REQUEST FOR PUBLICATION

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, my question is for the Deputy Prime Minister or whichever other Minister chooses to speak on behalf of the Minister of the Environment. It deals with this environmental time bomb which exists. Across Canada there are some thousands of sites where PCBs are being stored. There are close to 800 sites in Quebec. There are about 500 in Ontario and there are 32 here in the city of Ottawa alone.

So that people know the kind of danger they are facing, is the Government prepared to take the initiative now to publish an inventory of PCB storage sites across Canada along with an evaluation of whether or not the PCBs stored there are stored in a safe manner which does not risk the health of people in the adjacent areas?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, notwithstanding the fact that the prime responsibility with respect to storing and dealing with PCBs is provincial, the Government of Canada, particularly the Department of the Environment, does have an inventory of all storage facilities, and particularly commercial storage facilities of PCBs. I am informed that that information will be made available some time next week.

SAFETY OF STORAGE CONDITIONS

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I would like to ask the Minister a couple of follow-up questions to that specific question. In the first place, can we have an evaluation by the Minister of the Environment about the safety of the storage?

It has been discovered in Quebec that in Shawinigan South there is another facility owned or controlled by the person who controlled the facility in Saint-Basile-le-Grand. That facility is surrounded by a flimsy, rusting metal fence. The grounds are littered with wooden loading palettes. It has not been licensed for three years. Will people have information about that as well so that early action can be taken to prevent these environmental time bombs from exploding and creating another situation, perhaps in a community of 200,000, not 3,000?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, again the prime responsibility with respect to the storage and destruction of PCBs is provincial. If my hon. colleague has specific information with respect to the fact that some establishments are not operating under licence, it would be appropriate for him to make it available to the appropriate department in the province in question and to give it to us as well. I am sure my colleague, the Minister of the Environment, will do everything necessary to inform his colleague so that this situation can be corrected.

[*Translation*]

REQUEST FOR FINANCIAL ASSISTANCE

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, the Minister suggests that the Opposition Members should do the government's job in trying to find out if the storage sites are secure or not. Mr. Speaker, that is the Government's job. More precisely, as far as the Saint-Basile-le-Grand residents are concerned, what kind of compensation does the Government contemplate in view of the fact that we are not dealing with the destruction of houses or farms by a storm, as in Edmonton, but with consequences that may last up to 25 years if one looks among other things at cancer, at the destruction of farm lands, etc. Will the Government play a role in compensating the people of Saint-Basile-le-Grand who are already affected and who are likely to suffer consequences that could last 25 years because of this disaster, of this environmental bomb which has exploded in their community?

Some Hon. Member: Irresponsible!

Hon. Pierre H. Cadieux (Minister of Labour): Once again, Mr. Speaker, partisanship prevails over common sense notwithstanding the seriousness of certain situations.

Mr. Speaker, if I understood the reasoning of my Hon. colleague correctly, he is saying that because he is an Opposition Member, even though he has some information that might help to preserve the health of Canadians, he will withhold it because in his opinion, it is the Government's job to deal with the situation.

Mr. Cassidy: It is in the papers.

Mr. Cadieux: If my Hon. colleague has some information he should give it to us and we will take the necessary steps to solve the problem. However, as I have said before, the prime responsibility for the storage of PCBs lies with the provinces. Of course, the Government of Canada will take every possible step within its jurisdiction, to ensure that the health and security of Canadians are protected. In terms of the present situation, Mr. Speaker, I repeat that the Prime Minister has already indicated that the Canadian Government will share the cost of helping the victims, and will do as much as the provincial authorities. We have been there since the beginning and we will continue to take an interest in the situation. We can assure the people of Saint-Basile that they are in good hands and that they will be compensated as provided under the law.

QUERY ON WHAT PREVENTIVE MEASURES GOVERNMENT INTENDS TO TAKE

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, my question also deals with that tragic PCB situation. Last night, all Canadians could learn on TV that the owner of the PCB warehouse in Saint-Basile-le-Grand also has a warehouse in Shawinigan South, and the latter is in the same situation as that in Saint-Basile-le-Grand. Also, Mr. Speaker, which is most serious, that warehouse is unlicensed since May 13, 1985, and more serious still the owner is nowhere to be found.

In view of the fact that the owner cannot be found and holds no license since May 13, 1985, what will the Government do to prevent the same kind of tragedy that happened in Saint-Basile-le-Grand from repeating itself in Shawinigan South or elsewhere in the country, with similar results?

Hon. Pierre H. Cadieux (Minister of Labour): The only encouraging sign on that matter that I can see today from the Liberal Party, Mr. Speaker, is that finally they realized there is a tragedy there.

Mr. Speaker, may I repeat once more that the responsibility for PBC storage and destruction lies primarily with the provincial government. I am convinced that my colleague, the Quebec Minister of Environment, Mr. Clifford Lincoln, is indeed reviewing the facts referred to by my hon. friend, after having heard them on television.

GOVERNMENT RESPONSIBILITY

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, the Minister answers there should be no partisan politics on such a serious matter. I would urge him to stop playing politics himself, in view of the fact that my colleague for Outremont since the beginning of that tragedy has been putting questions everyday and we have been closely monitoring the situation. The Minister is looking for the kind of information anybody could see on television. Perhaps he should do his homework. Now that we know there are thousands of dangerous warehouses across Canada, will they stop suggesting this is a provincial matter, and look after the safety and health of Canadians in order that they may enjoy safety and peace of mind? Is there a national government or not?

Mr. Grisé: Go and tell that to Bourassa!

Hon. Pierre H. Cadieux (Minister of Labour): There certainly is a national government, Mr. Speaker, and it is going to be a Conservative one for a long time if the Hon. Member's reactions are any indication.

Concerning the situation that now prevails, no one is putting the blame or pointing the finger at the jurisdiction involved, but nonetheless this is indeed a provincial matter. However, Mr. Speaker, the whole federal Government machine has been made available to the Quebec Government to deal with that serious, tragic situation, and to help the people involved.

[*English*]

CONDITION OF FARMLAND SURROUNDING WAREHOUSE FIRE

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, my question is directed to the same Minister. Since he does not want to answer political questions, I wonder if he would be prepared to give the House answers to informational questions. In conversations yesterday with the colleague of the Minister of Agriculture, it was learned that Ministry officials had been sent to Saint-Basile-le-Grand to assist in analysing the situation. Is the Minister prepared to tell us what they have found?

Will the farmland surrounding the warehouse fire be reusable? When will the produce from the farmland in the area be permitted to be used by consumers, if at all? Will all of the crop be lost? Will future crops be endangered? How long does the Minister anticipate the cleanup will take?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, it is obvious that this is not a political situation, so that may explain the fact that my hon. colleague says that we are not answering political concerns. Nevertheless, with respect to the specific and very serious question of my hon. colleague, samples have been taken. They are being analysed, and I presume that the test results will be made public sometime next week.

EFFECT ON LIVESTOCK

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, we know from reading the press that the residents of the little village have been evacuated and, according to one report, they are being permitted back for an hour today to feed pets, pick up clothing and the like. What is happening to the farm people in the area? What is happening to their livestock? Have all been evacuated? What is the situation with regard to the use of products that are now on the farms?

• (1140)

Will the farmers in the area have to await an announcement sometime next week or does the Government, along with the province, have a recommendation for them?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, tests are being made and concluded. I think what is important here is to establish the facts and the situation as it is. It would be abnormal, not to say unreasonable, to divulge partial test results or give partial answers when we have not concluded the studies.

I can reassure this House and all Canadians that everything is being done as quickly as possible in order to get all possible and relevant information not only to reassure Canadians in general but obviously to deal with this very tragic situation.

* * *

[*Translation*]

TECHNOLOGY

AVAILABILITY OF MEANS TO DESTROY PCBS—MINISTER'S POSITION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Minister of State for Science and Technology. This morning, he issued the surprising statement that the National Research Council already had the technology needed to destroy PCBs and was only waiting for trade agreements with about 30 companies across the country. I would like to ask the Minister this: Does he not he find it strange that the technology to prevent this crisis already exists and that commercialization is what has kept it from being made available to people who need it?

[*English*]

Hon. Frank Oberle (Minister of State (Science and Technology)): What I said, Mr. Speaker, is that the technology has been developed and is now available. If the Hon. Member wishes I will send her, by messenger in the House so she does not miss it, a press release issued by the NRC a couple of months ago saying the technology has been developed and is available now at the NRC.

Despite the assertion yesterday that the NRC has stepped away from working on this critical issue, the technology is now available and we are building the machinery, mechanisms, and infrastructure to address the problem throughout the country. We are talking about literally thousands of sites, and all of this will happen in due course. Of course it is unfortunate that the technology was not developed three or four years ago, but as you know, three or four years ago or four or five years ago, we had another Government that did not take these things as seriously as we do.

[*Translation*]

Ms. Copps: Mr. Speaker, a press release issued a couple of months ago brings no comfort to today's disaster victims.

REQUEST THAT TECHNOLOGY BE MADE AVAILABLE

Ms. Sheila Copps (Hamilton East): I am telling the Minister that it is the commercialization of the National Research Council by his Government, which favours profit over people's health, that causes problems. I would like to ask him if he will put in a request at the federal level to make that technology available to all sites and provinces where the potential exists for such disasters as the one which has just occurred in Quebec.

[*English*]

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, this technology developed by the NRC will of course be available throughout the country to anyone who wishes to use it. Shouting louder and engaging in more histrionics will not solve the problems, nor will it be any comfort to the people so tragically affected by this unfortunate accident.

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NATURAL RESOURCES

PROTECTION OF WATER RESOURCES—CANADA-UNITED STATES FREE TRADE AGREEMENT

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is directed to the Deputy Prime Minister. Yesterday the Government of Canada, after much prodding by Members on this side of the House, came a little bit closer to protecting Canada's water resources from being exported south of the border. Will the Deputy Prime Minister indicate to this House whether or not the Government is now prepared to take the final and most necessary step and in some way amend the trade agreement with the U.S. in order to ensure that water is not considered a commodity under that agreement?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, it has been indicated on many occasions here in the House by my colleague, the Minister for International Trade, and his very able Parliamentary Secretary, that water exports were not in the free trade agreement with the U.S. That, notwithstanding, because of scare tactics of the Opposition an amendment to Bill C-130 was introduced in order to make that very clear. Obviously everything has been dealt with with respect to the trade agreement, and the legislation to which my hon. colleague refers makes that even more clear.

REQUEST THAT AGREEMENT BE AMENDED

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the Acting Minister of the Environment should know that our deputy chief negotiator, Mr. Ritchie, said in committee that the U.S. Government, because water was declared a commodity in the agreement, could take the issue to the dispute settlement panel if it felt we were not treating the U.S. fairly on its request for us to export water.

Will the Minister go back to Cabinet and say to them that the people of Canada do not believe that Bill C-156 is everything we need? We need one more thing and that is to amend the trade deal.

Will he do that?

Hon. Pierre H. Cadieux (Minister of Labour): There is a little distinction, Mr. Speaker, between what the people of Canada believe and what the Hon. Member believes. With respect to what has been said by various authorities, I would just remind my hon. colleague that Mr. Yeutter, the U.S. trade representative, indicated water was not covered by the free trade agreement.

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ADMINISTRATION OF JUSTICE

REQUEST THAT CHARLES NG BE EXTRADITED TO UNITED STATES

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, my question is directed to the Minister of Justice. I recently saw articles in the newspaper saying that alleged murderers hope to obtain refugee status in Canada and thus avoid the law of their own country. Charles Ng came to Canada in 1985, to escape the authorities in California and has not yet been extradited despite a formal request from the U.S.

Why can Mr. Ng not be extradited immediately? We do not want Canada to become a haven for murderers.

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, I thank the Hon. Member for his question. We have to keep in mind the distinction between immigration law dealing with deportation, and refugee status and the extradition process which operates according to treaties between countries.

With respect to Mr. Ng, officials in my Department have been working closely with American officials on this very sensitive issue. A formal request was received on, I believe, November 3, 1987. An arrest warrant was initiated by officials of my Department on behalf of the Americans on November 17. Before the matter came up for a hearing the fugitive made an application for adjournment of the case to the fall of 1988 on the basis that he had not had sufficient time to prepare material for the case. We vigorously opposed this but the court ordered the matter set forward to the fall.

I can assure the Hon. Member that the position of counsel acting on behalf of the Americans continues to be that the case should proceed at the earliest possible date. Once the matter is before the courts I cannot comment on it, but as soon as it is received by me in my capacity as Minister of Justice I can assure the Hon. Member it will be given the appropriate attention.

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PENITENTIARIES

NEWFOUNDLAND—SELECTION OF NEW PRISON SITE

Mr. George Baker (Gander—Twillingate): Mr. Speaker, my question is also directed to the Minister of Justice. Yesterday in this House the Solicitor General said: "The site selection committee determined that Buchans did not contain the necessary infrastructure, which includes access to court facilities, hospitals, doctors and emergency services such as police, fire and national defence. The Buchans area does not contain that infrastructure, that is why Buchans was not selected".

Is the Cabinet not aware that court cases are heard in Buchans? Is it not aware that they have a hospital in Buchans with two doctors on duty all the time, 37 people on staff, and a brand new 1988 ambulance at the front door? They even have a public health nurse and clinic along with the hospital.

He says there are no police. The RCMP have a detachment there from his own Department, complete with a jail. There is a fire department with 32 firemen. As to national defence, the only base is in Gander, which is ten times closer to Buchans than it is to St. John's or Harbour Grace.

Will Cabinet cancel the Harbour Grace decision and reconsider Buchans?

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada: Mr. Speaker, all Hon. Members of this House welcome the announcement of a new penitentiary in the Province of Newfoundland, I am sure. The problem is that the Hon. Member would like to have it in Buchans, given his new-found love for that area.

I just want to tell him again that the Commissioner of Correctional Services Canada established a site selection committee from among his officials and various sites were considered, including Buchans. The Commissioner recommended Harbour Grace and the Solicitor General and the Government accept that recommendation.

• (1150)

BUCHANS FACILITIES

Mr. George Baker (Gander—Twillingate): Mr. Speaker, last week a swimmer from Buchans won four medals in the Summer Games because they have a swimming pool in Buchans. They have the best hockey players because they have an indoor arena there. They even have a curling club. All those facilities are contained in Buchans, Newfoundland, not Port Cartier or in Harbour Grace, or in Bell Island where the NDP want to put the penitentiary. They are in Buchans, Newfoundland, not New-found-land as the Hon. Member says.

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, as a central Canadian I apologize to the Hon. Member for my mispronunciation. As I said before, we would all love to have the penitentiary in our ridings but a federal penitentiary requires a community infrastructure for support. This includes access to court facilities, hospitals, medical and psychological doctors, emergency services such as police, fire and national defence. That required infrastructure exists in the St. John's region and exists in Port Cartier.

Ms. Copps: What about Buchans?

Mr. Cardiff: Buchans is a wonderful community. I am sure they are proud of their skating rink, their curling rink and all those other facilities. I would be proud of them if they were in my village as well. My village is the size of Buchans, with a population of 1,000. We are all proud of our communities like that.

Let us also note that the site for the correction centre is served by a population of about 12,700 people.

I want to make one further comment. The previous government announced a site in Windsor, not Buchans, in August, 1984.

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RAILWAYS

REVIEW OF WESTERN GRAIN TRANSPORTATION ACT

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, my question is directed to the Minister of State for Transportation, whom I am pleased to see in the House today in the fullness of his powers as Minister of State.

In his response to my questions about the effect of the railway subsidies paid under the Western Grain Transportation Act, the Minister said that my concerns are also the Government's concerns.

The subsidies appear to be encouraging diversion of grain from Thunder Bay and the St. Lawrence Seaway, with the railways as the chief beneficiaries. The taxpayers are being ripped off while economic activity is being seriously distorted.

Will the Minister of State assure my constituents in Thunder Bay, particularly unemployed grain handlers and others involved in the trade, that the review of the Western Grain Transportation Act by the National Transportation Agency which he referred to yesterday, as I was pleased to hear, will be open to people directly involved in the trade? Will he ensure that the agency will hold open hearings, and will have hearings in Thunder Bay and other key points in the grain transportation system?

Hon. Gerry St. Germain (Minister of State (Transport)): Mr. Speaker, as I pointed out to the Hon. Member yesterday, certainly we are concerned about the plight of the port in Thunder Bay. I have received representations from the port officials and the shipping industry in that particular area. There is no question that we are truly concerned, and I will take his representations seriously in regard to the National Transportation Agency. As he knows, it operates at arm's length from my Ministry. However, his representation will be taken seriously. I am sure the officials of the National Transportation Agency are hearing this message right now.

REQUEST FOR COMPREHENSIVE REVIEW

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, the Minister, who appreciates that we are concerned about the way in which the railway subsidies may distort economic activity in this country, may not know that a permit was issued on July 29 to a foreign owned bulk carrier to carry 15,000 metric tonnes of grain from Vancouver to Montreal. With that kind of evidence of odd patterns of behaviour in transport, will the Minister assure all of us that the review by the National Transportation Agency on the way in which the Grain Transportation Act is being operated will touch on every aspect of the movement of grain, and ensure that that transportation system works fairly to the interest of Canadians in every part of the country?

Hon. Gerry St. Germain (Minister of State (Transport)): Mr. Speaker, inasmuch as I will do what I can in my role as Minister to ensure that the best interests of Thunder Bay are looked after, like all other ports in Canada, I will carry forward his request. However, we cannot confuse the situation which has arisen and causes concern with the drought situation that has impacted on grain shipments right across the country. I think we have to be fair not to confuse the two. The plight of the port is one matter, the drought conditions that have brought about problems in the shipping industry and grain movement industry are another. Let us not confuse the two. We will certainly look after it. We are concerned about it and are dealing with it.

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REGISTERED RETIREMENT SAVINGS PLANS

DELAY IN ANNOUNCING NEW TAX RULES

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is directed to the Acting Minister of Finance. On August 19, the Government announced that the new tax rules concerning retirement savings will be delayed for another year, primarily because tax lawyers and accountants have said that this is the most complicated tax legislation ever seen in Canada. Will the Minister explain to the House why the Government did not accept the advice of the Institute of Chartered Accountants three years ago on simplifying the reporting requirements?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, the answer to the Hon. Member's question is long and complicated. Basically, it is because of the effectiveness of consultations that the Departments and the Ministers had with various groups interested in tax assisted retirement savings, pension plans and the like. The Government is trying very hard to make sure there is equality and fairness in the different ways of saving for retirement and in the different ways of having tax assistance for that retirement. In order to do that, we want to make sure that money purchase plans, defined benefit plans, RRSP's and so on are treated somewhat equally and fairly. The Minister has found in his consultations that he can improve his program by giving himself a little more time.

REVENUE ACCRUING TO GOVERNMENT

Miss Aideen Nicholson (Trinity): Mr. Speaker, the delay obviously means a revenue gain for the Government because people are not able to increase their RRSP contributions until 1990. Does the Minister have a figure for the amount the Government proposes to capture by this delay?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I do not have a figure, but I will try to get one for the Hon. Member. As a matter of fact I am not entirely sure that there is a revenue savings from this. My understanding of the system is that it is pretty well a neutral effect, but I will try to get her that answer.

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PENITENTIARIES

NEWFOUNDLAND PRISON—REQUEST FOR PUBLICATION OF SITE SELECTION COMMITTEE REPORT

Hon. Bob Kaplan (York Centre): Mr. Speaker, yesterday in Question Period the Solicitor General, talking about the new penitentiary which is to be located in Harbour Grace, indicated that a site selection committee had been set up for an investigation of a number of sites, under the direction of the Commissioner of Corrections. I asked that a copy of that report be made public because it was news to the House that there had been such an investigation.

My question is directed to the Deputy Government House Leader who said he would look into it. Will it be made public? Furthermore, in connection with the decision to put a penitentiary in the Prime Minister's constituency at Port Cartier, was a similar process followed? Did the Commissioner of Corrections investigate a number of sites in the Province of Quebec to select the best one, as the Solicitor General claims was done in the case of Newfoundland?

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, the difficulty with the question is that part of it is procedural and part of it is directed toward the Solicitor General. As I indicated yesterday, there is no requirement in the rules that reports be tabled in the House when they are referred to by a Minister in an answer. We undertook yesterday to discuss this with the Solicitor General. That undertaking is still good. I will take the matter up with him.

SELECTION OF PORT CARTIER SITE IN QUEBEC

Hon. Bob Kaplan (York Centre): Mr. Speaker, for my supplementary question I will ask the part that the Minister of State characterized as political. In the case of Quebec, where the decision was made to put the penitentiary in the Prime Minister's riding, was a similar process followed? Was the Commissioner of Corrections asked to establish a committee to review a variety of sites across the Province of Quebec before selecting Port Cartier? If there was such a study, will it be made public?

• (1200)

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, in the process of asking the Solicitor General the first question, I am certainly prepared to ask him the second question.

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HEALTH

ENVIRONMENTAL HYPERSENSITIVITY AILMENT

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I have one question to direct to whomever is speaking for health and welfare today. I did give notice to the Minister's office so I hope for a positive response. My question concerns environmental hypersensitivity, which is a multi-system disorder usually affecting the nervous systems of persons who are sensitive to some foods and chemicals and environmental agents.

On August 3 the Human Rights Commission wrote to the Minister expressing the hope he would express publicly his sympathy for the plight of persons such as Chris Brown who suffer from this very serious ailment. What action has the Minister taken? And will the Department of National Health and Welfare undertake a public awareness campaign, as well as research, to assist in avoiding and treating this serious and little known ailment?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, first I want to thank the Hon. Member for giving notice of her question. I am informed that my colleague, the Minister of National Health and Welfare, is monitoring the situation and will report back to the Hon. Member upon his return.

Mr. Deputy Speaker: We will have one question from the Member for Windsor West and then the Member for Winnipeg North Centre will close Question Period.

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DANGEROUS SUBSTANCES

REQUEST FOR INSPECTION OF ALL PCB STORAGE SITES

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is directed to the Acting Minister of the Environment. Yesterday another Minister acting on behalf of the Minister of the Environment talked about how the Department of the Environment maintains a register of dumping sites for PCBs in Canada. Has the Government put in place a national program to inspect immediately all sites for the storage of PCBs of which it is aware to ensure they are safe and that there is no risk of a disaster equivalent to that which took place a few days ago at Saint-Basile-le-Grand taking place at these other sites with great risk to the health and safety of large numbers of Canadians? Can he tell us if such a plan is under way right now? If not, why is such a plan not being carried out?

Hon. Pierre H. Cadieux (Minister of Labour): First, Mr. Speaker, unfortunately I have to repeat myself on this question. The prime responsibility with respect to storage and handling of PCBs is a provincial responsibility. With respect to the information as to where those sites are situated, yes, the federal Government has as registry of such sites. I am informed that with respect to Saint-Basile-le-Grand the federal Government is putting everything into place to co-operate with the provincial Government in question right now, not only to deal with this particular situation, but I am sure to ensure that future situations like this do not occur again.

STORAGE OF PCBS IN UNSECURED SITES

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, my question is on the same subject. The Minister has been saying that PCBs are primarily a provincial responsibility. We have in Winnipeg an unsecured boxcar with PCBs in it and the provincial Government says it is a federal responsibility. There are also PCBs at the Ottawa International Airport.

I would like to know from the Minister how many unsecured PCB sites there are across this country that fall directly under federal responsibility, which are just sitting there waiting to explode? And why does the Government just have guidelines instead of regulations that are enforceable?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, with respect to the information which has just been given to the House by my hon. colleague— for instance, he said there are PCBs at the Ottawa Airport—I also noted yesterday that the Leader of the Hon. Member's Party said there were PCBs at Dorval Airport, and PCBs are not there.

Mr. Deputy Speaker: The last question. The Hon. Member for Winnipeg North Centre.

[*Translation*]

REQUEST THAT GOVERNMENT ACCEPT RESPONSIBILITY

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, the Minister did not answer my question and did not tell us how many PBC storage sites there are in the country.

Mr. Speaker, the technology to eliminate PCBs exists. The Government said it was waiting for the private sector to move. Why does the Government not take its responsibilities and do something by showing leadership in putting this technology to work to protect the public against such disasters?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, with regard to the site list, as I said a little earlier, it exists, and I am informed that it will be made public next week.

Mr. Speaker, with regard to the technology, its development has been an initiative of the federal Government, through the National Research Council. The leadership is already there, Mr. Speaker.

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to eight petitions numbered as follows: 332-5222, 332-5229 and 332-5232 to 332-5237 inclusive.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

PETITIONS

ALLEGED WAR CRIMINALS

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, it is my privilege to present to the House today a petition on behalf of Canadian citizens who oppose the Memorandum of Agreement signed between Canada and the U.S.S.R. dealing with gathering evidence on alleged war criminals, on the basis that the agreement pertains only to Nazi war criminals and not all war criminals, contrary to what the Government promised in its response to the report of the Deschênes Commission of inquiry.

S. O. 29

The petitioners call upon the Government to renegotiate the agreement to reflect the prosecution of all war criminals.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Agreed?

Some Hon. Members: Agreed.

* * *

[*English*]

MOTION TO ADJOURN UNDER S. O. 29

QUEBEC PCB FIRE

Mr. Deputy Speaker: The Chair received notice this morning of a request pursuant to Standing Order 29(1) from the Hon. Member for Ottawa Centre.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I filed with you this morning a request, pursuant to the provisions of Standing Order 29, that after Routine Proceedings the House be adjourned for the purpose of discussing the current PCB emergency in Quebec. You know the situation, Mr. Speaker.

[*Translation*]

. . . you followed the situation in the press and on television, showing that thousands of people have been evacuated in the Saint-Basile-le-Grand area; there is contamination not only with PCBs but also with dioxins and furans, which are a result of the fire at the depot, in that area. It is indeed an environmental bomb that has just exploded there. Also, Mr. Speaker, there are thousands of similar depots in the rest of Canada which may also become environmental bombs if immediate action is not taken.

That is why we believe that the House should urgently debate such questions as whether the Government is prepared to give assistance, and what kind of assistance. Because this may have consequences, not just in the short term. It may mean rebuilding a house. The damage is not visible, but it may last until . . . perhaps farmland will never again be usable. What is the true situation, the risks for Canadians elsewhere? Could we have an inventory with an assessment of the dangers for people in the rest of Canada? Is the federal Government aware of violations of federal regulations or directives regarding PCB storage?

We are informed that there is now a technology developed by the National Research Council, but we wonder whether this technology will be usable very soon.

[*English*]

I am concerned about the fact that the commercialization of this technology could take years when we have thousands of disposal sites which are a present risk and that the federal Government should be prepared to move now.

• (1210)

For these reasons I believe that we should debate this matter as a matter of urgency now.

Mr. Deputy Speaker: The Hon. Member for Ottawa Centre (Mr. Cassidy) gave me written notice of his request for an emergency debate under the provisions of Standing Order 29 earlier this morning.

I have given his request long and careful consideration, for I am well aware of the seriousness of the PCB accident at Saint-Basile-le-Grand. I was there myself yesterday and personally know many of the people affected.

However, after a detailed study of the relevant Standing Orders and precedents I regret to advise the Hon. Member for Ottawa Centre that his request does not meet the requirements of the Standing Orders and cannot be allowed at this time.

GOVERNMENT ORDERS

[*Translation*]

INCOME TAX ACT AND RELATED ACTS

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-139, an Act to amend the Income Tax Act, The Canada Pension Plan, the Unemployement Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977, and certain related Acts, be read the third time and passed.

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, when you saw it was eleven o'clock and time for Question Period, I had finished part of my speech, pointing out that increases in indirect taxes and income tax by the Conservative Government during the past four years had resulted in additional revenues of $11 billion for 1988-89 alone. I also said that, allowing for certain adjustments made as a result of tax reform, the net increase in taxes resulted in additional revenues for the Government of almost $9 billion for 1988-89. In fact, without these massive tax increases, the Conservative Government's deficit would be between 36 and 37 billion dollars, and this after six years of economic recovery!

Mr. Speaker, the facts I just mentioned, which are supported by the Budgets brought down by the Minister of Finance (Mr. Wilson) in the last four years, are a clear indication that this Government failed to act on the commitments it made to Canadians. Both the present Minister of Finance and the Prime Minister (Mr. Mulroney) promised they would not increase taxes and would reduce the deficit by cutting expenditures. That is not what they did, and without the massive tax increases, the Conservative Government's deficit would be $4 or $5 billion more than it was during the last full year of the Liberal Government's administration, a Government this Conservative Party has loudly criticized.

Mr. Speaker, in concluding, I would like to comment on two aspects—first of all on the impact that certain tax reform provisions may have on economic growth—and I will then finish my speech on a more general note.

Mr. Speaker, this Government which claims to encourage capital formation—research, development, investment in industrial and commercial sectors that create jobs—has introduced tax reform proposals that are likely to discourage high-risk investment. The Government's goal should have been to encourage and promote investment in the higher-risk sectors of research and development, including specific technologies developed by university researchers and research centres. This is vital to the long-term health of our economy.

Instead of promoting capital formation and investment, the Minister of Finance has implemented measures that will make the task of prospective investors even more difficult and hazardous.

For instance, why will capital gains, from now on, be taxed more heavily than dividend income?

Mr. Speaker, the 1971 tax reform stemmed from the study of the Carter Commission which had produced a white paper paving the way for public consultation leading to the inclusion of a new element in the 1971 reform, the capital gains tax. Capital gains being subject to inflation it was decided to tax one half of these gains at the taxpayer's marginal rate. Well, Mr. Speaker, we all agree that worldwide conditions have evolved in recent years and countries like England and the United States changed their approach. For one thing, the British chose to tax capital gains at 100 per cent, but they came up with an indexation formula under which the tax would apply only to real gains and not to those due to inflation. I think this is a very commendable approach and, in our context, I would agree that capital gains become fully taxable if we were to devise that kind of indexation formula.

As a matter of fact our own finance committee made that suggestion to the Government when they said: If you are not prepared to proceed with full reform and tax all capital gains while implementing an indexation formula to account for inflation, you should settle for only two thirds instead of three quarters, otherwise you would be taxing capital gains at higher marginal rates than those applicable to the dividends people get from their investments.

Why did the Minister completely ignore this unanimous recommendation from the finance committee and similar views expressed by the many observers who gave evidence before the committee? I have no idea. One thing for sure, however, is that henceforth it will be a lot more iffy and less profitable to invest in high-risk ventures than to buy shares in very stable no-risk companies because dividend payments will be taxed at lower rates than riskier deals involving capital gains, particularly when such investments prove to be very worthwhile and very profitable.

Mr. Speaker, this is why I believe the whole question of capital gains taxation has to be reconsidered. For example, as I said earlier we operate under a system where a once-in-a-lifetime $100,000 capital gains tax exemption is allowed. After that, three quarters of any amount in excess of the limit will be taxed at rates higher that those applicable to dividends. This sounds totally irrational to me. I would suggest that the $100,000 exemption is nothing more than a band-aid approach and an election gimmick, not a sound tax policy under which income is taxed on the same basis—be it capital gain or dividend or interest income—which is the objective the Carter Commission was aiming at. Once again, that is why we Liberals, as I have said in the Finance Committee with the concurrence of other Members of that committe, suggest that capital gains be taxed 100 percent, but with an indexation formula which would eliminate gains due to inflation, so that real gains would be taxed at the taxpayers' marginal rate. In that case, we should also change the present dividend taxation formula to ensure that taxation rates would be the same for interest and dividend income, etc.

Mr. Speaker, I want to conclude my remarks by saying that the Conservative Government did not give us a tax reform that is fair to low and middle income Canadians. I said earlier that the net result of four years of this Conservative Government, tax reform included, is that the middle income taxpayer with two children will have to pay $1,200 more each year in taxes while the person who earning over $100,000 will pay $3,500 less. If that is what the Conservative Government and the Conservative Prime Minister call tax equity and social justice, I do not want to have anything to do with that kind of justice.

Yesterday, we were told that the Government could not afford greater tax fairness. It cannot index the child tax credit, it cannot index the disability tax credit, it cannot make tax credits refundable for low income people, because it does not have enough money. Mr. Speaker, how come the Government does not have enough money to bring more fairness to the tax system while it has plenty of money to make all kinds of pre-election promises such as those we hear about day after day.

• (1220)

[*English*]

I do not understand why the Government does not have money for fiscal equity, but it does have money for all sorts of promises that it is announcing day after day which will cost a lot of money.

I read an article on Tory spending in *The Toronto Star* on August 6, written by Carol Goar, entitled: "Tory spree hits $14 billion". When one reads the article, one realizes that in the month of June the Government announced $5 billion of new spending. If that is added to the other announcements made since that date, the total reached the amount of $14 billion. Why does the Government have money for those things, including nuclear submarines and many other types of new spending? The amazing thing is that all those announcements are for the coming year. They will not affect this fiscal year but will affect the fiscal year after the general election. The Government is announcing new spending. It states that it will not affect the deficit and will not affect the public debt, but it will be spent over the coming five, six, seven years. Somewhere, some day, some how, some taxpayers will have to foot the bill.

That is why I am suggesting that, under the Tory administration, the financial decisions made by the Minister of Finance (Mr. Wilson) are contrary to the speeches he was delivering before the election in 1984. Since the Tory Government has been in power the public debt has increased from $176 billion to more than $300 billion. That is over 40 per cent in four years. The Tory Government has added more debt to the public in four years than the Governments of the last generation.

Without the huge increase in taxes, the deficit under this Government would be around $36 billion or $37 billion. We recognize that the world economy has been very good over the last five or six years. This recovery started before the Tories took over power. If we consider the real numbers, taking into account the good economic conditions in the industrial world for the last five or six years, and taking into account the situation in this country, the deficit would be $36 billion or $37 billion without those huge tax increases.

What would be the situation if we had to face another economic crisis of the type that Canada had in 1980-1981 and the beginning of 1982? That crisis did not only occur in Canada. It was the same in the United States, Europe, and Japan. It was a world-wide crisis. If, in 1989-90 we have to suffer a similar crisis, and the rate of growth of the economy instead of being 2.8 per cent to 3 per cent comes down to 1 per cent, .5 per cent, or even minus 1 per cent, as we faced in the worst part of the crisis, how will we face the situation with the huge deficit that has been built by the Government during the years of prosperity?

It is a question that all taxpayers will have to study very carefully and be in a position to tell the Government, when the time comes, that the Tories have not met their promises, and that the Minister of Finance, instead of managing the deficit with a better managing of the expenditure side, has succeeded in cutting the deficit only by huge tax increases. This is contrary to the promises, and this is why the Government will be defeated when it has the courage to call a general election.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, the Hon. Member for Laval-des-Rapides (Mr. Garneau) spoke about the next election. It is clear that the Minister of Finance (Mr. Wilson) and the Minister of State for Finance (Mr. Hockin) have already gone off to fight the next election, together with some 208 of their colleagues. Frankly, I regret that fact when the Opposition acts responsibly on a matter such as tax reform, and acts as we have had to, to expedite a Bill that we think is unfair, wrong, and unjust. Nonetheless we understand if this Bill is not sent through the House in the next couple of days, taxpayers, businesses, companies, and individuals will be faced with a period of prolonged uncertainty, and quite possibly not know until the beginning of 1989, whether or not the new or the old tax system applies for the tax year 1988. On your behalf, Mr. Speaker, I want to express regret that the Minister of Finance and the Minister of State for Finance feel so insecure about their constituencies that they have chosen to go there at this time.

I want to talk a little about the process under which we considered tax reform in the finance committee, and I want to talk about the whole question of fairness. For the New Democrats that is the fundamental question in this whole question of tax reform. When my time expires, if Hon. Members wish to ask me some questions on that, I would be happy for them to do so.

I wish to speak first about the finance committee. It is at the leading edge of parliamentary reform. It is a strong and able committee, and members co-operate. Despite his right-wing tendencies, the Chair of the committee works, perhaps in an unusual way but in a way we tend to find sufficiently fair that we can co-operate. As a consequence, the finance committee has contributed a great deal to the process of tax reform since June 18, 1987. We have had lengthy sessions and hearings. In fact, we have done a great deal of the work of the Finance Department and of the Government for them.

What has come out of that? What I can see is that a number of areas have seen changes in the tax reform because of the work done by parliamentarians from all Parties to improve tax reform proposals of the Government, or in order to try and eliminate some of the most egregious and objectionable portions of that Bill.

For example, the whole proposal that all farmers be put under a form of accrual accounting, which was absolutely unacceptable to commercial farmers across the country, has been removed. I believe that one of the reasons was the recommendations of the finance committee. Through amendments, we have been able to improve the provisions for automobile expenses for those who are self-employed and individuals who use their automobile for business purposes. There was an element of injustice in that issue on which many people spoke to us.

The Government finally had to back down on its decision to eliminate the flow-through share mechanism as a means of encouraging economic development in areas such as northern Quebec, northern Manitoba, and northern Ontario. That was because of the efforts of communities across the country and also because of the efforts of the finance committee. Dare I say that it was also because of the efforts of the New Democrats who have always indicated that, where a tax measure has obvious benefits in terms of being productive and can also be designed in a way that is not unduly expensive, it should be gone through with and not be rejected out of hand. It was for that reason we were prepared to work with the committees to ensure the maintenance of the flow-through shares, despite the initial opposition of the Government.

Likewise, a new set of incentives has been brought forward in order to help to encourage the Canadian film industry. This is another area where the Government proposed amendments that would have been crippling to the continuation of that industry. We were able to get some movement in terms of the construction industry and small development firms. We were able to get some movement in order to roll back the decision of the Government to basically disallow many research and development expenditures for tax purposes. We were able to get a modest increase in the child exemption tax credits, but only for the third and subsequent child. Those are some areas where the committee was helpful.

• (1230)

It bothers me—and it is a bit like today—that when the finance committee met there was not a minister nor a parliamentary secretary there. All we had from time to time were officials. Many times we did not have them. There was basically an executive assistant, middle level political official from one of the Minister's offices keeping an eye on things and no more than that. There was no one who could negotiate or discuss with the committee and say: "Yes, I understand what you mean" or "I don't know where you guys are at" and make us clarify our concerns. As a consequence, the finance committee, whose work I believe deserved respect, was like dealing with a black hole. We put in our recommendations and hoped something would happen but in the end in many cases nothing did.

Let me give you some examples. The committee recommended that business meals taken if a person were out of town on business for more than a day should not be penalized as is the case with other business expenses. That was not acted upon. We recommended an alternative minimum margin tax on financial institutions that would have brought in $500 million a year in extra revenues and would have enabled financing of a number of constructive recommendations which the finance committee made.

The Government turned around and increased marginally the capital tax, a measure which everybody agrees is antiquated and I do not think exists in any other industrialized country in the world. The committee recommended that the Government should seriously reconsider its proposals on anti-avoidance. They are unworkable and likely will result in years of litigation. We were acting on that on the recommendations of the Canadian Bar Association and the Association of Chartered Accountants with their great expertise.

We were convinced that this Government and the previous government suffered in particular because of a lack of vigorous and aggressive enforcement coming from the Revenue Department. We saw that that needed to be fixed but the Government did not see it that way. Instead, it has embarked into what I believe is unchartered territory.

The New Democratic Party had further suggestions which were also rejected. I recall that during the great debate between the Leaders during the 1984 election campaign the present Prime Minister (Mr. Mulroney) eventually had to accept that there should be a minimum tax on people who were wealthy. How effective was that tax, Mr. Speaker? It was not effective at all. In fact, we have information that after the minimum tax is in place something like 5,000 taxpayers will continue to pay no tax at all. Some 40 or 50 of them with incomes over $250,000 a year are totally tax free and the Government sees nothing wrong with that.

The New Democratic Party proposed that there should be a minimum tax on corporations. We have suggested consistently that this was not a bad idea. After all, such a tax exists in the United States under the tax reform proposed and put through by the Reagan administration. But, did our Government act? No, Mr. Speaker. What are the consequences? Sixty thousand profitable Canadian corporations will not pay taxes every year because the Government is not prepared to impose a minimum tax. That measure alone would have brought an increase in corporation taxes in Canada of $2 billion a year.

The one regret I have with the finance committee is that we did not look at the rates. We did not look at the fundamental unfairness and the injustice of the tax system as proposed by the Conservatives. I want to put on record what the Government's own figures show it has been doing to average Canadians since taking power in 1984.

In the quarterly economic review the Government reports that in 1984 direct taxes received as revenues by the federal Government amounted to $37.5 billion. By 1987, that amount had risen to just under $56 billion, an increase of 44 per cent. At the same time the economy grew by 24 per cent. In other words, personal tax revenues have been growing under this Government twice as fast as the economy.

What about corporate taxes? There the situation is rather different. In 1984, the federal Government had $11 billion of revenues from corporations. That amount had shrunk by 1987 to $10.5 billion, a decrease of $800 million. While the economy was going up 24 per cent, while personal tax revenues were going up by close to 50 per cent, what was happening with the Conservatives' friends in corporations? They were paying less taxes. When we in the New Democratic Party suggested that there should be a minimum tax on corporations, what did the Government say? It said that it would be unworkable, wrong, would stifle initiative, would decrease investment and would put the economy out on its ear. I have not noticed that happening in the United States where the Americans have had a minimum tax on corporations for many years. This Government rejected the minimum margin tax on banks and financial institutions. It rejected a minimum tax on corporations. It rejected fair taxation on corporations. The consequence is that average Canadians are having to make up the difference.

What do I mean? When the Conservatives took power they told us that they were going to clean up the fiscal house of the Government of Canada, that something needed to be done, and that deficits of $28 billion or $29 billion were too high. But, what is the anticipated deficit for 1988-89? It is $28 billion or $29 billion. It has not changed at all. The Government's spending has gone up. Taxation has gone up, up and up, but the Government has turned around and given favours to the corporations. It has given out the huge capital gains exemption to personal taxpayers who are very wealthy, and it has failed to put the fiscal house in order.

If the Government were to be consistent with its principles put forward in 1984, a fair tax system was needed that took from companies, that took from wealthy people, and then if the Government felt there was a priority, that took from ordinary people as well in order to ensure that its goal of bringing the deficit under more reasonable control would be achieved.

But the Finance Minister is a hypocrite. Three years ago he had principles. Now he has shown that his principles are for sale if the Conservative Party wants to get back in power. Over the course of the last few months we have seen a contract for new tanks, a contract for nuclear submarines worth $12 or $14 billion, in fact all kinds of new contracts in the military area.

Mr. Turner (Ottawa—Carleton): Mr. Speaker, I rise on a point of order. I hate to interrupt the debate but I just heard the Hon. Member for Ottawa Centre (Mr. Cassidy) call the Minister of Finance (Mr. Wilson) a hypocrite. My understanding of the rules in this House is that to call someone that is totally unacceptable. I respectfully request that he withdraw immediately.

Mr. Cassidy: Mr. Speaker, I noticed you did not rule on that but if the Hon. Member for Ottawa Carleton (Mr. Turner) would prefer, I will say that the Hon. Minister of Finance said one thing when he came to office and he is certainly acting in a different way now. If anyone cares to check the dictionary he or she will find that that description is like the word that I have been asked to withdraw from the record.

I remind Members, as well, that in 1984 the Finance Minister said in this House of Commons:

> "—interest rates must be as low as can reasonably be attained . . . Monetary policy must ease the burden on monetary policy and contribute directly to increased confidence and to lower interest rates".

Now the Government has told the banks that they can raise their interest rates. The prime interest rate has gone up by 1.5 per cent in the course of the last seven or eight months, and the banks have served notice that they will continue to increase rates. The Government, when we challenge it, says that it endorses the policy of the Governor of the Bank of Canada, that of a high interest rate policy and a tight monetary policy.

[*Translation*]

Mr. Speaker, Canadian men and women were expecting fairness from the tax reform. They were expecting a fair tax system, a system where low-income earners would be paying according to their ability to pay, and the high-income earners, the affluent, corporations would also pay according to their ability to pay. Is this what we are achieving with this tax reform? The answer is no. In effect, the Government mainly is granting concessions to the very rich. They give an average $4,165 yearly tax reduction to people with yearly income of $100,000 and over.

But the small taxpayer earning $15,000 a year only gets a $140 yearly tax reduction. The number of taxpayers has been reduced by some 850,000. But that same Government has added one million taxpayers over these last four years!

Mr. Speaker, I would remind you that since 1984, Conservatives raised the cost of oil and gas. They raised the Unemployment Insurance premium. They increased the sales tax in November 1984. They raised the sales tax in 1985. They pushed the sales tax up in June 1985. They increased the tax on the sales tax in February 1987. They changed the tax categories in June 1987. They increased the oil tax by one cent a litre in February, 1988.

They have come up with increases, increases and increases to the point where the average family, people with two children and $35,000 yearly income, experienced a tax increase of $1,300 a year, and this tax reform now gives them back $300. On the average, the average family with a $35,000 yearly income pays $1,000 more taxes in 1988 than in 1984. Such is the tax reform! Who profits from it? The rich, corporations, people with capital gains. This is not introducing fairness into the tax system, the kind of fairness we were expecting.

Mr. Speaker, I have noted on a number of occasions that the Government now gives a child tax credit of only $65 per child, a tax reduction to people with dependent children in the order of $65 per child, as compared to people without children.

Mr. Speaker, at the same time, a tax deduction of up to $7,000 or $8,000 a year is made available to those who have RRSPs. There is a lack of social justice when someone with a child gets a $65 tax credit while someone else with no children can contribute to an RRSP and get a tax break of up to $1,000 or $1,500 because he can deduct his contributions to a maximum of $7,500 a year.

That is the kind of social justice which the Conservative Government stands for. We believe that the tax system should ensure that government revenues are levied not only efficiently, but equitably. Mr. Speaker, the market leads to unequal and unjust situations, and one of the functions of the tax system is to balance things out.

Mr. Speaker, that is the reason why we have been relentlessly asking the Government to put in place a tax system which is fairer than the one we now have.

• (1240)

[*English*]

We believe, for example, that the tax burden on small businesses should be less than that on large businesses. Yet, we notice that the average tax burden borne by small businesses in Canada is just about equal to that borne by Conrad Black and his enterprises and by all other major companies. In fact, major companies continue to benefit after tax reform, from billions and billions and billions of dollars of what are known as tax expenditures. That means that they never have to pay tax, because they do not have to declare that their profits are taxable at all. That should change, and that is a failure of the test of fairness.

We wanted a tax system that would be simple, but tax reform is this huge Bill. It is about that thick. It will take legions of tax lawyers years to master what is in the Bill that we have been dealing with in committee over the course of the last few weeks. That is not fair. We should have a tax return which is no more than six or eight pages long that the average Canadian can fill out. When these people in the gallery make up their tax returns next year, they are going to have to contend with a tax return which is 80 or 100 pages long, and that is not fair.

We had thought that every kind of income should be dealt with on an equitable basis. I see that my time is just about up, but I know that my hon. friend from Vancouver East (Ms. Mitchell) has one or two questions which would allow me to talk about the injustices that would occur among individual families, depending on their levels of income.

I want to conclude by saying that I regret that, when the Conservatives had the chance to bring in real fairness in the tax system, they failed to do so. Yes, they gave us tax credits, but then they turned around and gave the money back to the people who benefited from the tax credits rather than giving it to people on modest and low incomes. They had an option, they had a choice. The Prime Minister (Mr. Mulroney) and the Minister of Finance could have ensured that average Canadians were dealt with fairly in the tax system, instead of being too much imbued with the idea that they should remain faithful to their supporters in business, their supporters among wealthy Canadians. They forgot the need for fairness among average Canadians.

Ms. Mitchell: Mr. Speaker, indeed I have a question. In fact, I wish I had time for a lot of questions to the Hon. Member who has worked so hard in this whole area of finance and tax policy. I would like to congratulate him for the work that he has done, not only in speaking out so strongly with the use of such eloquent words but also in his alternative proposals which are outlined in our New Democratic report on tax reforms.

I would like to ask him, since social policy is indeed my special interest, for his views on the relationship between the tax system and social policy, if the Member heard that question.

Mr. Cassidy: I certainly did.

Ms. Mitchell: Also, how might tax reform be used more effectively to achieve goals of social policy, not that this Government has really defined what those goals are? I would like him to comment on that and, in particular, on the whole question of fairness for families, for older people, and for children. I think we would both agree that these people have not really been a priority in the Government's planning.

Mr. Cassidy: I want to thank the Hon. Member for Vancouver East (Ms. Mitchell) for her question. I want to point out to her, to the Government, and to the Member for Ottawa—Carleton (Mr. Turner) who seems to be the one member of the Government taking some interest in this matter that the tax system as it is proposed is not fair.

I will give some examples. There is a partial deindexing on average Canadians, and that means that year after year the tax rates people will pay on increases in incomes are going to go up. The brackets are partially deindexed, the rates are partially deindexed, the tax credits are deindexed, so that every year the value of the child exemption and the child tax credit will go down by 3 per cent. That means that the Government has proposed to impose a permanent continuing tax increase that will of course be of most harm to average Canadians. We believe that the personal tax system shall be fully indexed to inflation for average families. That is surely an expression of social policy.

The Government believes that average families should pay more taxes every year than previous years. We do not think that wealthy Canadians should get tax breaks while ordinary Canadians pay an awful lot. We have cited the fact that a teller in the Royal Bank who may be raising one or two kids on her own has, in many of the last five years, paid higher tax than the Royal Bank itself. It is the same case for many other institutions.

We have argued that the child exemption tax credit should be substantially increased, that the tax system should take account of the costs for families of raising kids, and that of course is also excluded from the Government's tax measures. It gives more precedence to people investing in RRSPs than it does to people investing in the future of Canada by raising children.

We have said that there should be every effort to ensure that families living below the poverty line should not have to pay tax. The Government is going to tax people up to $5,000 below the poverty line.

The final point is that we had to move heaven and earth to get this Government off the idea that it was going to tax the food which poor families have to buy every week in order to keep body and soul together. That is what it wanted to do, and it was not until the people of this country, led by my Party and by other Members of Parliament, spoke up and said that that will not wash that the Government finally took that away. However, its idea of tax fairness was to tax food as part of its new sales tax proposals.

• (1250)

Ms. Copps: Mr. Speaker, while we are on the subject of tax credits, I wonder if members of the NDP would not agree that included in this legislation should be a move to block the NDP tax scam whereby municipal candidates in places like the City of Toronto, candidates who have no business doing so, are getting federal tax credits funnelled by the federal NDP. Does he not feel that this NDP tax scam should be blocked and that this particular legislation would be a good place to do that?

Mr. Cassidy: Mr. Speaker, I am surprised to hear that from the Hon. Member for Hamilton East (Ms. Copps). I am accustomed to hearing it from the Hon. Member for York East (Mr. Redway).

I did some research and found out that one of the candidates for alderman who ran in the last municipal election in Ottawa put down on his records that most of his campaign funds came from one of the local Conservative riding associations. That is certainly indicative of where the Conservatives are that they would have done that.

This is a measure we should look at, but I think we should also look at the fact that the Conservatives and the Liberals alike have gone on year after year accepting corporate tax donations and trying to maintain that they stand for the little guy, while in fact they are beholden to the large corporate taxpayers. The only difference between the Liberal Party and the Conservative Party is that the Liberal Party has been less effective in getting those donations and that is why it is now $5 million in debt coming into the forthcoming election campaign.

That, too, is a tax scam which I believe should come to an end. I believe that corporations should not be entitled to get that kind of reduction. They should not be giving to maintain the two old Parties in power, and on this front, the Liberals are just like the Conservatives except that they talk like New Democrats when they are in opposition.

Ms. Copps: Mr. Speaker, along the line of the Hon. Member's suggestion for refusing corporate donations, I am sure he would agree that he should refuse union contributions. My brother, for example, is forced by way of union deductions to donate to the NDP. Of course the Hon. Member would agree that that is wrong and would want to see all union dues free to go to the Party of the individual's choice as opposed to the Party of the choice of the management of the union.

Mr. Cassidy: Mr. Speaker, I think we are straying a bit from the third reading of tax reform. I agree, however, that legislation that would stop corporate contributions should also stop contributions from other organizations including trade unions. My leader has indicated that as well.

I want to assure the Hon. Member for Hamilton East, however, that a union like the steelworkers' union which is a responsible union in the Hon. Member's area and which does support the New Democratic Party is conscious of the fact—

Ms. Copps: Unsuccessfully, I might add.

Mr. Cassidy: The Hon. Member for Hamilton Mountain (Ms. Dewar) would indicate that it is very successful. It is very conscious of the fact that some of its members may not wish to contribute and does not make a political contribution on behalf of those members who choose to be excepted. This leaves an area of doubt as well.

I want to return to something else we think is unfair. The Conservatives continue to allow an exemption of $100,000 for capital gains income. They are taxing capital gains at only three-quarters rather than at the full rate beyond that front, and that is wrong. Just as I said, the Liberals and the Conservatives are very much alike. Who was it just yesterday who proposed in this House that the proposed rate of tax on capital gains be reduced? It was members of the Liberal Party trying to benefit their friends who get capital gains by reducing the rate of inclusion of capital gains and by cutting the tax on capital gains to two-thirds of regular rates from the three-quarters proposed by the Conservatives.

Ms. Mitchell: Mr. Speaker, I would like to return to the question of taxes as they affect families. Perhaps the Hon. Member could briefly summarize, for those of us who have studied this some months ago and are perhaps a little fuzzy on it, what the Government has done in removing tax exemptions for spouses and for children. It sounds as if this is a progressive measure, but as I understand it, only about 50 per cent of the value of that family allowance is given back through credits to compensate for this. In effect, it has really taken away much more from families.

I am talking about all families now. It is taking away from a whole generation of Canadian children, regardless of income. This has not been replaced by other measures.

[*Translation*]

The Acting Speaker (Mr. Tremblay (Québec-Est)): I would ask the Hon. Member from Ottawa—Centre (Mr. Cassidy) to be very brief, because his time is almost up.

[*English*]

Mr. Cassidy: Mr. Speaker, the Hon. Member is aware of the fact that when two people have a child, their expenses go up sharply and their income goes down significantly because of the need for child care. Often one of them wishes to spend time with the child as well. Yet the credit for the first and second child is $65 a year under the Government's provision, just equal to the tax that will be payable on the family allowance. The family allowance will be deindexed and then the Government has another refundable child tax credit but only for people earning less than $25,500 per annum. The consequence is that a family with an income of $30,000 or $40,000 a year will bear substantial costs. They are carrying out a societal responsibility as well as something which is their personal privilege and pleasure in raising kids, but the tax system will hardly recognize those extra costs for those people. That, I believe, is bad social policy. Middle income families with children have virtually no distinction in the tax system from middle income families without children in the recognition of the cost they bear in carrying out the vital function in society that is raising children.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I would like to make a brief intervention on tax reform and the environment. I must begin by observing that the Government has been very regressive in its approach to taxation. It has raised federal sales taxes and extended their application into the environment as well.

In his 1985 Budget, the Minister of Finance (Mr. Wilson) removed tax exemption status from insulation materials, heat pumps, solar heater panels, furnaces, wood burning stoves, wind deflectors and generators, and windmills. As a matter of fact, since 1984, the Minister of Finance has consistently ignored the environment while at the same time the Minister of the Environment (Mr. McMillan) continues to spin his rhetoric about the integration of the economy and the environment.

If the Government is serious about the economy and the environment, and if it is serious about its endorsement of environmentally sustainable development, as the Minister said a year ago, then it missed a golden opportunity in Bill C-139, and I will explain this. There is in this reform package nothing for industry, for manufacturers, for farmers, or for developers of natural resources that would encourage, accelerate, or even facilitate initiatives aimed at protecting the environment, saving energy and using it more efficiently, reducing pollution or even allowing Canada to become a leader in the production of pollution control equipment, moving us from the present exploitative economy to a sustainable economy, the sustainable economy that we are all seeking at home and abroad. Therefore it is unfortunate that this Bill does not contain any of the following measures which would represent perhaps a modest beginning on the road toward ecological tax reform.

• (1300)

Let me elaborate for a moment. Take the recycling industry, be it oil, metals, paper, or anything else. Anyone in the business should be given at least the same if not better treatment than the virgin material producers who at the present receive a more favourable tax rate. A case in point is the Canadian Association of Re-refiners who recycle oil. Because of the temporary low world oil price situation it is hard to recycle oil at competitive prices. The role of the re-refiners is extremely important from an environmental as well as the energy perspective. Yet their pleas have fallen on deaf ears and there is nothing to be found in this Bill that recognizes the role of those who are in the recycling industry, including the re-refiners.

Let me draw to your attention another area, that of habitat retention. You would hope to find in a tax reform Bill some creative ideas about co-operation with the provinces so as to reform the present system of land taxation so that land taken out of production is no longer taxed or at least taxed at a lower rate. Senator Sparrow in his 1984 report entitled *Soils at Risk* made a similar point in his recommendations.

A measure such as that recommended, which I echo today, would be good for the ecology in a number of ways. First, it would help to rehabilitate top soil and help retain and where possible even consolidate or expand the amount of land available for wildlife habitat and wetlands preservation. This kind of reform is badly needed in order to move in that direction. Not a day goes by without a request arriving in this House concerning the desirability of preserving a piece of wetlands in areas for wildlife habitat and the like.

I would also like to bring to your attention the importance of accelerated depreciation from an ecological point of view in any tax reform Bill. Here we must stress that the definition of pollution control equipment has been left far too restrictive and in some cases is even counterproductive. For example, if you have improvements made in a plant or changes made in an industrial process, those improvements and changes are not given any sort of tax break. Take a paper mill, for example, where changing a process from chlorine to oxygen bleaching, which means you are then able to reduce the release of dioxins into the environment, does not qualify under our present system for any tax break. All we are asking for is tax considerations equal to those given to add-on equipment.

As to the period over which the depreciation should apply, again if the Government is really serious about environmentally sustainable development, then the tax write-off should be 100 per cent over one year.

Let us look briefly at the federal sales tax. Here again the definition of pollution control equipment is far too restrictive. It must be rewritten. It is badly in need of liberal treatment. In the case of the investment tax credit, another important area which needs to be reformed and urgently so, the concept should apply to investments in pollution control or pollution prevention. We need, in other words, attractive incentives for investment in this critical area.

This brings me to the final point, namely that related to flow-through shares. As you know, the Minister of Finance recognized the value of flow-through shares for the mining industry. Why did he not broaden this incentive through the tax reform Bill to encourage development of a domestic pollution control industry? The long-term idea would be to finance the transition from the present exploitative economy to an ecologically sustainable economy by providing industry with the cash flow it needs to make the transition. It seems to me that ecological tax reform would facilitate the launching of the process towards environmentally sustainable economic growth; a marriage, if you like, of the economy with the environment.

Ecological tax reform, I submit, is now a must if we really want to start on the road as defined a year ago, in April of 1987, by the World Commission on the Environment and Development, better known as the Brundtland Commission, and in the fall of last year by the National Task Force on the Environment and the Economy. It was in its report that the Task Force dealt with informed decision-making, with leadership, with round tables, with conservation strategies, with international responsibilities, with communications and education, and the follow-up. I submit to you it is time to begin to practise the ideas contained in that report.

Reform of the tax system from an ecological point of view is what we urge the Government to do if it is really committed to sustainable development and to ensuring that the environment and the economy are no longer treated as they are now, to our own peril, as separate entities.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I just wanted to make a few further comments and repeat some of the things I said last night with respect to fairness and unfairness in the tax system, and the major need for reforms which will benefit families.

First, I believe very strongly, as does my Party, that you cannot have fiscal or economic policies in isolation from social policies. Ultimately, the beneficiaries of any of these measures must be the people of Canada. People are our resource and tax measures are the means by which we try to equalize income. We should be trying to equalize incomes more fairly and provide a floor of social programs such as the family allowance program and the old age pension which provide security and health for all our citizens. That is what we are so proud of in Canada. I believe Canadians, regardless of their politics, regard this as a very basic and essential rate that must not be tampered with by tax reform or the trade policy that the Government is trying to implement.

• (1310)

Family benefits through the tax system and other social programs like the family allowance are the means by which we recognize not only the important contribution parents make to raising children, but the need and obligation as a society toward children. These benefits are not simply charity to families who happen to have kids. Single people and couples without children who are taxed as single people are not simply giving charity to people who happen to have kids. All of us have an obligation toward the next generation of Canadians. We are all responsible for contributing to the cost of raising the next generation of Canadians. It is the responsibility of all of us to contribute to child care and to other benefits which go to families.

The same is true for senior citizens and the cost of old age pensions. All taxpayers in Canada should recognize that they are only reaping rewards for themselves because it is the children who are being reared now with the kind of care that is needed who will pay for their old age pensions and care when they reach retirement age. The family benefit system is a mutual give and take that we as a society believe in.

We believe tax policy should be a mechanism for pursuing social objectives. While the Conservatives would have liked to remove family allowance altogether, public opinion would not allow them to do so. Instead, the Conservatives partially deindexed the family allowance so that its value decreases every year.

Members will recall that the family allowance was introduced in tough times, primarily to compensate for the cost of rearing children. It was hoped that the family allowance would increase over the years, at least in an indexed fashion, in order to keep up with the cost of rearing children. Those parents who are fortunate enough to have higher incomes would, in turn, pay some of that back through the tax system. The family allowance is a very important concept of which I believe Canadians are proud. It shows that we put children high on our priorities, as we should.

As I said, the Conservatives wanted to do away with family allowance but because of public opinion they were forced to deindex there—

Mr. Oberle: What nonsense!

Ms. Mitchell: —which is a very sneaky way of taking money away from children and mothers in particular, since the cheque goes to mothers. In many cases, that is the only cheque that mothers get in higher income families.

Since various governments, including the Liberal government, allowed the family allowance to be reduced over the years, this necessitated the introduction of the child tax credit, which, during the Liberal regime, was targeted toward low and average income families. It reached marginal families and families above the poverty level.

The child tax credit was first deindexed by the Liberals, thereby reducing its value. Of course, the Conservatives would never consider reindexing the child tax credit.

As a result of reducing the income level for eligibility for the child tax credit, the Conservatives have created two classes of poor in Canada. There are the poor who do not have enough income for their children to be raised to meet their needs adequately, and there are the very poor, on very low incomes, who are the only people now eligible for the child tax credit under the Conservative regime. The income level for those eligible for the child tax credit will go down every year because it is not indexed as it should be.

While the Conservative Government talks about families and children, when it comes to doing something tangible they would rather put billions of dollars into nuclear subs than maintain an indexed child tax credit for poor kids. The Minister of National Health and Welfare (Mr. Epp) and the Minister of Finance (Mr. Wilson) never once responded to the concern we have raised day after day in the House that one in five children in Canada are poor. That is disgusting. It is deplorable and disgraceful.

An Hon. Member: Kids want their parents to have jobs.

Ms. Mitchell: The Conservatives are complacent about jobs. The unemployment rate in Vancouver East is still very high. Many people are unemployed, particularly single mothers and young mothers and fathers who are unable to get into the job market. Those Members should not be so smug and patronizing.

Considering the lip service the Government has paid to lower income families, one would have thought the Government would have fulfilled its commitment. The House will recall how the Government talked about those in greatest need. It has barely maintained the same kind of income level for those people through family benefits. It has not introduced any kind of reforms that are needed in a society where there is a fair taxation of higher income people and corporations in order to pay for social programs that benefit everyone. Of course, the Conservatives have feared to tread on the toes of their friends, the corporations and financial institutions. They will not adequately reform tax policies to tax adequately those institutions so that more money would come into government coffers to provide those things that are the right of families, particularly the young generation.

The Government has not introduced reforms to tax higher incomes adequately. I believe my colleague stated there are at least 40 to 50 families earning over $200,000 who pay no tax at all. What kind of tax reform is that? There is no measure that requires corporations to pay fair taxes.

The Government has retained the $100,000 exemption on capital gains tax which allows quick flips by real estate speculators and millionaire investors. We want to see that exemption retained for farmers and family farms, but there is no need for losing that tax money from capital gains as it is applied to others. The Government has had a very ineffectual minimum tax. There has been no minimum tax on corporations and financial institutions. My colleague also said that this means the loss of $2 billion to the Treasury. We need that $2 billion to improve family allowances and child tax credits and to ensure that families and parents raising children have a fair deal. I include middle-income families as well because they are the ones who carry the burden of our social programs under this Government. Of course, the poorest families are the victims.

• (1320)

What this country really needs, of course, is a new Government, one which will have a clear statement of social policy, which will define the social rights of Canadians, and which will allow Canadians to have incomes above the poverty line. Canadians should have the right to affordable housing no matter where they live. They have the right to education and employment opportunities for young people and a universal health care program which would not be allowed to erode.

We need to be sure to retain the security of older people from hunger, worry and insecurity in their old age. Of course, it is only because grey power was so strong and because they have such voting power that they were able to rebuke this Government and insist that old age pensions be fully reindexed. I think it is shameful that the Government did not do the same thing for children. I know that many of those grandparents very much wanted the same kind of reindexation for the child tax credit.

The financial and tax policies of the Government must be used to fulfil these kinds of objectives. Seniors should not have to fight to retain indexed pensions. This should be a constitutional right. Children should have fully reindexed family benefits. Poor Canadians should not be used as political tokens in the way this Government tends to use them. They should have the right to a decent life with a decent income. I am tired of the kind of patronizing attitudes and comments of this Government and those Members sitting opposite. They say they are going to look after the needy, and the needy are families with two children who are perhaps earning $10,000, or $12,000 a year when the poverty line in Canada is well over $20,000. The Government refuses to respond to those needs.

The Government says, sure, it has taken away a few things with one hand but it has given marvellous tax credits with the other and everyone is much better off. That is not true at all. I would like to give a few examples of the impact of Conservative budgets and tax reform from 1984 to 1988, and we must look at these in a cumulative way. Members present remember back in November of 1984 when there were increases in oil and gas prices, unemployment insurance premiums and sales tax, which totalled $352 extra in taxes on families. In 1985, there was the elimination of the federal tax reduction, a modification to indexing on taxes, a cut in the family allowance payments, increased taxes on cigarette and alcohol, sales taxes were broadened and gas taxes were increased. Members will remember that at that time the Conservatives added $512.50 on average to taxes on families. That was in 1985. In 1984, tax increases totalled $352, and in 1985 they totalled $512.

In June of 1985, the Government increased gasoline tax to pay for reindexing the family allowance, to correct something it should not have done in the first place. That additional gas tax cost families and others $50. On February 26, 1986, the Budget of the Minister of Finance put a 3 per cent surtax on families. There was a sales tax increase on cigarettes and alcohol. There was another $340 added in 1986. The Government could not stop. In 1987 it broadened the sales tax base on cigarettes and airline tickets, and that added another $80. Take note, Mr. Speaker, we are getting close to an election so some of these things are going down a little bit, but the cumulative effect is there because those other taxes are still being paid by families. In 1987, the Government changed tax categories, another subtle way of affecting families. This may have helped some families a bit so we can reduce the amount by $310. But that does not nearly cover the previous taxes.

In 1988, tax on gasoline increased, which added another $500. Take a guess, my friends. What do you think was the cumulative increase on taxes as a result of this rotten Conservative regime? The Conservatives talk about tax reform and that families and children are important. But for an average family with an income of $35,000, which is not a high income, a family with two children, and children cost a lot to raise these days, especially if they are teenagers, the total increase in taxes was $1,074.50. What kind of positive tax measure is that? Why is the Government picking on families?

The tax reform really gave many more benefits, as I understand it, to adults who are paying taxes as single people, childless couples or single people, than it did to parents who are raising children. Those same parents are paying this kind of additional tax, and there is, of course, this hidden sales tax that will be imposed. I certainly hope the citizens of Canada begin to understand that this is another very sneaky and despicable way of giving people some tax benefits prior to an election and then whacking them with a very subtle form of taxation to increase the price of goods after the election. I hope Canadians are aware that this is the kind of trick the Conservative Government is playing and will not vote for that Party in the next election.

In closing, I would like to say that we believe very strongly that we must have a real reform of tax policy so that it is fair to all Canadians. We must be fair to families with children. We must maintain the present floor of social programs, and we should tax back more fairly from those who have all the resources and income and benefits of this rich country of ours in order to give more to the those who do not have the same kind of benefits in a fair way and as a social right.

Mr. Cassidy: Mr. Speaker, I was tempted to comment on the need for an election now, since a number of Hon. Members have rediscovered the House of Commons temporarily, and suggest we all leave here today, go to the front door, catch the green bus, go to our offices, get our material, go to the airport or to our ridings if they are close, and start the election campaign even if the Prime Minister (Mr. Mulroney) is not ready. Given the fact that you, Mr. Speaker, stand so close to the Governor General, I would have thought you could give us the sanction to do that. We do not need the Prime Minister. He is dithering his way away from a fall election.

Mr. Dick: Why do you not call it time now and go home as you suggested? Call it three o'clock.

Mr. Cassidy: We do need a date. If you, Mr. Speaker, would like to meet with me behind the curtain, I could suggest a couple of dates to you. However, I will not make that suggestion. I simply want to ask the Hon. Member for Vancouver East (Ms. Mitchell) to comment on whether or not the $200 credit which is to be given to children under seven years of age in the tax Bill is an adequate substitute for a national program of day care which will meet the needs of Canadian families with young children.

Ms. Mitchell: Mr. Speaker, I am very glad my colleague brought me back to the realities of the child care program that was proposed by this Government. We will be working on this in committee next week while everyone else is going to go home to get ready for the election. I think there is no question at all. As I have said many times in this House, the $200 tax credit for homemakers who are looking after children full time, whether be it a father, a mother or people who use informal baby-sitting arrangements where they do not have tax receipts, is not in any way recognizing either the costs or the contribution of that parenting time. It is an insult, as I have said over and over again. It would have been better to reindex the family allowance and improve the child tax credit. Incidentally, this new child care credit just goes to low-income families. Let us not misunderstand it. It only goes to the poorest of the poor, that category to which the Government seems to limit giving benefits.

• (1330)

The rhetoric that the Minister of National Health and Welfare has used is that it gives families a choice. That is absolute rot. It does not give any kind of choice. A mother or father who is in the workforce who has a young child cannot afford to stay at home if they only have $200. Most of them are working because they have to work.

The Government has not brought in any parental leave policy either which would allow parents to have at least the first six months at home with the baby. That is something which is important to starting a life in the right way for a child. Parents should have the choice in that area.

As far as providing child care services is concerned, of course the Government does not want to do that. The amount of money that it has put into the child care side of things for day care spaces will result in less growth than if it leaves the situation as it is under the Canada Assistance Plan. Furthermore, it caps it off at the end of seven years. Thus at the end of seven years we can forget it, there will not be any more spaces.

Mr. Deputy Speaker: Resuming debate with the Hon. Member for Saint-Léonard—Anjou (Mr. Gagliano).

• (1340)

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, I am pleased to participate in the third reading debate on tax reform and, at the outset, give some background to the issue since this debate is coming to an end.

First of all, Mr. Speaker, the Minister of Finance (Mr. Wilson) had stated in 1984, that a tax reform was unnecessary, adding that he had a few changes to introduce which, indeed, he gradually initiated as the opportunity came about.

Of course, one has to remember his first budget where he extended to everybody a $100,000 capital gain deduction not only on Canadian ownership, not only as an incentive to develop the Canadian economy and create new jobs, but to anyone owning for instance a property in Florida, which could be sold in order to buy a new one or make new investments in another country, and yet the owner would have qualified for this deduction.

At last, Mr. Speaker, the Government realized it had made a mistake. The Opposition had repeatedly declared that such a move would not produce the economic benefits the country needed, it would not have generated the new jobs Canadians were expecting in order to earn their living. Finally, the Government used tax reform as a pretext to save face and reconsider this unrealistic and unbelievable measure. Therefore, under that tax reform they propose a lifetime, $100,000 deduction, while raising the taxable portion of capital gains from 50 per cent to two thirds in 1988, and to 75 per cent in 1990. We can therefore state that those $100,000 become zero. This is a complete about-face from this Government, which put its whole economic strategy behind that $500,000 deduction, stating it wanted to give a signal, a clear and specific direction to all Canadians that, let us say, under a Conservative Government such was the economic approach—there should be incentives for people to invest. But now, less than two years later, Mr. Speaker, they changed the whole picture, they made not a 90- but a 360-degree turn.

Of course the Minister provided somewhat the reason why initially he stated that we needed no tax reform, and then announced one later—it is because our neighbours down South decided to have a tax reform.

Mr. Speaker, they decided in the United States to have a tax reform. They achieved this because they agreed on the principles; they set up parameters, and then they said: Let the officials implement them. Here, we are having a tax reform, and after each clause, each proposed change, there always is a cost analysis—how much that costs, should we repeal such or such a provision, or should we introduce another. So, they completely lost sight of the major goal, which was to have a kind of tax reform that would remedy every inequity in the tax system. We can give clear examples of this, Mr. Speaker, almost everywhere in the legislation.

But I would like to refer especially to the self-employed. There is in Canada an increasing number of self-employed. But now, the tax reform proposed by this Tory Minister of Finance is attacking that whole group of workers who, having lost their jobs, went into business as self-employed. The first thing he does, the Minister says: We arbitrarily repeal 20 per cent of automobile expenses, 20 per cent of entertainment expenses. And then he says: We are going to propose a free trade agreement with the United States, because you owe it to yourselves to become more competitive in order to sell Canadian goods on the American market.

Let us take the case of a company that must sell its products in the United States and that must be competitive. But the Government says to its salesmen: From now on, you can only deduct from your income tax return 80 per cent of your actual automobile expenses, 80 per cent of your travel and entertainment expenses. It is unacceptable to urge people to be more dynamic in their sales efforts, while reducing the tools they need to do so.

What about small businesses, Mr. Speaker, which, from what we hear from the Ministers, have been well represented and supported by this Governement? Every time they speak in this House or make a speech in some part of the country, they say that small businesses create 80 per cent of the jobs. That is right. This sector creates 80 per cent of all jobs; in fact, almost 99 per cent of all new jobs are created by these dynamic small and medium-sized businesses. And now, the only tax rate which is changed in this tax reform is the tax rate for the small manufacturing businesses. How can you have such a dynamic sector in our economy, one which creates so many jobs, and use the tax reform to increase its tax rate from 10 per cent to 12 per cent, instead of encouraging it?

That is another fine example of a turn-around from the Minister of Finance. A year ago, he presented tax proposals for Canadian corporations in which, just like the Government had done for several decades, he offered a reduced tax rate for all manufacturing companies, large and small. Now, in this tax reform, he keeps the reduced tax rate for the large corporations, but increases the tax rate for the small firms. It is incredible, Mr. Speaker, how a Government, in four years, can change its economic policies, right and left, completely changing its mind!

Moreoever, the Governement is proud to have proposed, in this tax reform, a capital gains exemption of $500,000 for the incorporated small companies. But what about all the registered companies? Even the incorporated companies, Mr. Speaker, as I am sure you will understand, being yourself a lawyer. You know very well that, for small businesses, sales of shares are few and far between. Most of the time, they sell assets. Therefore, if the tax reform proposal to give a $500,000 life exemption does not apply, the whole idea is a sham and does nothing to lighten the tax burden of small businesses.

They say they are reducing the capital cost allowance. But that reduction applies not only to big businesses, but also to small ones whose tax rate automatically goes up because of this. What a way to help small business! When one considers that more than 90% of Canadian businesses are small businesses, that the 20% reduction in car, entertainment and travelling expenses will also apply to them, one concludes that tax reform does not promote but hinders economic development in Canada.

Another injustice in the tax reform is the acceleration of tax deduction remittances. From the outset, this Government has tried to convince Canadians that it could reduce and was gradually reducing the deficit. An analysis of this Government's accounting principles in its four budgets and in its tax reform reveals that there has been no real deficit reduction. The Government has done nothing but twist the accounting rules and, each year, on March 31st, try to make us believe that it has reduced the deficit by one or two billion dollars.

In 1986, Mr. Speaker, the Minister of Finance introduced the accelerated remittance of source deduction system. Instead of sending the monthly remittance before the 15th of the following month, businessmen must now send in these remittances twice a month or every two weeks. This announcement was made one month before the end of the fiscal year ending March the 31, so that this new accelerated remittance of source deduction rule would bring in $2 billion every fortnight. Now the Minister of Finance uses this trick to convince all Canadians that he had reduced the deficit by as much as $2 billion when in fact he had not reduce it by a single penny because these $2 billion which he received 15 days in advance, he would have received 15 days later as he had done every year.

The following year, he introduced the accelerated remittance of the sales tax. Now, all businesses, big and small, must remit their accelerated sales tax on the 21st day of each month, even if it means making the necessary re-adjustment the following month if the amount is not correct, since the whole system operates on an evaluation basis. This means another billion dollar. Beside imposing on small businesses an enormous amount of additional paperwork, he tried to convince Canadians that he had reduced the deficit by as much as $1 billion. What has really caused the tax reform to go bust? Well, he has now changed even the quarterly remittances. The very word "quarterly" means that they must be done every three months. These remittances should be made at the end of every three month period. Now this Tory Governement has ruled that these quarters will no longer end on the 30th or 31st day of the third months, but on the 15th day of that month.

From now on, Canadian taxpayers, self-employed workers, senior citizens and lower income people who are not working but living on small investment income or interests will be required to remit their dues every three months on the 15th. Mr. Speaker, I cannot find the words: It is no longer a quarter because the three months are not completely over. Perhaps the Minister of Finance will eventually come up with the proper name but because of this tax reform, our senior citizens who are now visiting in large number my hon. friends in their riding offices are already having a lot of trouble trying to balance the figures for their quarterly remittance, because the money was sent two or three days too late or reached the department one week later because of our poor postal service. They come and show us their documents with penalties of $1.09 or $1.05 and ask us what they are all about.

Mr. Speaker, we are now going to make life even more difficult for people living on fixed income with only the Canada Pension Plan and the Old Age Pension, plus a few thousand dollars of interest income from their hard-earned

savings, by telling them: We know that you are used to make your remittance on March 31, July 30, September 30 and December 30, but from now on, you will have to make the remittance 15 days earlier, that is on the fifteenth of the month. Mr. Speaker, that is why we have this whole complex paper work instead of simply reducing . . .

Mr. Speaker, when we looked at this clause, this new proposal by the Conservative Governement at the finance committee, even Conservative Members told us: This is nonsense! Why make life more difficult for our people, our senior citizens just for that! Why the change? Why not leave the quarterly remittance as it now stands and as people know it, that is at the end of the month?

When I suggested to the finance committee that this new clause should be withdrawn, even the Conservative Members agreed with me and it was withdrawn. Mr. Speaker, when the Minister's officials became aware of what was going on, they surely got mad and at supper time they visited one by one the Conservative Members of the committee and persuaded them that it was not good for the Governement, that there would be a loss of $20 million because of this. So that the Minister of Finance would not have been able to boast next year, assuming he is elected, of having lowered once more the deficit by $1 billion. So they reconsidered the clause, they voted again on it, they reintroduced it here and yesterday evening they did not have the courage to rise and to withdraw it. That is fiscal reform for you! From a fiscal reform that was supposed to be fair and equitable across the board, we now find ourselves in this slump of red tape so much so that nobody understands anything anymore.

Mr. Speaker, unfortunately the debate ends today and we have to accept a tax reform which does not make sense, one which complicates things instead of solving problems.

There is another point I want to raise. The Government had promised a comprehensive tax reform, one that would not deal with income tax alone. In his budget presentations however, the Minister has always acknowledged that it was not this aspect but rather the federal sales tax which was causing the most problems and that consequently, a complete overhaul of the sales tax was necessary. Where is this comprehensive reform of the sales tax?

When he introduced his tax reform, the Minister of Finance told us that it would be done in two stages: first, income tax reform, and that is what we have seen so far; and second, the following year, federal sales tax reform. In terms of the federal tax, where do we stand now? The Minister is talking about a multi-stage sales tax, about a national sales tax and about a value-added tax. Whatever form it takes, we will still have taxes and more taxes and the Governement will still be gouging the taxpayer.

Can you imagine that the Minister of Finance has even comtemplated a sales tax on food? The Opposition Liberal members reacted by launching a petition campaign and succeeded to some degree in having it changed but there is no guarantee that the Minister will not bring it forward one day. Because of all these petitions, because of the fight put on by the Liberal members of the Opposition, the Conservative members themselves came to oppose the Finance Minister on the issue, saying that it made no sense to go as far as taxing food, the very bread and butter of the people, Mr. Speaker! That was totally unacceptable. However, that did not stop the Minister of Finance from bringing in more taxes.

Over the last four years, he has managed to get more than $20 billion from the taxpayers in additional tax revenue and today, he wants us to believe that he has succeeded in reducing the deficit through all that creative accounting of his, Mr. Speaker.

We cannot support this tax reform because it does not meet the economic needs of Canadians, for there can only be one social justice. In its tax reform, the Government has abolished the $1,000 deduction for investment income which was precisely intended to give a break to people with modest savings, people on fixed incomes and senior citizens earning modest interest income.

Mr. Speaker, the Government is now doing away with this deduction. And surely, there are other people who did not need it who have also taken advantage of it. But at least, the Minister could have introduced a rule, since the first tax level under tax reform is 17 per cent, allowing people in need, the elderly with a minimum interest income, to have at least a deduction, a tax credit of $170. I think that he would thus have protected those in need and made tax reform fairer and more progressive.

You are indicating to me that I have little time left, Mr. Speaker.

The whole question of day care . . . He gave tax credits for the other personal deductions, but he does not give a tax credit for child care expenses because it is not a personal expense but an employment-related expense. Someone with an income must deduct expenses from it. In society today, Mr. Speaker, day care is not an expense to earn income. It is a personal need. Mothers and heads of one-parent families work because they must to make ends meet, not because they want more money. That is what this Conservative Government thinks of social justice! It has no understanding of what social justice means in Canada. I am sure that when the Prime Minister has the courage to call an election, Canadians will remember.

• (1350)

[*English*]

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I appreciate the opportunity to join in this debate at third reading on Bill C-139, an amendment to the Income Tax Act and other legislation related to it.

Fair taxation is one of the most important issues before the nation. This Government has made a great deal out of its carrying through tax reforms. As I want to demonstrate in a

few moments, there has been little real reform in any dramatic way. There has been a lot of tinkering in various places to make the Income Tax Act a more and more bulky piece of legislation which requires a great deal of investment of personal time for accountants and those dealing with tax law in order to provide accurate advice to clients. I do not doubt it has also made the life of people in the revenue Department more difficult rather than easier.

There has been a great deal of tinkering with the system in an attempt to improve it. If one looks at the over-all picture that results from this tinkering, there can be no doubt that the so-called reform on which the Minister of Finance (Mr. Wilson) has been working, particularly in the past year or so, is not an improvement in the Canadian tax system as far as fairness of taxation for Canadians in middle and lower income groups is concerned. It certainly brings the Government more revenue in certain areas, but it is not a move toward fairer taxation, particularly in the weeks, days conceivably, months at most, before an election campaign starts.

Fairness of taxation would surely be the most important concern a government would have in mind as it expects to be speaking to voters to ask for their support. I think that would be particularly the case for Conservatives who like to make a great deal about their sympathy for their constituents, for individuals, the family and so on. The brute facts that face us when we look at income tax and other tax changes which the Government has made since the fall of 1984, provides no basis for real confidence on the part of Conservative Members of Parliament or those who are candidates and would like to be elected to this House. There is no basis for confidence that they will get the support of most of their constituents.

Some of these changes may fly well on Bay Street and in similar areas where Canadian financial power is centred and where the wealthy of this country are most active, but outside of Bay Street and the country clubs of Canada, I would be certain that the changes the Government has made will not impress Canadians. It will give Canadians absolutely no reason to give up their general aversion, whatever may be true in the Province of Quebec and conceivably in Alberta. Conservatives do not understand the interests of ordinary Canadians, of families, and the result of electing Conservatives once every generation—perhaps a little more frequently than that—is to remind ourselves why we should not do that. Every once in a while those who like to change from the Liberals, when they become completely intolerable, to the Conservatives, rather than looking at those who are really concerned about their interests, are taught again that Conservatives do not understand the needs of ordinary Canadians.

In focusing these comments, I want to say that it is advisable not to get lost among the trees when dealing with the forest of taxation. It is the easiest thing in the world to be taken off into the minutiae of the system, which inevitably accountants and tax lawyers have to understand and which the revenue Department has to administer, but for us to get into detailed consideration of some of those things can take us away from the large picture, which is, I think, what Canadians as individuals and their families want to see.

Something of the danger of this getting lost in the minutiae was true last night when we were debating a variety of amendments to Bill C-139 and when the Minister of State for Finance (Mr. Hockin) became involved in some responses to comments that I had made. He suggested that my argument for a reduction in the small business rate for real small businesses from 12 per cent to 10 per cent, not for all the so-called private corporations, including the Eaton's enterprise across the country, but for real small businesses, is somehow a terribly regressive step, something that might have some plausibility, but after all, progressivity of taxation has always been a matter of taxing in terms of the ability to pay.

Our assumption pretty well based in the realities of business activities is that small businesses are much less profitable as smaller incomes have a lesser ability to pay. Therefore, a small reduction in taxation from 12 per cent to 10 per cent for them is surely not an inappropriate proposal for a New Democrat to make when the brute reality of the corporate tax system is that the larger corporations use those credits, those who have the means to get involved in taking advantage of all the possibilities of investment credits—and I use that in the lower case "i" and "c" very definitely—the whole complex of encouragement that the Government offers through the tax system to corporate activity.

To argue that small businesses should have a slight reduction in taxation when large corporations, banks and other enterprises in this country conceivably pay no taxes at all, seems to me to be just one of those pieces of sophistry, to use the word the Minister likes to throw about, that one would expect the Minister of State for Finance would use in trying to defend in this House and before the voters and taxpayers of the country the things which this Minister of Finance has done to us time after time ever since the economic and fiscal statement of 1984.

Some changes, some of them quite important, have been made. I can think of one which is much easier to understand than the really complex changes the Minister of Finance has made more recently. The cancellation of the scientific research tax credit which the previous Liberal Government brought in is perhaps the most exciting attempt ever to encourage investment by the business community. It got to be such an exciting opportunity to invest that all kinds of fraud artists got into the game. Any government would have had to shut it down fairly soon. Certainly the Minister of Finance deserves credit for doing so after having recognized that there are certain boondoggles and dubious provisions in the tax system, dubious from an economic and sound fiscal position, but what are we actually left with in terms of the over-all realities of federal revenues?

• (1400)

While listening to my colleague, the Member for Ottawa Centre (Mr. Cassidy), who leads in financial matters in our caucus, I was profoundly impressed by the figures that he put forward, and I want to pull several of those comparisons out of the national statements which were published a couple of months ago by the Department of Finance itself. These are truly startling figures, which indicate the lay of the land, if you will. These are the kinds of figures that tell us, whatever the trees may look like, whatever kind of trimming is taking place in one area or planting somewhere else, what the forest is actually like.

What do we find? From 1984 to 1987, the increase in direct tax payments to the Government by individuals has been from $37.5 billion to $53, practically $54 billion. As my colleague said, this is an increase of 44 per cent in total revenues that the Government of Canada receives from individual taxpayers across the country, a 44 per cent increase in payments by individuals at a time when the gross domestic product of Canada increased by only 24 per cent, by about one-quarter. The increase in revenue ran up towards 50 per cent, a 44 per cent increase.

What happened in another area of revenue receipt for the Government, that area of taxation, of direct taxes paid by the corporations of the country? What do we find here? As my hon. colleague said, there is actually a decrease in the amount of tax paid, from something over $11 billion to less than $10.5 billion from 1984 to 1987.

What needs to be emphasized here in the forest of taxation as they used to prevail and as they exist now, is that the forest of individual tax payments has grown enormously while the forest of corporate tax payments to the Canadian Government remains smaller and smaller, relatively speaking.

There was a time when the corporations of Canada paid as much in direct tax to the Government of Canada as individual taxpayers do. That now seems to have been a long, long time ago, but when you go back a quarter of a century and a bit more and you find yourself in that era, you see that the forest of corporate direct payments to the Government is just about as luxurious as this overgrown forest of payments by individuals. But gradually the proportions changed to two to one, and three to one.

When we reached direct payments in 1987 of $54 billion by individuals, and of $10.5 billion by corporations, we were beyond five to one in the proportion. There is the large sense of the way in which the tax system is being applied. There is the evidence of how very little real reform there has been in the finances of this country on the taxation side.

I would note that if we add the indirect taxes which the federal Government receives as well, and note that those have grown from $18 billion in 1984 to $23 billion, which is an increase of some 30 per cent in indirect taxes, we have measures there of the way in which the sales tax and the excise tax arrangements of the country have been made so much more onerous, so much heavier for individuals and for families in Canada as a result of the activities of this Minister of Finance.

These are certainly clear evidence of a lack of genuine reform, of real progress towards tax fairness, when we note that this is the situation just preceding a two-stage reform of our tax system in which the Minister of Finance has made minor reductions in personal income tax, belatedly, this summer—and they were proposed a year ago. They began taking effect in July of this year—this is perhaps less the sword of Damocles hanging over the ruler than it is an enormous boulder or, if you will, a rock slide on a mountain which is trembling over us.

We are not quite sure how wide it is going to be. We do not suppose that the Minister would have the courage to tax food, but we are never quite sure with this Government. The number of broken promises to this Government's credit is very large, and with assurances after an election, who knows? The trade deal is the largest evidence that you could attack something in an election campaign, before and during it, and then go ahead and do it afterwards. That kind of lack of faith that is so destructive of the democratic system leaves all of us far from certain that in the Minister's plans to tax every transaction in this country, every exchange in dollars, every purchase of services, to take in every cent he can get, to increase the burden on individuals in the country, he is not going to apply it food too.

Mr. Cassidy: Shame.

Mr. Epp (Thunder Bay—Nipigon)): The 10 per cent telecommunications tax is in fact a nice indication of the kind of unfairness that this Government has put into the system.

I had an interesting exchange some months ago with the chair of the Finance Committee—the Member for Mississauga, I believe it is, or is it North?—that the tax on long distance telephone calls is primarily a business expense. Since the businesses are getting cheaper telephone calls, why should they complain if they have to pay something more in the way of a new tax? He completely failed to recognize that in regions of the country, isolated areas such as northern Ontario, and even there, for people outside a city such as Thunder Bay long-distance calls are the stuff of everyday life. In addition, it applies to people who can live a full and happy life in Toronto without ever having to worry about long-distance calls. I have constituents who routinely, partly in terms of business such as perhaps a dairy, face long-distance telephone bills of $150 or $200 a month. For those people to have to pay 10 per cent every month of that entire long-distance telephone bill is just an indication of the kind of unfairness that Michael Wilson has put into the tax system.

Mr. Cassidy: Shame.

Mr. Epp (Thunder Bay—Nipigon): The fact that the Government refused to cap, to put some kind of a ceiling on this, to say that it surely would not be fair for anyone to pay more than $5 to $10 a month, maybe that is even high, is insensitive of the Government. Five dollars a month, after all, is $60 a year in new taxation for people who have to make these calls time after time. For there to be no recognition of these differences in Canada is just an indication of how insensitively this Government has been guided in these areas by a Minister whose base is on Bay Street and who has practically no recognition, no sense at all, of where ordinary Canadians live.

Mr. Cassidy: Shame.

Mr. Epp (Thunder Bay—Nipigon): I realize that my time is practically up and yet there is so much to be said about the way in which this Government has reduced the progressive nature of our income tax system, about the way in which the wealthy are the prime beneficiaries of the tax changes that have taken place. There is so much that could be said. I am grateful for the fact that my colleague, the Member for Ottawa Centre, has more time as the lead speaker on these matters in order to get those points out.

Ordinary Canadians, lower-income Canadians who got put on the tax rolls during this Government's terms of office, are now asked to be grateful because they are going to be allowed to get back off the tax rolls before the next election, know that they have been ripped off for three years by a government that does not have the good sense to tax the income where it is, whether it is in the hands of rich individuals or in large corporations, and to get the burden of the services of the Canadian Government spread over everyone fairly.

I realize that my time is up. I want to say that there is reason enough for us to vote against Bill C-139 to continue our opposition to the so-called tax reform and for the New Democratic Party to enter the next election campaign telling Canadians, "You want tax fairness, elect New Democrats in order to get it. You are not going to get it from the Conservatives and the Liberals who mostly built this system".

The Acting Speaker (Mr. Danis): On questions and comments, the Hon. Member for Hamilton East (Ms. Copps).

Ms. Copps: Given the Member's comment about the NDP in tax matters, I would like to ask him whether he would be willing to introduce a measure to plug the NDP tax scam that is currently being carried out in most major municipalities across this nation, where NDP local candidates are using federal tax deductions to credit their campaigns. Would he be willing to plug that NDP tax scam?

• (1410)

Mr. Epp (Thunder Bay—Nipigon): Mr. Speaker, this is a question that is designed to be embarrassing in a partisan way. It is suggested that New Democratic federal associations have used this means in Toronto. The question is whether other Parties have used it and what other possibilities for financing activities exist like large corporate donations which are a small thanks to the Liberal Party for all the gifts that the corporate sector has received over the years.

These are nice questions. The law was passed by Liberals. The Liberals governed this country for most of the period during which the election financing laws were in effect. After the next election, we will see who forms the Government. I expect we will receive advice from the election expenses commission on what should be done. We will see who has the opportunity to reform the law and we will see, if the Liberals are elected, if they carry through the kind of reform the Hon. Member for Hamilton East (Ms. Copps) is suggesting.

Ms. Copps: Mr. Speaker, the Hon. Member did not answer my question. He may be aware that in the Province of Ontario, the Liberals do not run at the local level on a Party ticket. For a long time, the NDP has been running a tax scam, using taxpayers' money to get tax credits for municipal candidates. Would the Hon. Member be willing to move an amendment which would plug that NDP tax scam?

Mr. Epp (Thunder Bay—Nipigon): Mr. Speaker, as I was saying, this is quite a partisan matter, not that there is anything wrong with that in this partisan Chamber of ours. To call it a tax scam is the kind of emotive language that the Hon. Member for Hamilton East, (Ms. Copps) likes to indulge in. If it were a scam, presumably the RCMP would have been investigating and laying charges. I have not seen that happen. I am sure that the Conservatives, who love New Democrats like brothers, would have been more than happy to instruct the RCMP to investigate that if it were the case.

Clearly a law is not being broken. Whether this is against the spirit of the law or not is a good question to be debated. We probably will not have the time to debate it adequately this afternoon, but I would suggest that the Hon. Member be precise in her language. The law has not been broken. If it had been, there would have been prosecutions.

New Democrats use the letter of the law to finance their efforts at the municipal level, and because income taxation is provincial and federal, there is no municipal tax. They use these provisions to strengthen the Party at the grassroots level in order to support efforts in federal election campaigns. If the law were to be changed to make it a scam, let the prosecutions occur afterward. In the meantime, the Hon. Member is trying to get political capital out of something her Party created.

Mr. Cassidy: Mr. Speaker, I believe that the time is just about up and that there is some general agreement that we will go to a vote in a minute, so I will ask a question of my hon. colleague from Thunder Bay—Nipigon (Mr. Epp) which sums up what third reading of this Bill is all about, the question of whether or not Conservative tax reform is really fair.

Does the Hon. Member believe that the Conservative tax reform is fair when it allows 60,000 profitable corporations to continue to pay no tax every year? Does he believe tax reform

is fair when it deindexes the brackets and the child credits and the other credits that are given in the tax Bill? Does he think the tax reform put forward by the Conservatives is fair when it gives an average of $4,165 in tax cuts to most people who earn over $100,000 a year and leaves those people paying less tax in 1988 than they were paying in 1984 while at the same time all other taxpayers will be paying more? The average family will wind up paying some $1,000 more in taxation in 1988 than it was paying when the Conservatives came to power back in 1984.

Does the Hon. Member think that tax reform is fair when it means that families earning as much as $5,000 below the poverty line should be paying taxes? Does he think tax reform is fair when the Conservatives seem to want to wait until after the election to drop the other shoe, bringing in a sales tax scheme with no guarantee that it will cushion average families against the regressive effect of the proposed national sales tax?

Mr. Epp (Thunder Bay—Nipigon): No, I do not, Mr. Speaker. Because I agree with the Hon. Member that we should get out of here and get back to our constituents who want to take their turn at this Government as soon as possible, that is all I will say. The Hon. Member is absolutely correct. This is not fairness. Let's get out of here and give our constituents a chance to throw the Government out.

Mr. Keeper: Mr. Speaker, I appreciate the opportunity to put a question to my colleague. Does my colleague support the moves of the federal Conservative Government which, at the same time as increasing the tax burden on ordinary Canadian families by $1,500 over the last four years, has given tax write-offs to the wealthy in the order of $100,000 in capital gains? I wonder if my colleague agrees with that approach that eases the burden on the very wealthy at the same time as it digs into the pockets of ordinary Canadian families.

I would also like to know if my colleague supports the actions of previous Liberal governments which, while in office, have consistently increased the tax burden on Canadian families while lowering the burden on corporations. The policy of making numerous tax loopholes available to corporations and wealthy individuals started with a Liberal Minister of Finance, and that led directly to increased burdens on ordinary Canadian families. I wonder if my colleague supports this Liberal favouritism for the wealthy and the Conservative favouritism for the wealthy, or is he prepared to stand up and speak out for some tax relief for ordinary Canadian families?

Mr. Epp (Thunder Bay—Nipigon): Mr. Speaker, when a good colleague tempts me to stay here a little longer rather than getting back to my constituents, I do, of course, as a friend, concede to that.

I reacted to what the Minister of State for Finance (Mr. Hockin) said about a progressive tax system because there is nothing that my colleagues and I value more in a tax system than progressiveness. There is nothing that is more important to us than ensuring that taxes are paid by people in terms of their ability to pay, the ability they have over and above paying for the basic cost of living.

The Minister of State for Finance talked about progressivity in a system that has become more and more regressive. Liberals ask questions about tax reform when they created the system that Conservatives have been tinkering with over the last four years. This has never been progressive in all these years. It gets worse and worse, less and less progressive, and I do not want to have questions thrown at us by members of either Party when our concern is for tax fairness.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I will be very brief because I know people want to get out of here. However, there is only so much one can take, and on a Friday afternoon, I have about had it with the hypocrisy of a political Party that runs its own political tax scam in the City of Toronto. It is using a tax credit which was designed for federal Members to seek office in the federal Parliament. It is a shame. It is a scam and it is typical of the NDP policy.

On the one hand, NDP Members were totally against write-offs. On the other hand, they did a complete flip-flop on flow-through shares. NDP Members call for no loopholes and no tax deductions, but when the small mining community came to Parliament and said that flow-through shares were permitting the exploration and development that was important to the northern economy, the NDP in one day went from no-flow to go-flow.

As far as I am concerned, enough is enough. I know that we should have the vote, but I do hope that the NDP moves expeditiously to plug the tax scam that has been ripping off the taxpayers for the last number of years.

• (1420)

Mr. Cassidy: Mr. Speaker, I appreciate the fact that the Hon. Member was mercifully brief in her intervention.

Mr. Grisé: Which you never are.

Mr. Cassidy: I want to point out that the NDP has the same privileges as every other Party under the election expense legislation introduced by the Liberal Government. If the Liberals wanted to ensure that the money was spent exclusively on federal election campaigns, it could have drafted the legislation to ensure that.

Mr. Minaker: Two wrongs make a right?

Mr. Cassidy: I note that the official spokesperson for the Liberal Party has now indicated she is opposed to flow-through shares. She is opposed to economic development in mining communities.

Ms. Copps: Not at all.

Mr. Cassidy: I would point out as well that yesterday her Party advocated a reduction in tax on capital gains. That is

Liberal tax fairness. It is now time to concentrate on the tax unfairness of the Conservatives and have the vote.

Ms. Copps: Mr. Speaker, (a) the Liberal Party supported flow-through shares. It was the Liberal Party that introduced flow-through shares. For the Hon. Member to say the Liberal Party is opposed to flow-through shares is absolute balderdash; (b) the NDP is the only Party that I am aware of, unless there are others, which runs on a Party platform at the municipal level, and in the City of Toronto funds its local candidates through donations to the federal Party. These donations were intended for federal candidates. This is a tax scam. Whether it is a Tory tax scam or an NDP tax scam, it is a tax scam and should be renounced. I expect the Hon. Member to bring forward an amendment in that regard.

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion, will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed, will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

And more than five Members having risen:

Pursuant to order made Thursday, August 25, 1988, the recorded division on the motion stands deferred until six o'clock Monday, August 29, 1988.

Is it the wish of the House that I call it three o'clock?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It being three o'clock, pursuant to the order made on Monday, June 20, 1988, this House stands adjourned until Monday next at 11 o'clock a.m.

The House adjourned at 2.23.

HOUSE OF COMMONS

Monday, August 29, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, pursuant to Standing Order 106(8), I have the hounour to table, in both official languages, the Government's response to six petitions numbered as follows: 332-5243, 332-5244, 332-5250, 332-5353, 332-5278 and 332-5289.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

STRIKING COMMITTEE

PRESENTATION OF SIXTY-NINTH REPORT

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, I have the honour to table the sixty-ninth report of the Striking Committee.

If it is the pleasure of the House, I intend to move the adoption of the sixty-ninth report later today.

[*Editor's Note: See today's Votes and Proceedings.*]

CONCURRENCE IN SIXTY-NINTH REPORT

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, if it is the pleasure of the House, I move, seconded by the Hon. Member for Trois-Rivières (Mr. Vincent):

> That the sixty-ninth report of the Striking Committee, tabled earlier in the House, be adopted.

Mr. Speaker: Does the Hon. Member have unanimous consent to move his motion?

Some Hon. Members: Agreed.

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

Some Hon. Members: Agreed.

Motion agreed to.

* * *

PETITIONS

PROTECTION OF RIGHTS OF THE UNBORN

Mr. Gilles Bernier (Beauce): Mr. Speaker, it is my pleasure to table, on behalf of 4,725 residents of Beauce, a petition that reads as follows:

"We the undersigned citizens of Canada demand that the federal government currently in power prepare, without delay, legislation that will provide full protection for the human fetus from conception to birth. We would also like legislative action to be taken as soon as possible."

I hereby table this protection containing 4,725 names.

[*English*]

IRRADIATION OF FOOD

Mr. Elliott Hardey (Kent): Mr. Speaker, it is my duty and privilege to present this petition, properly certified, from approximately 200 constituents of the riding of Kent. It is their wish that food irradiation not become part of food processing in Canada and that our children not become human guinea pigs in a process that may prove to be hazardous. Therefore, they petition that unbiased, independent agencies and scientists complete studies on the safety of consuming foods that have been irradiated and the effects of long-term consumption and environmental dangers involved and that in the event any food irradiation is allowed, it should be clearly labelled as treated with ionizing radiation.

• (1110)

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Dan Heap (Spadina): Mr. Speaker, it is my honour to present a petition, duly certified according to Standing Order 106, from a number of residents of Toronto. They point out that the Conservative Government, without a mandate from the Canadian people, undertook to negotiate a trade agreement that would weaken our national sovereignty, interfere with many of the programs we need to develop our country, and fails to obtain protection against American countervailing

duty laws, the agreement's main object. Therefore, they request Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed agreement through a national general election.

IMMIGRATION—SPONSORING OF RELATIVES

Mr. Dan Heap (Spadina): I have another petition signed by residents of Toronto, Surrey, Burnaby, and other municipalities in British Columbia referring to the promise of the former Minister of Justice to eliminate the unfair distinction between Canadian citizens and permanent residents of three years or more so that both groups would have equal rights to sponsor parents of any age. Since this promise has not yet been fulfilled, the undersigned residents and citizens of Canada call on the House of Commons to ensure that the Government fulfils its promises now.

OPPOSITION TO ACQUISITION OF NUCLEAR POWERED SUBMARINES

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, I have two duly certified petitions. In the first the petitioners point to the danger of accidents from nuclear powered or nuclear armed ships in Canadian ports. They point out that this is a threat to the environment and Canadian citizens and therefore call upon the Government not to purchase nuclear powered submarines for Canada.

IRRADIATION OF FOOD

Mr. Jim Manly (Cowichan—Malahat—The Islands): The second petition calls upon Parliament to act as responsible guardians and see that all development on the irradiation of food be stopped. They say that governments at all levels must take immediate steps to stop their agencies and Crown corporations from promoting and encouraging such development.

CANADA-U.S. FREE TRADE AGREEMENT

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I have the privilege of presenting on behalf of a number of residents of Grand Centre, Cold Lake, Medley, and Bonneville, important communities in the distinguished province of Alberta, who say: Whereas the Mulroney Government has sold out Canada and received nothing in return; whereas thousands of Canadian jobs are threatened and the Conservative Government has not provided for any adjustment assistance for Canadian workers, the undersigned petitioners humbly pray and call upon Parliament to denounce the Government for signing the free trade agreement. I see the Deputy Prime Minister (Mr. Mazankowski) in the Chamber. I am glad to know that many of his constituents are interested in this matter.

Mr. Mazankowski: Do you know where Grand Centre is?

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I request that all questions be allowed to stand.

Mr. Speaker: Shall the questions stand?

Some Hon. Members: Agreed.

[*English*]

I think the Hon. Member for Spadina (Mr. Heap) was seeking the floor?

Mr. Heap: Mr. Speaker, I just wish to give notice that I wish to withdraw a Bill of mine concerning Central America. However, I would rather discuss it first with other people concerned and I will rise later, please.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

Hon. John C. Crosbie (Minister for International Trade) moved that Bill C-130, an Act to implement the Free Trade Agreement between Canada and the United States of America, be read the third time and passed.

He said: Mr. Speaker, I am very pleased and proud to be moving third reading of this historic piece of legislation which will lead to implementation of the U.S.-Canada Free Trade Agreement negotiated last fall and which has been before us since December of last year.

I am a proud Canadian, although I only became one in 1949 as a result of a campaign in Newfoundland to decide the future of that province. I stand in a line of proud Canadians who have sought to secure for the people of Canada the benefits of free trade with the U.S. This is not something that has just occurred in the last year or two or three. This is part of Canadian history, the process of securing freer and freer trade with the United States of America. It is not something new, it is not something startling, it is not something unusual, it is not something revolutionary. It is part of a continuing process since Canada was formed in 1867.

For over a century leaders of Canadian Governments have sought to secure the kind of benefits that can come from free trade with the U.S. Down through our history, up until now, the opposition of the day, whatever opposition it was, always rose in a chorus to say that Canada's sovereignty, Canada's very nationhood would be imperiled by a free trade agreement with the U.S. Whenever this topic has come up, that has always been the cry of the Opposition, no matter what Party

the Opposition was. Our sovereignty is imperiled, gone or endangered. Our nationhood is going to disappear because we are going to have a different commercial arrangement with the U.S. That was the call.

For those who opposed Canada-U.S. free trade, Sir Wilfrid Laurier had a name for them in 1911, and I quoted him at second reading. I noticed that several newspapers got the quotation wrong. They attributed to me what Sir Wilfrid Laurier had said. I would have been glad to have been his speech writer in 1911 so long as I could still have been here today. Sir Wilfrid Laurier called those who opposed Canada-U.S. free trade in 1911 and I quote him: "The freaks of unreasoning passion". That is a perfect description of those who oppose Canada-U.S. free trade today, freaks of unreasoning passion. They cry out that you are not a true Canadian. How often have we heard that in the last few months? You are not a true Canadian, you are somebody who is willing to sell out your country if you are for Canada-U.S. free trade.

The Right Hon. Leader of the Opposition (Mr. Turner) calls the legislation we are debating today the sale of Canada Act. That is the best he can do in his cheap jaunts across the country spreading misinformation about this legislation. When he says it is the sale of Canada Act, he is not just accusing Members of Parliament on this side of the House, the Government, of being traitors to their country, people prepared to sell out their country. He is accusing prominent members of his own Party. That includes Premier Bourassa. Of course, that accounts for his cool response to the importunities of Mr. Turner who went to see him on August 17, and we cannot say he got a rapturous embrace. He was hoping it would be indecently close but it was not. No criminal charges could be laid as a result of that visit.

Premier McKenna of New Brunswick, another prominent Liberal, who said the free trade agreement is in the national interest and in the interest of his province, is being called by his national leader, just as we are, a traitor to Canada, a person who supports the sale of Canada Act. If you are willing to sell your country, does that not indicate you are a traitor, you are a sleeveen, you are a less than desirable person, that you are unpatriotic.

• (1120)

It indicates to me that you are guilty of treason. Yet, this is the kind of statesman-like utterance we have heard from the Leader of the Opposition, the Leader of the New Democratic Party, and their lieutenants for months now.

This is not new. Sir Wilfrid Laurier suffered from the same, what he called, freaks of unreasoning passion. Were these leaders of the colony of Canada before Confederation any less Canadian for entering a reciprocity treaty with the United States in 1854? This goes back as far as 1854. Who would claim that Canada was diminished or weakened as a result of that initiative? The opposite, of course, is true.

Were Sir John A. Macdonald and, after him, Alexander MacKenzie, failing to serve Canadian interests when they sought to renew reciprocity with the United States in the 1870s? They wanted a continuation of the reciprocity arrangements. Were they traitors to Canada? Of course they were not, and no one would suggest that they were.

Was Sir Wilfrid Laurier putting in peril the very idea of Canada when he campaigned in 1891 on unrestricted reciprocity with the United States? Was he putting in peril the very idea of Canada when he reached an agreement for this in 1911? No, of course he was not putting in peril the very idea of Canada, and his descendants, those people who say they belong to the same Party as Sir Wilfrid Laurier, are today saying that this U.S.-Canada free trade agreement puts in peril the very idea of Canada. What specious nonsense, what malicious tripe. One is statesman-like to keep one's language so moderate when one thinks of the nonsense we have heard in the House on this.

Were Canadian governments doing anything other than acting in the national interest in the 1930s when they entered into two Canada-U.S. trade agreements to reduce tariffs? Were they then acting contrary to the Canadian national interest? Of course they were not. Did Canada become any less Canada as a result of these two treaties of the 1930s? Of course it did not.

In 1945 Mackenzie King had a negotiation proceed between Canada and the United States for free trade. Simon Reisman was then a young man entering the government service. He was one of the secret coterie of people appointed by Mackenzie King to negotiate a free trade agreement with the United States. Was Mackenzie King then a traitor? Was he putting in peril the very idea of Canada when he had that negotiation initiated?

Of course we all know that he did not go through with it. He got cold feet in the end. No one in the Cabinet knew what he was up to and his descendants in the Liberal Party today complain that there was not sufficient consultation when the Cabinet was not even consulted in those days. I have suggested before that he consulted only his mother, then in the afterworld, in reaching that decision.

When Louis St. Laurent led the Government in the late 1940s and 1950s and arrangements were entered into with the General Agreement on Tariffs and Trade, were they then betraying their country or endangering the very idea of Canada simply because we were going to get a more sensible set of rules for international trading, Canada being an international trader? Of course they were not, as Mackenzie was not. There was very little consultation of course. The public was not consulted. The public was not asked to vote on whether or not we should join GATT.

Lester Pearson was denounced in 1965 for selling out the auto industry. Who denounced him? Why, the precursors of the New Democratic Party, the swivelling socialists. You don't know where they are going to swivel to next. They denounced

Lester Pearson as betraying this country because he entered into the Auto Pact. Today they have the Auto Pact wrapped around their bosoms so closely that they have in-grown chest hairs. You cannot touch the Auto Pact, according to the Leader of the New Democratic Party who represents Oshawa.

Oshawa has tremendous prosperity as a result of the Auto Pact. There is not even a blip on the unemployment screen in Oshawa. There is full employment. General Motors has invested $10 billion in Oshawa over the last 10 years because of the Auto Pact, which is basically free trade in the automobile industry and is the main reason for the tremendous prosperity of Ontario today. There is full employment in the southern part of Ontario.

However, in 1965 Pearson was said to be selling out the auto industry. He went ahead anyway and signed the Auto Pact. He did not go to an election first. He was not asked to go to an election. It had not featured in earlier elections. The Canadian electorate had not been asked to give their opinion on this subject.

When opinions were given the unions and precursors of the NDP were against it, of course. They are against everything. They are against every change in the *status quo*. They do not want anything in Canada or the world to change. The NDP policy is the policy of Clement Attlee of 1945. We all know that his policies got the United Kingdom autarky. We can live in Canada with our little market of 26 million people and prosper and increase our national wealth by trading back and forth with one another.

Lester Pearson went ahead anyway. Lester Pearson understood the difference between opposition politics of calculated hysteria and Canada's national interest and he went ahead. Who gained? Oshawa gained, Ontario gained, and Québec has gained from the Auto Pact.

Last year 89 per cent of all of Ontario's exports went to the United States of America, a tremendous proportion of them being automobiles and parts, compared to a national percentage of 76 per cent of our exports going to the United States of America. The part of Canada which is the most dependant on the United States market for its prosperity is Ontario. Is it not peculiar that many people in Ontario do not understand that? However, there is beginning to be a much better understanding of that. Perhaps that is because the Ontario provincial Government has not taken the lead. For some reason it has appeared to be against this agreement.

Over one-quarter of the gross domestic product of Ontario, 27.4 per cent, over one-quarter of the wealth generated in Ontario every year, comes from exports by Ontario to the United States and hon. gentlemen opposite are willing to put that at risk. The people of Ontario would be 27.4 per cent poorer every year if they did not have this trade with the United States which we are trying to protect for them. In Canada as a whole 18.7 per cent of our gross domestic product comes from trade with the United States. The national average is, therefore, much lower than the average in Ontario. We on this side of the House are fighting for the strength and prosperity of Ontario, whether or not they know it.

Some Hon. Members: Hear, hear!

Mr. Crosbie: All the Canadian leaders I have cited sought the same thing, they sought to give Canadians the opportunity to sell freely abroad and thus build prosperity at home. That is what we are attempting to do. We want to give Canadians the opportunity to sell freely in the United States and to continue to build prosperity at home, which is what we have been doing since 1945. In 1945, only 36 per cent of Canadian exports went to the United States. Today, 76 to 80 per cent of our exports go to the United States of America. That is where our opportunities are. We are trying to enlarge them, secure them, and protect them.

To my astonishment two national Parties are fighting this tooth and nail, and the labour movement is doing the same. No amount of obfuscation or misrepresentation will satisfy the two Parties I have mentioned and the Canadian labour movement, which are all against this agreement. All we are doing is trying to protect how well we have done and to increase our opportunities in the future.

• (1130)

The effort of successive Canadian Governments to strengthen Canada by putting our trade relationship with the United States on a secure and equal footing is not new. The Opposition strategy that tries to obscure this objective by encouraging unfounded fears about a loss of sovereignty is not new either. In fact, our sovereignty is enhanced by this agreement. We become more sovereign, we become more powerful. We become better able to defend and protect Canada as a result of this agreement.

For example, if this agreement is carried into effect in future disputes, we will have binational panels to decide these disputes. In the United States, a binational panel including Canadians will sit with Americans and decide what action should be taken as a result of a complaint made in the United States under American trade law. That is an extension of Canadian sovereignty. We do not have that right or any protection in that line now. We can be subject to the most political kind of decision.

We are enhancing the sovereignty of this country, yet there are people sitting opposite who are so blinded by their desire to be in power or see someone else out of power that they will not grant one virtue to this agreement. I have not heard one of them, once in this debate, say one positive thing about the U.S.-Canada Free Trade Agreement. All they have done is try to encourage fear.

When trade barriers between Canada and the United States have been lowered, we are told by the Leader of the Opposition that Canadians will have been hosed, harmonized and homogenized. The Leader of the Opposition does not have very many good lines, that is why he uses this one so often. He

should get some other speech-writers. The Leader of the Opposition says that we will be hosed, harmonized and homogenized when the barriers come down on January 1, 1989. I say that he should add that he is attempting to hoodwink the Canadian people when he says they have been hosed, harmonized and homogenized. He is an attempted hoodwinker.

If the Leader of the Opposition happens to be correct, which of course he is not, then he is saying that Premier Bourassa is hosing, harmonizing and homogenizing the Canadian people. That is a very rare thing for a premier of Quebec to do. I see a premier of Quebec hosing us, but I do not know about harmonizing or homogenizing the rest of us. He is saying that Premier McKenna, a member of his own Party, is prepared to hose, harmonize and homogenize. I suppose it is safe to say that, now that the United Church has met in British Columbia.

He is saying that Gerry Regan, former Premier of Nova Scotia and former Minister for International Trade for Mr. Trudeau, is to do the same. He is saying that Donald Macdonald, who was appointed by Prime Minister Trudeau to head a royal commission on Canada's economic future and prospects, and which brought in a report, and that all the people sitting with him, including Michel Robert, President of the national Liberal Party of Canada, are out to hose, harmonize and homogenize Canadians. It just shows how foolish, juvenile and inaccurate is the statement by the Leader of the Opposition.

If those who support this agreement are hosers, homogenizers and harmonizers, and traitors, then there are an awful lot of Liberals in this country in exactly the same boat, including Senator George van Roggen who had the courage, gumption and backbone to resign his position as chairman of the foreign affairs committee.

Historically, we see that the exact opposite is true. Since World War II, successive Canadian governments have pursued policies that have decreased trade barriers. Those same governments have created the modern social safety net that we enjoy today. They have pursued regional development and supported our culture and industries. We followed in that tradition of Diefenbaker and, to be fair, the tradition of Liberal governments in doing this.

In fact, we introduced our own Atlantic Canada Opportunities Agency which, already in one year, is astoundingly successful as we continue to pursue regional development.

Our colleague, the Minister of Communications (Miss MacDonald), and her predecessors have supported cultural industries with might and main.

We are bringing in child care with legislation that is before the House, adding to the modern social safety net. One can argue the details about whether it does enough, does not do enough, or spends enough or does not spend enough. We are bringing in free trade and child care. Surely that gives the lie to the people who run around Canada trying to mislead and frighten Canadians and senior citizens about what this means. I do not know how they can look at themselves in the mirror every morning. They are a hard looking crew in the first place.

Mackenzie King, Louis St. Laurent, John Diefenbaker, and Lester Pearson did not see any contradiction between tariff reductions, increased exports to the United States and domestic social and regional development policies to build a strong and unique Canada. None of them saw any contradiction because there is no contradiction. That is why we are able to take these steps. It is because of the prosperity in Canada as a result of our international trade and trade with the United States of America.

In terms of 1986 dollars, from 1947 to 1986, merchandise exports to the United States grew from just over $7 billion to almost $94 billion, an increase of over 1,225 per cent. During the same period, the welfare of Canadians went up tremendously. Per capita, Gross Domestic Product in 1986 dollars grew from $7,400 to almost $20,000, an increase of almost 170 per cent. Total employment in Canada grew from 4.8 million to 12.3 million, up 155 per cent, with employment in manufacturing rising by 88.7 per cent.

I might point out that in the last four years, employment has gone up 1.292 million. Let me also point out that in the last four years, 728,000 more women are working in Canada than were working four years ago. Yet we listen to this silly and vicious opposition day after day. There has been a 25 per cent increase in the number of women in managerial administrative jobs. Youth unemployment has gone down by 240,000 in the last four years. It increased 141,000 from 1980 to 1984, when Mr. Trudeau and the Liberals were in office and the pitiful grump we see here today had a majority. Youth unemployment went up, but where was Senator Hébert when he was needed? He was in the Parliamentary Restaurant having *paté de fois gras* when the unemployment figures were going up. The Opposition critic sitting over there today was the Minister.

In the same period, 1947 to 1986, public spending on education went up from $147 per capita to $1,237 per capita in 1983-84 in real terms. Spending on health care increased from $54 per capita to $1,211 per capita by 1985 in real terms. All this took place while we were becoming more and more dependent on the U.S. in our trade.

Direct financial benefits under social security programs rose to almost $50 billion in 1985, from $3.8 billion in 1947, for all public welfare programs, including health. This took place all the while we were becoming more and more dependent on the U.S. market.

More open competition with the United States led to economic growth and it led to a dynamic, distinctive Canada. The past four years in which we were getting closer and closer to free trade with the United States has made us no less compassionate as a society, no less progressive as a nation, and no less Canadian. That is the fact. The Canada-U.S. Free Trade Agreement will sustain and strengthen that growth and

development if it is not sabotaged by the Opposition Parties and by the Canadian labour movement, that mindless organization that seems to be opposed to every change that anyone proposes in Canadian society today.

• (1140)

History and statistics, the plain facts, are not of much interest to the Opposition. We know its technique; level a charge, sometimes directly, sometimes by innuendo, that if one is for free trade, one is selling out Canada's sovereignty. The sale of Canada Act, as the Right Hon. Leader of the Official Opposition calls it, is really for a brighter tomorrow Act. It is for our future, for our brighter tomorrow.

Is the Opposition suggesting for example, that Brian Peckford or John Buchanan would sacrifice their people's future or sell out their province or their country? How about Frank McKenna? We cannot mention a NDP Premier because there is not one. We cannot even mention them anymore because they are a vanishing breed. What happened to Pawley? Or I should I call him A-Pawley?

Is Robert Bourassa a man who is willing to deliver the future of Quebec into the hands of a foreign country? What an insidious and insulting suggestion made by the Leader of the National Party about the Premier of Quebec. He is saying in effect that Premier Bourassa is willing to deliver Quebec to a foreign country. Are the four western Premiers men who would falter when the good of their province and country hangs in the balance, Frank Devine or Don Getty and the others? Are these eight Premiers not sincerely seeking the good of their country by choosing to support the free trade agreement?

Is the suggestion that eight out of the ten Premiers of Canada are insincere traitors to their country? Is that the suggestion? That is the innuendo. That is what the Right Hon. Leader of the Official Opposition and the Leader of the New Democratic Party go about this country suggesting. They are saying that not only this whole Party here but every Premier of Canada, except two, Prince Edward Island and Ontario, are traitors to their country. What a scurvy, scurrilous kind of campaign is being waged against this commercial arrangement.

The Right Hon. Leader of the Opposition goes from one end of the country to the other saying it is the sale of Canada Act, and the Leader of the New Democratic Party repeats the charge that the very idea of Canada is imperilled.

The issue of free trade with the United States is not about who is or who is not a good Canadian. It is not about whether or not you sell out your country. It is not about imperilling the very idea of Canada. It is about the rules of commercial trade. This is what it is all about. What are rules of commercial trade between Canada and the United States going to be? How can we change them to our advantage? That is what it is about. But the opposition Parties do not want to debate or discuss it on that level. They want to discuss it in a cloud of insinuations and innuendoes to arouse the fears of people, for instance, that the social security system is going to fail. Imagine, Madam Speaker, going around trying to disturb senior citizens in Canada by feeding them those malicious lies? Mr. Bourassa said with respect to that charge:

> Mr. Broadbent should know we're not talking about the sovereignty of Canada . . . How could you seriously say that Canadian sovereignty is at stake when we want to protect Canadian markets in the U.S.?

That is Premier Bourassa's answer. I would like to see the Leader of the New Democratic Party go to Quebec and debate face to face with Mr. Bourassa. Is Mr. Bourassa a traitor or not? Is he giving up Canadian sovereignty or not? The Right Hon. Leader of the Opposition should have some backbone and meet Premier Bourassa face to face to make these charges and debate them with him. Gerald Regan said:

> I believe the greatest assurance of protection of our sovereignty, of our culture, is the maintenance of a strong economy, and free trade with the greatest market on earth gives an opportunity to strengthen our economy that any other country on earth would give their eye teeth to have.

That was said by Gerry Regan who for two years under former Prime Minister Trudeau tried to negotiate sectoral free trade with the United States and got nowhere. He is honest enough and patriotic enough to give his views now, as he is doing. He is still a Liberal but no longer in active politics. That is his answer to those statements.

What about business, the exporter, the resource and manufacturing and service industries, which are the creators of wealth and employment in Canada? Where do they stand? They stand almost unanimously on the side of the free trade agreement. The Canadian Federation of Independent Business supports free trade. The Québec Conseil du Patronat supports free trade. The Consumer's Association of Canada supports free trade. The Canadian Council for International Trade supports free trade. The Canadian Export Association, does it know something about exports the Opposition does not? Yes, it does, and the answer is, of course, that it does support free trade.

Mining associations, forestry associations, fisheries associations, agricultural associations, energy associations, service industry associations, and manufacturers associations, scores of them from coast to coast, support free trade. The Alberta Pork Producers Marketing Board, the Alberta Sheep and Wool Commission, the Canadian Cattlemen's Association, the Canadian Council of Grocery Distributors, the Canadian Meat Council, the Manitoba Farm Business Association—Manitoba—the Manitoba Hog Producers Marketing Board, the Ontario Pork Producers Marketing Board, the Saskatchewan Pork Producers Marketing Board, the United Grain Growers, the Western Barley Growers Association, the Western Canadian Wheat Growers Association, and so it goes, the people in the market-place competing every day, seeking new opportunities, those who understand the realities of international trade, those with the practical experience, all support free trade. Do they want to sell out Canada?

Every time the Right Hon. Leader of the Opposition says it is the sale of Canada Act, he is accusing these people of being traitors who want to sell out Canada. He is not only accusing members of the Government and every one in the Cabinet, and Premier Bourassa, Premier McKenna, Gerry Regan and Donald Macdonald, but he is accusing pork producers, the Cattlemen's Association, John Bullock, and all the rest of them, of being traitors and wanting to surrender Canada.

The Right Hon. Leader of the Opposition was asked by the *New York Times* about business people who are saying: "John, you are on the wrong side of history". He is not only on the wrong side of history, he is on the wrong side of the street. He is on the wrong side of everything one can conceive. He is just wrong. I quote Mr. Turner's reply:

> The business organization that has been most vocal in strongly supporting this trade deal has been the Business Council on National Issues, and a considerable percentage of their members are American-owned.

Can you now understand the answer, Madam Speaker? Do you see the innuendo: "These jerks cannot be true Canadians if they support free trade". That is the suggestion of Mr. Turner's answer. He says a considerable percentage of the the members of the National Council on Business Issues are American owned, so how can we trust what they say? This is a man who used to sit with them and sup with them. He used to send his bulletins out to them, the McMillan, Binch bulletins. He got back into public life in 1983, and we were a long time waiting for him. He was just there at the right time. But Mr. Turner supped with these people, he was retained by them. He took their fees. He lived with them. And he said we cannot trust their views because a very considerable percentage of them are American owned. That is the innuendo, we cannot trust them. Well, he was wrong, as he has been wrong so often in this debate.

The Business Council sent him an open letter saying that over 90 per cent of the assets and about 75 per cent of the control of member companies of the Business Council on National Issues are in Canadian hands. Who signed the letter? David Culver, the Chairman of Alcan, the very respected Canadian business leader, Chairman of Noranda, Alfred Poulis, and Thomas D'Aquino, in their capacity as officers of the Business Council, signed that letter and they pointed out the following:

> By embracing the rule of law, the (free trade) agreement offers Canadians greater security and opportunity... In our books that is a plus for sovereignty.

These are responsible spokesmen for Canadian business and they deserved to be treated as such. They do not deserve to have it suggested that they are unpatriotic, that they are dictated to by Americans, that they are not even Canadian owned, when the fact is that 90 per cent of their assets and 75 per cent of the control of those companies are in Canadian hands.

Let me add one other quote from a respected business leader, Mr. Laurent Thibault of Canadian Manufacturers' Association. He stated:

> The Canadian Manufacturers Association's support for the free trade agreement represents a dramatic change for this association. Historically, Canadian manufacturers have been among protectionist voices. However, the world economy has changed dramatically and we must change with it. The new trading environment created by the FTA obviously poses great challenges to Canadian manufacturers, but the consensus among our Members is that the FTA is a necessary strategic step that will help achieve our long-term objective of becoming globally competitive.

That is the position of members of the CMA which, historically, have been protectionists. That is why Sir John A. Macdonald's policy was developed. It was to protect manufacturers. In other parts of the country for 100 years the woods have welled with the voices of those protesting the tariff policy that protected Ontario and Quebec and exposed the rest of Canada which was cut off from its natural north-south trade. This is being changed by the U.S.-Canada Free Trade Agreement.

• (1150)

The CMA recognizes that the world economy has changed dramatically. We must change with it. Who does not recognize that change must be dealt with? The Canadian labour movement does not, nor does the New Democratic Party. The people who now say they control the Liberal Party but who won't control it much longer do not. After the deluge in the next election they will be washed out to sea.

What the free trade agreement is all about is Canada becoming more competitive in all export markets. Why is free trade with the U.S. important for our position as an exporter globally, not just to the U.S.? As Donald Macdonald's commission pointed out, we are the only major industrialized country without secure access to a market of at least 100 million people. We have secure access to no market but our own—26 million Canadians. That is the only secure access to a market that we have. We have a chance to have secure access to the U.S. market under this agreement. The United States has access to its own huge market. Japan has access to its own burgeoning market. The countries of the European Community have access to the huge European Community of 320 million people. If Canada is to continue to develop world-class enterprises, we must be capable of competing and winning against the best in the world. Bell Canada and Northern Telecommunications come to mind as two such enterprises.

In the Canada-U.S. Free Trade Agreement there is a breakthrough in services. All other GATT countries are watching Canada and the Canada-U.S. agreement to see how the services provisions will work. We are trying now to negotiate services provisions with the 95 nations that are involved in GATT. We have broken new ground. Madam Speaker, did you ever hear that mentioned by the Opposition Parties? Of course not. The Opposition is dismissive of the gains we have made in achieving more and enhanced access to the U.S. market, but those directly involved in the day-to-day business of exporting know better. What do they know?

They know that under the agreement tariffs will be phased out between Canada and the U.S. Better rules of origin will be

put in place. National treatment will be extended to Canadian businesses in the U.S. All we have from the hon. gentlemen opposite is words about national treatment being extended to American companies up here. Do they not realize that national treatment will be extended to our companies in the U.S. where the market is 10 times as large? This is astounding. All we have ever heard is them complain that we will give U.S. companies national treatment here. Did we ever hear them once say: "My golly, what a help this will be for Canadian companies. They will not be able to act in a discriminatory fashion against Canadian companies in the United States any longer". Do we ever hear mention of that? What is wrong with them? What makes them so vicious, so unfeeling, so unreasonable and so unscrupulous?

Non-tariff barriers such as discriminating products standards will be reduced under the agreement. Access to U.S. federal government procurement will be improved. I have heard Members opposite complain about the fact that the Americans will get a chance to get some procurement in Canada. Never once have I heard them say: "My God, Canadian companies will get a whack at U.S. government procurement". Never once have I heard that. What is wrong with them?

Certain service industries gain freer access. Communications is one of them. Temporary entry for business and service personnel is made easier. Exporters know that access has to be made more secure because the Auto Pact is reaffirmed.

Do you know, Madam Speaker, that only one year's notice is necessary to be given to cancel the Auto Pact? The Americans can cancel it on one year's notice. So can we. Yet the Leader of the New Democratic Party acts as though nothing can happen, nothing can change the Auto Pact. He does not even acknowledge that the Auto Pact was in serious danger of being challenged by the Americans a couple of years ago before we started the Canada-U.S. Free Trade Agreement negotiations. Now that we have the Auto Pact reaffirmed, and the people of Oshawa know the facts, the hon. gentleman will be out in the next election and our candidate will be in. Exporters know that safeguard actions by the U.S. will not apply to Canada if the problem arises from a third country. What the experts call a new sideswipe we have achieved. If the Americans take some action against third countries it will no longer automatically apply to Canada if we are not the problem as is now the case. We have got no credit for that from Members across the way. The Hon. Member for whatever in Winnipeg—

Miss MacDonald. Fort Garry.

Mr. Crosbie: —Fort Garry, or the Hon. Member from Windsor, who should be a firm supporter of this agreement since it does so much for Windsor, sit there knifing it every day. Safeguard actions against Canadian producers will be subject to binding dispute settlement. We have received no credit for that. Countervail and anti-dumping actions will be subject to binding dispute settlement. Other trade disputes will be dealt with through a formal dispute settlement procedure under the Canada-U.S. Trade Commission. We never get any credit for that.

Members of the Opposition say that binding dispute settlement is of no value and that we are better off without it. What do people in the business world think? The following is what Gordon Cummings thinks. He is the President of National Sea Products in Halifax.

> At present we find that the U.S. political lobbyists have been hard at work; that the United States Trade Commission is judge, jury and prosecutor in one;, that we stand guilty unless we can prove ourselves innocent—

That is the present position Gordon Cummings says. He is not a member of our Party. I do not know if he is a member of any Party. He goes on to state:

> What the free trade agreement can and will do is stop the frivolous U.S. actions, the bullying and the prejudgment that has hurt the Atlantic fishery, and some other sectors I can't claim to speak for, like lumber, potash, pork and tires. I have no reservations in speaking for myself and for National Sea Products when I say we welcome the dispute settlement mechanism outlined in the free trade agreement. And nothing has shaken my strong impression that the rest of the Atlantic Canadian fishing industry feels the same way.

That is the assessment of a senior spokesman for an industry which in recent years has faced six countervail actions and two anti-dumping actions. Other businesses agree. Do they know something members of the Opposition do not know? I would like to know how many countervail actions the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) has been involved in. I would like to know how many actions the academic from Windsor has been involved in. The answer is that they have not been involved in one—not one single countervail action.

Mr. Langdon: How about you, John?

Mr. Crosbie: I have been involved in several. But the gentleman from whom I am quoting has been involved in six countervail and two anti-dumping actions. The only dumping actions that I have been involved in is dumping the New Democratic Party and dumping the Liberal Party. I will go on the rest of my life involved in anti-dumping actions against those Parties.

Binding dispute settlement was a key objective for Canada in the negotiations. It constitutes an important shield against U.S. protectionism.

The following is what Ambassador Allan Gotlieb had to say. He has done an outstanding job for the country in Washington. This might be an appropriate place to mention Simon Reisman who did outstanding work on behalf of his country. He came back from the private sector.

Some Hon. Members: Hear, hear!

Mr. Crosbie: Gordon Ritchie is another man to whom a statue should go up in connection with this monumental task. He was Simon Reisman's deputy. Alan Nymark who is still with us in the TNO. I could mention, of course, many dozens of others. I should and I will mention my predecessor, the Hon. Member for Vancouver Centre (Miss Carney) who led the whole procedure.

Some Hon. Members: Hear, hear!

• (1200)

Mr. Crosbie: As Ambassador Gotlieb has stated:

> The U.S. political system is well adapted to allowing the 'losers' to seek protection . . . This is an age of special interests. The [U.S.] legislative agenda is now run largely by committee and sub-committee chairmen . . . beyond the control of any President. They interact with highly motivated, handsomely financed special interest groups, seeking legislative fixes to their problems.

That is what we face in Washington. Those "fixes" for U.S. industry are protectionist measures.

We have heard the Opposition in the House, time after time in the last year or two, going on about these protectionist measures that U.S. congressmen implement, trying to blame them on us and the U.S.-Canada Free Trade Agreement, instead of blaming them on the U.S. system. How can they blame them on the U.S.-Canada Free Trade Agreement when we have not yet got it? Why don't they support the agreement which will help protect us from these fixes?

Ambassador Gotlieb further stated:

> The free trade agreement will go a long way to substituting the rule of law for the politics of protectionism. For the smaller partner in the world's largest bilateral trading relationship, that will be a very significant achievement.

This is a man who knows. He has been on the scene for seven years. He was appointed to Washington by a Liberal Government, and continued on by our Government. We recognize merit when we see it. In addition, Mr. Gotlieb is a public servant. He knows the system, and his testimony is that it is a very significant achievement. That is what the free trade agreement is all about. Long-term solutions based on reciprocal principles, not raw political and economic power. We cannot win in the battle of raw political and economic power with the United States. It is ten times our size. If, by some misadventure, Mr. Turner got into office, or Mr. Broadbent, or a combination, say, Mr. Broadturn, or Mr. Benturn, or Mr. Turnbent, if a combination of those two parties got into office, can one see them taking on the United States with all its raw political and economic power? Can one see them engage in a battle?

While I think of it, Madam Speaker, I might point out that the Leader of the national Liberal Party suggested blithely that he will tear up the free trade agreement. This is the most irresponsible statement by a leader of a national Party since 1867. In fact, one would have to go back to Polybius in 50 B.C., or somewhere back beyond that to get a sillier statement. At different times he has said different things. He will negotiate a new free trade agreement, or he will negotiate a sectoral series of agreements, or he will take the trade personnel from External Affairs where Trudeau put them four or five years ago and put them back in the trade department. Imagine the astounding gall. The crowd that scrambled the eggs is now going to unscramble them and put them all back in a separate Department, and that will cure all Canada's trade problems.

Ann Hughes, a member of the American Government in the Trade Office in the United States spoke in Canada. She was asked whether there was any chance, if Canada turned down this U.S.- Canada Free Trade Agreement, that another one could be negotiated. She gave the perfect answer to that. She said that it would be disingenuous for anyone to think that if we turned down this arrangement there will be another one for many, many years. Disingenuous is putting it politely. It is dishonest to even suggest that it could be done.

Mr. Langdon: Good.

Mr. Crosbie: The Hon. Member for Essex—Windsor (Mr. Langdon) says: "Good". He does not want a trade agreement with the United States. This is astounding. The Hon. Member, who is from Windsor where the whole prosperity is based on Canada-U.S. trade, says that he does not want a trade agreement with the United States. This is astounding. This is academia gone nuts—academia nuts, I suppose, Madam Speaker.

Not only our security of access but our sovereignty is strengthened, as I said, by putting our trade relations with the U.S. on the basis of equally binding legal principles. Security of access means preserving Canadian jobs and industries that might be threatened in the future. It means preserving Canadian jobs. It means creating new jobs in Canada because of our more secure access to the United States market.

Alastair McEachen, President of the Retail Council of Canada, stated:

> There are a lot of investments, mostly European, waiting to be made in Canada once the free trade pact is in force. Canadian companies are also waiting for the free trade outcome before investing in their own operations.

Many investments are waiting to be made here. Who is keeping them waiting? The Opposition is keeping them waiting. Who is creating the uncertainty? The NDP and the Liberal Opposition is creating the uncertainty. Who is the worst offender? A man who should understand this. A man who went with McMillan, Binch and pretended to be *au coeur*, bosom to bosom with, and in sympathy with the business community of Canada for the years 1970-75—when he fled the scene here—until 1984. He should understand this.

Who is creating the delay and the uncertainty, preventing the investments from pouring in here now, and preventing Canadian businesses from getting ready to take advantage of the free trade agreement because they do not know when it is going to come into effect? It is the Leader of the Opposition, and I will touch on this a little later, who called on the Liberal majority in the Senate to say that they would not put this through until there was an election. We have no binding commitment that they will put it through if there is an election, Madam Speaker. I do not trust them one bit.

The damage that this is doing to Canadian business and industry is incalculable. They do not know whether they should be getting ready for January 1, 1989, for some time during 1989, or not getting ready at all because of the type of campaign waged by the NDP and the Liberal Party of Canada.

What of the charge that the free trade agreement means we are turning our backs on other markets such as the Pacific Rim and Europe? I will give the answer given by the Economic Council of Canada:

> Many believe that freer trade and expanded trade with the U.S. precludes expanded trade with other countries. There is no logical basis for this view. In fact, expansion of our exports sector to serve U.S. customers could well facilitate the economies of scale needed to reach more distant markets.

There is economic sense, logic, and an unbiased view of the Economic Council of Canada created by Liberal Governments to give impartial advice to Canadian Parliaments and Governments. Its advice is in direct contradiction to the opposition canards.

That is the case with the free trade agreement. It will benefit every region of Canada. It will create jobs, it will increase investment, and it will make Canada stronger. It will help us continue our development as a compassionate, dynamic, and distinctive society. That is what it will do.

While it is simple in its principles, the FTA is complex in its application, as we know in the House. It has to be complex because it is so comprehensive. The second major line of criticism offered by the Opposition, after claiming that the FTA sells out the country, and I have dealt with that, is to take the complexity and try to distort and misrepresent specific provisions of the agreement. There is not time for me to deal with all the distortions and misrepresentations. My colleagues will deal with many of them. I will deal with four. The first is the Quebec stock savings plan.

Three weeks ago the Leader of the Opposition stood in the House and charged that the Quebec stock savings plan was inconsistent with the national treatment provisions of the free trade agreement. He was completely and totally wrong. Premier Bourassa had to correct him and set him straight. He cited the sections of the agreement to him and embarrassed him. Never has a Canadian political leader been so embarrassed and caught out so far by a member of his own Party as was the Leader of the Opposition by Premier Bourassa.

I have a clipping here from *The Globe and Mail* of August 17, which states:

> Mr. Bourassa warned that he will defend the free trade agreement if it is attacked.
>
> "If there are errors in fact, concerning free trade or other things, I will maintain my position," he told reporters. "Neutrality does not mean inaction".

Premier Bourassa is going to be very, very busy during the coming campaign, because there are going to be many errors in fact spread by the Liberals and the New Democratic Party in their vicious and hysteric attempts to stop this agreement from going through. So that was the Québec stock savings plan.

• (1210)

On August 17 Mr. Turner rushed to Québec City to try to patch things up with Premier Bourassa. After they had met, Mr. Bourassa said that he would intervene only to correct misstatements as I have just quoted regarding the free trade agreement. He is going to be busy. Mr. Turner was chastened. He looked chastened. He looks very chastened. But, unwilling to let the point go, he said that future stock savings plans would be barred.

He tried to change it and to pretend that he was partly correct. Wrong again. Two wrongs do not make a right. His trade critic and he are speaking. Perhaps his trade critic does not know, either. He is blinded by unreasoning prejudice against the free trade agreement. The investment chapter of the agreement applies only to direct investment, not to portfolio investment. The Quebec stock savings plan is safe. Any stock savings plan is safe. The Leader of the Opposition is not safe. He is running around Canada being criminally negligent in what he says about the Canada-U.S. Free Trade Agreement and what he says about the Government and what he says about the Prime Minister (Mr. Mulroney). He is criminally negligent in every word that he says when he is on the so-called campaign trail across Canada.

I advise the Leader of the Opposition to read the definition of investment on page 240 and 241 of the agreement. "Stock savings plans, present or future, Quebec or elsewhere, are not covered by the agreement". We have gone through the same thing on water, on blood. My God, Dracula is on the way from Romania, because there is going to be blood everywhere here in Canada, according to certain members of the Liberal Opposition. Blood is going to be sold. No more free blood.

Mr. Marchi: Political blood.

Mr. Crosbie: These are the kinds of fright tactics that have been raised against the free trade agreement. The second one that I am going to deal with is unemployment in fish processing.

On August 18 the Leader of the Opposition went to Newfoundland and made completely false statements. Incredible. He charged that Atlantic fish processing jobs are threatened by the free trade agreement. Wrong. Article 1203 of this agreement specifically includes controls on the export of unprocessed fish by Newfoundland, Nova Scotia, New Brunswick, P.E.I. and Québec.

He went there and pointed to the fact that both Canada and the U.S. retained the GATT rights that they had before we entered the free trade negotiations, which is true. But, in a statement of administrative action, the U.S. has indicated to us that it will not challenge existing Atlantic fish processing regulations under GATT. So Atlantic fish processing jobs were never threatened. They were made more secure by the FTA.

The provisions are somewhat complex. To go and make a false statement is extremely simple. This is the technique that the Leader of the Opposition and the others have adopted. There are distortions and misrepresentations. Because the agreement is complex, it is not easy to explain the answer. It is the simple lie, the simple exaggeration, the simple allegation, and a complicated response has to be made, which is not easy for ordinary people to follow. That is the technique.

We all know who had those techniques before. I am not going to mention it. Sensibilities get too stirred up when we refer to who was a specialist in this kind of technique in the 1930s.

Atlantic fishery processing jobs were never threatened. They are made more secure by the FTA. Not only that, but the presidents of the two largest fish processing companies on the East Coast—in fact in Canada—Vic Young of Fishery Products and Gordon Cummings of National Sea, have said again and again that the free trade agreement is going to lead to more, not fewer, jobs in processing.

The Premiers of the provinces where the fish industries are strong support the agreement. How can the Leader of the Opposition go into such a milieu and make these kinds of false statements? Here are some of the other false statements that were made. "Many federal programs designed to assist Canadians may be challenged by the Americans under free trade". False. They can be challenged by the Americans now, they could have been challenged last year, five years ago, next year, but we are going to have some defences to these challenges in the future if the FTA is passed.

Here is what the Leader of the Opposition said according to the *St. John's Evening Telegram*:

> Any advantage, any grant, any incentive, any tax holiday or whatever given to a Canadian that is not available equally to an American will be considered to be an unfair subsidy.

A complete untruth. If it is said knowingly, we know what that means. I am not going to get into parliamentary niceties now. When I am outside this House and on the campaign trail, I am going to call a spade a spade. You cannot call a spade a spade in this House. You have to call it a heart. But outside, that is different. It is completely false. "Any grant, any incentive, any tax holiday, any advantage or whatever given to a Canadian not available equally to an American will be considered to be an unfair subsidy". It is totally false.

He told Carbonear residents, a major employer in the province's fishery industry, "We will be endangered by free trade". It is completely and utterly false. I am glad to see that the ranks of the Liberal Party have swelled by 25 per cent. There are four of them now that the Member has come in.

Electricity. Mr. Turner warned that other natural resources, such as hydroelectricity and offshore oil, will fall prey to the Americans. You can see the Americans coming over, taking our hydroelectricity and our oil. The poor dams are falling prey to the Americans as they do this. "As an example", he said, "that the agreement to develop the Hibernia oil through the Grand Banks will be overridden by the free trade agreement and it converts us into a continental reservoir in the United States".

I do not want to get involved in parliamentary vernacular and decorum. It is an untruth. Hibernia is not affected by the free trade agreement; it is grandfathered under the free trade agreement. It is affected by being given more assured access. The products from Hibernia will have more assured access to the U.S. market as a result of the agreement. That is one of the positive benefits of the agreement. It is not going to be overridden by the free trade agreement or converted into a continental reservoir of the United States. We will sell the oil to Canada for Canadians or to Americans or to Nicaraguans or to whoever we want to sell it to. We could sell it to the British or to whoever wants to buy the oil. This is a deliberate untruth.

He says:

> Under Section 4.08 and 4.09, all of our resources, renewable or non-renewable—hydro, water, coal, gas, wood—are swept into a continental reservoir with the United States . . . What's theirs is theirs, and what's ours has become theirs too.

An Hon. Member: What nonsense.

Mr. Crosbie: Is this the leader of a national Party? Is this a responsible person, addressing an audience in Carbonear and giving them this trash, this untruth, these diabolically false assertions, as to what happens to our resources? "What's theirs is theirs, and what's ours has become theirs too". Does a person like that think for one moment that he has a chance of becoming a leader of this country again? Not at all. Never. Not a chance.

Some Hon. Members: Never.

Mr. Crosbie: I can go on with further statements. The Liberal Leader said:

> Free trade may also mean the end of many of Canada's social programs such as Medicare.

It "may also mean the end". How could the free trade agreement also mean the end? This is the most diabolically vicious series of untruths spoken by a leader of a national Party of Canada in a hundred years, and he is not going to get away with it. He is not going to get away with it, not for one minute.

Some Hon. Members: Hear, hear!

Mr. Crosbie: That is what I call, in the last couple of quotes, a harmonization hoax. The Leader of the Opposition and the Leader of the New Democratic Party claim that we are compelled to bring our social programs into line with those in the U.S.

They claim that we will have to abandon regional development. They do not give any reason why we have to do this; they just announce it and try to pretend that this is so. This is

part of that campaign. When you try to pin them down, they say that there is going to be more open competition between Canadian and U.S. firms. That is going to be the cause of this. That myth is exploded by the facts that I have given this morning, of the growth of social programs and regional development since World War II. It is at the same time that we were reducing our trade barriers with the U.S. All of these other things were burgeoning forth. It is going to continue that way. That is why we are going to always have improving child care systems, that is why we can have programs like the Atlantic Canada Opportunities Agency. It is not disappearing; it is improving. It can only improve as long as we have the economic wealth to improve it, and we are only going to have the economic wealth to improve it if we can improve our access to the United States market. That is the sequence.

They point also to the negotiations over the next five to seven years on countervail and anti-dumping. What is anti-dumping? Anti-dumping is about selling goods for less in the other country's markets than in your own, so that cannot be the problem.

• (1220)

So then they point to countervail. What are countervailing duties? We use countervailing duties just as the Americans use them and every other country uses them. They are to protect a domestic industry from significant harm caused by unfair, trade-distorting subsidies given to foreign companies exporting into your market. If some foreign country exports into Canada at prices less than their costs or less than they sell at home, then we can bring in a countervailing duty, or if they subsidize their goods with unfair subsidies, trade-distorting subsidies, to compete in other countries, we can bring in a countervailing duty if we can prove it. The U.S. does it and we do it. It includes things like direct export subsidies.

For example, if Canada paid the producers of a widget 50 cents for every $1 widget to the United States, that would be a direct export subsidy. If the company exports its widgets to the United States, the Government will pay it 50 cents a widget, a direct export subsidy. The Americans would have a right to complain. It has nothing to do with medicare, child care, old age pensions, family allowances or social programs and has nothing to do with regional development programs of general application.

A general regional development program such as ACOA which is open to everyone, general application, cannot be challenged with countervailing actions, or it cannot be challenged successfully. Of course anything can be challenged. The point is, can it be done successfully?

We want to achieve a clear set of rules for countervail that prevents the kind of politicized decision-making we saw in the U.S. in the softwood lumber case. Binding dispute settlement is our main line of defence against those politicized decisions while we are working out the countervail rules with the Americans. If the Americans suggest, some time in the next five to seven years, some kind of distorted approach to those issues, we will simply say no. We will not agree to their suggestions. That is all we have to do, just say no. Nothing forces us to say yes.

The final representation I will deal with this morning is what I call the hijacking of the GATT. The Opposition claims the free trade agreement undermines the multilateral trading system that is so important for our access to global markets. That is not true. That is confirmed, of course, by Arthur Dunkel, the Secretary General of GATT. He has said that the free trade agreement will in no way hinder each country's trading obligations with the rest of the world.

We follow a two-track policy in trade negotiations. Bilaterally, with our largest trading partner, the U.S., we are improving the relationship by a bilateral agreement. Multilaterally, through the GATT, we are negotiating now with the GATT. I have been at several meetings myself. Our chief negotiator is Sylvia Ostry. We are going to Islamabad in the first couple of days of October to meet again with 22 other countries in preparation for the mid-December meeting in Montreal of all the GATT countries, the mid-way point of the Uruguay Round of GATT negotiations. We are pursuing a two-track policy.

We have achieved success in the bilateral negotiations with the U.S. We hope for a successful outcome in the MTN negotiations, but those are far from complete. They have another couple of years to go. We have to get 95 other countries to agree. GATT Article 24 specifically provides for free trade agreements between member countries and our agreement comes within GATT Article 24.

In June in Toronto, as we all remember, the seven leaders at the summit, our largest trading partners in Europe and Asia, strongly welcomed the free trade agreement and noted the contribution it would make to success in the multilateral trade negotiations. Our policy is two-track: one U.S.-Canada where 75 per cent to 80 per cent of our exports go, the other with the world.

Let me give the last word on the nature of the Opposition's criticism to a Liberal Senator. I will quote George Van Roggen, one of the most experienced and knowledgeable individuals on trade matters in Parliament. He is the Liberal Chairman of the Senate Committee and has been at dozens of Canada-U.S. parliamentary meetings. He is widely respected, but stabbed in the back by his Leader when his Leader made a statement calling on the Senate not to proceed with this agreement, not to give this a sober second look but to give it an inebriated no look at all, I suppose. Senator George Van Roggen has said:

> I think if it weren't for the verbal terrorism of the (free trade) opposition frightening people to death, the man in the street would be instinctively in favour of (the free trade agreement).

That is an exact description of it, verbal terrorism. Then he went on to say:

> That's the trouble here, the proponents are stuck with trying "to explain a difficult legal trade document while the opponents can sit back and make the most outrageous statements by pushing the right emotional buttons."

Senator Van Roggen is right, all the way from the sale of Canada to imperilling the very idea of Canada to the free trade agreement representing a fundamental change in the direction of the country to the stock savings plan falsehood to the fish processing falsehood to the harmonization falsehood to undermining the GATT falsehood to fabricated issues like blood and water. The Opposition has taken the low road. It has chosen to distort rather than to debate the issues. It has been a pusillanimous and discouraging exhibition on their part. I am going to talk bluntly here.

The Leader of the Opposition wants to tear up the free trade agreement and the Leader of the NDP wants to tear it down, the big difference between these two characters. One is an up tearer, the other is a down tearer. What do they say they are going to do instead? What is their alternative for Canada?

The most recent Liberal proposal was presented by the Leader of the Opposition to Mr. Bourassa on August 17. Mr. Bourassa was not buying it. He continues to support the free trade agreement. This latest Liberal proposal replaces one announced with much fanfare by the Hon. Member for Winnipeg—Fort Garry who is a fandaglio of fanfare. On June 13, he had another fandango. First there was the announcement of June 13 by the Hon. Member for Winnipeg—Fort Garry and no one bought that. Then the Leader of the Opposition had another plan. The latest plan had five points, three relating to trade, one relating to international monetary policy and one relating to domestic policy.

The Leader of the Opposition is supposed to be expert on world international monetary affairs because he was the Minister of Finance in the early 1970s. Michael Wilson knows more about it, has more knowledge of it in his little finger than the Leader of the Opposition has in his whole six-foot body. Michael Wilson got the other major countries of the world to agree on the G-7, including Canada, so that we participate in these monetary meetings. Michael Wilson is the Minister of Finance for the eighties.

Mr. Manly: Madam Speaker, I rise on a point of order. I believe it is well known that we are not to refer to Members by their names but by their positions in Cabinet or their constituencies, and the Hon. Member has done this three times in a row without being rebuked by the Chair.

The Acting Speaker (Mrs. Champagne): I am sure the Hon. Minister is well aware of the rules and will abide by them.

Mr. Crosbie: Madam Speaker, this is a very important point and I will be very, very careful in the future not to transgress.

Let me refer to the *Halifax Herald Limited* editorial of August 16, "Turner's trade gambit". After the Leader of the Opposition met with Mr. Bourassa, the editorial said:

> Indeed, even those who share the Liberal disdain for the trade agreement must be chagrined by the ground which is always shifting under the leader's feet.
>
> First, he wasn't too sure about the deal; next, he was going to rip it up; at one point, he was for free trade but not "this deal"; now, he wants a sectoral agreement and more trade with those Far Eastern countries with which Canada cannot possibly compete in several key areas of the economy.

That is a short and succinct description of the Liberal alternatives to the trade pact. I have not got time this morning to quote it, but I would refer Hon. Members to an article on the same subject by George Bain entitled "Turner's free trade package, is it funny or serious?", concluding that it was neither. It was pitiful. This appeared on August 20 in *The Chronicle-Herald*. He ends up by saying, "Fifth, in light of all that went before, Mr. Turner's talk about being willing to go back to sectoral free trade talks is hokum". That is another objective observer, the dean of Canadian newspaper columnists, George Bain. I recommend that as an excellent article.

• (1230)

Let me give just a couple of quick summations. June 14, "Turner rules out trade pact if Liberals govern", says an article in *The Financial Post*: "Turner made it clear yesterday that he opposes any bilateral free trade deal with the U.S., as he unveiled an alternative economic and trade strategy. The Liberal proposal was contained in a report by a task force chaired by Liberal trade critic, Lloyd Axworthy. The Liberal alternative calls for a strengthening of the General Agreement on Tariffs and Trade".

Now, imagine! For two years the world has been trying to strengthen GATT. It was our Minister, the Hon. Member for Vancouver Centre, who went to Uruguay with the Minister of State for Finance (Mr. Hockin) and were very helpful if not largely instrumental in getting the countries there to agree to start the process of negotiating on GATT again, the Uruguay round. Two years later comes the great Liberal alternative. What are they calling for? A strengthening of GATT? Is that not marvellous? We have been trying to do this for the last two years. It took two years for that to sink in to the Johnny-come-latelys and the mind of the Hon. Member for Winnipeg—Fort Garry and get him all excited about it.

Here is something else from a CP report: "A future Liberal Government wouldn't seek new bilateral trade agreements with the U.S. or any other country, Liberal trade critic Lloyd Axworthy said today. He said the cornerstone of the Liberal trade policy issued in the June 13 report is a rejection of comprehensive two-way trade deals of the kind negotiated by the Conservative Government. The Party is committed to liberalizing trade with the U.S. and the rest of the world but on a multilateral basis or individual sectors such as the 1965 Canada-U.S. Auto Pact. We are not talking about signing individual free trade agreements, said Axworthy".

Then we go to *The Globe and Mail* of June 27 and discover a new trade critic for the Liberal Party. We have surprise announcements made by the MP for Montreal—Sainte-Marie

(Mr. Malépart). He said: "The Liberals would tell Canadians we won't negotiate one deal with the U.S. but several deals with other countries. We won't put all your eggs in one basket. Eventually Mr. Turner will make public a series of principles of accord on which any Liberal free trade deals could be based".

This is the Malépart version. He said: "This thing wasn't dreamed up overnight and dropped on the caucus just like that, said Mr. Malépart, the MP for Montreal—Sainte-Marie. It was worked out after a lot of thought. We relied heavily on findings of various public opinion polls".

Oh, is that what the task force was doing, looking at all the little public opinion polls to see what their tatterdemalion trade policy should be and then support strengthening the GATT two years after the process started?

The Ottawa Citizen of June 14: "A liberal government would not only scrap the free trade agreement with the United States but would not try to renegotiate in hopes of striking a better deal". That is very sensible. Not only going to scrap it, they will not even renegotiate it. This is John Turner: "At a news conference Turner said the deal is not negotiable". This is truly incredible. That is the policy, apparently, but it changes every couple of days. Then we have John Ferguson from Southam News on June 14 who did an analysis of the Hon. Member for Winnipeg—Fort Garry's pronouncement, and I highly recommend everyone in the House read this. He says: "But if Canada isn't going to take on the U.S., where else are we going to peddle our wares? Well, it is all laid out in a new trade policy of the Liberals released Wednesday".

We are going to conquer the world, that is what the Liberals are going to do. It says: "The Liberals think we will get clobbered in any head-on competition with the Americans under free trade but we're going to knock them dead in a Pacific Rim, bowl them over in Europe, and have them begging for mercy in Latin America". All we have to do is follow these simple steps. These are the simple Axworthy steps: "Shake up the bureaucracy again to recreate the old department of industry and trade".

You know, the ones the Liberals uncreated in 1982 to move all the trade people over to the Department of External Affairs. That was a jim-dandy. That is going to revolutionize the world. Yes, Sir, we are going to be able to knock them dead in the Pacific Rim when we do that, bowl them over in Europe and have them begging for mercy in Latin America. Funny, in 1982 they told us that making trade part of External would "result in a greater priority in trade objectives, in the conduct of our international relations, give greater emphasis to the international marketing of resources and services, and strengthen Canada's ability to adapt to change in world economic conditions". Where was the Hon. Member in 1982? Why, he was in the Trudeau cabinet that was scrambling up the trade department, putting it into External Affairs, which this year he says he is going to unscramble and put back because this will enable us to take on and conquer the world. That is some policy.

Then he goes on to analyse. Research and development, that part of the GNP which goes to that, will be increased. They are going to go to Geneva where the negotiations on GATT are taking place and convince the Americans to change their trade laws so that any company losing a countervailing duty case would be required to pay the legal costs of importers who have to defend themselves. How are they going to persuade the Americans to do all these things? Having slapped them in the chops, having torn up the free trade agreement, having told the U.S. we do not care about them, having said we could care less about them, you are going to go GATT where 95 nations are present and tell the Americans what they are going to do, how they are going to change their trade law to allow higher levels of subsidies on imported goods into the U.S.? Has there ever been such a travesty of a trade policy put forward by anyone in any form in such a shape that is so laughable and so ludicrous if it was not so dangerous?

Some Hon. Members: Hear, hear!

Mr. Crosbie: The Liberals hope to improve especially the GATT dispute settlement mechanism, and so do we. We started the process two years ago. In mid-December we will be having the mid-term meeting of the 95 GATT countries in Montreal trying to achieve those objectives, having done two years of work getting ready for it. We both have the same objectives there.

We have taken a lead role in the working group which is now seeking to improve the dispute settlement under GATT. Peter Bentley, Chairman of Canfor in B.C., pointed out:

> We have no assurance about when the current Uruguay round of GATT will be completed.

Remember that. No assurance on when it will be completed. It could take years. He says:

> In the meantime we could find ourselves in the embarrassing position of being unemployed and bankrupt if U.S. protectionism prevails before this event took place.

That is a perfect answer to the Hon. Member for Winnipeg—Fort Garry's so-called trade policy, dependence on GATT. We could all find ourselves in the embarrassing position of being unemployed and bankrupt if U.S. protectionism prevails before this event took place. That is what the honourable gentleman wants Canadians to do, throw aside the Canada-U.S. free trade agreement that would give them some protection and wait and wait and wait for 95 countries to agree at GATT. It is astounding. Premier Bourassa said this:

> There is no contradiction between having multilateral trade and having a free trade treaty with the United States.

My comprehension of, my appreciation and admiration for Premier Bourassa goes up day after day. He might be a Liberal but, by God, he has his head screwed on right. Gerry Regan is a Liberal but his head is screwed on right. Donald Macdonald is a Liberal but his head is screwed on right.

George Van Roggen is a Liberal but his head is screwed on right. In addition to that, he has a backbone. There are many Liberals that are not going to swallow this stuff. We can and should have the benefits of both bilateral and multilateral trading arrangements.

Now the Liberals say they will seek sectoral free trade agreements with the U.S., not a comprehensive trade agreement as has been negotiated. That is something new. That did not appear in the Hon. Member for Winnipeg—Fort Garry's statement of June 14. It came up since, as I explained. The sector-by-sector approach was tried in 1983-1984 and it did not work. I have the reasons here. I won't read them now because of the time I have taken, but at page 10 of the transcript of Gerry Regan's broadcast on CTV, CJOH, April 10, 1988, he explains why the sector-by-sector approach did not work and could not work and will not work now. It will not work because the U.S. wanted to negotiate in sectors in which they believed they had an advantage while Canada wanted to negotiate in sectors in which we thought we had an advantage, and we could get nowhere.

• (1240)

In addition, if you did work out a sectoral agreement you had to have special permission from the other member states in GATT. GATT does not allow sectoral free trade agreements between members. It only allows comprehensive agreements such as we have negotiated with the U.S. Gerry Regan said:

> When I was a member of Mr. Trudeau's Government, I recognized the importance of obtaining better guarantees of access to the vital American market . . . I have come to the conclusion that the present free trade project is a more meaningful, courageous and important undertaking . . . more important than our limited negotiations in (1983-84).

The third element of the latest Liberal plan was to emphasize trade with Europe and the Pacific Rim. We did that in 1985. In our national trade strategy we established a major new initiative directed toward the Pacific. Where has the Member for Winnipeg—Fort Garry been for the last four years? Where was he when the then Minister for International Trade, the Member for Vancouver Centre, was adopting this new national trade policy, this major new initiative directed to the Pacific?

We have established new trade offices in Osaka, Shanghai, Bombay, and Auckland. Where were they when this was going on? They have now adopted this as a brave new policy when we already did this three years ago. Partly as a result, our trade with Japan is surging. It now accounts for $15 billion a year. The recent dramatic rise in our exports to Japan has re-established our trade surplus with that vital trading partner. Where was the great trade critic of the Liberal Party when all of this was going on? Why does he only wake up after the fact and discover what is happening in the Pacific Rim and what we have done, which our predecessor Government did not do? What a dynamite policy the hon. gentleman came forward with.

The idea that we can increase trade with other countries to substitute trade with the U.S. runs contrary to the plain facts of commerce and geography. Mr. Diefenbaker wanted to increase our share of trade with Great Britain instead of the United States and it did not work. Mr. Trudeau had a third option in the early seventies. He wanted to direct us away from the U.S. to Europe. It did not work. The sensible goal is a balanced trade strategy, which is what we are pursuing. We are seeking new markets where there is an opportunity to do so. That is called common sense.

Some Hon. Members: Hear, hear!

Mr. Crosbie: The Liberal alternative to the FTA is not an alternative at all. It ignores the threat of U.S. protectionism. It expresses high hopes for what the MTN may be able to achieve if 95 member states agree, and it ignores the benefits in terms of security of access and dispute achievement settlement achieved under the free trade agreement. About this *The Ottawa Citizen* said:

> The five-point plan the Liberal leader would implement as Prime Minister would replace the free trade deal with a rehash of tried and failed policies and motherhood statements about improving the international economy.

Right on, *Ottawa Citizen. La Presse* was equally harsh. It said:

> The Turner alternative is nothing more than an unrealistic mumbo-jumbo of mercantilism and unthinking optimism.

The key to understanding the Liberal alternative is contained the words which I quoted earlier of the Member for Montreal—Saint-Marie. He said that this was not dreamed up overnight, that it was worked out after a lot of thought and that they relied heavily on findings of various public opinion polls.

Do the people of Canada want to place their trust in a national Party that designs its trade strategy based on opinion polls instead of analysis of what exporters need to get the job done? Do you think that is what they want?

Some Hon. Members: No.

Mr. Crosbie: Are you sure?

Some Hon. Members: Yes.

Mr. Crosbie: Do they want to place their trust in a national Party that cooks up two alternatives in less than three months?

Some Hon. Members: No.

Mr. Crosbie: Are you sure?

Some Hon. Members: Yes.

Mr. Crosbie: In perfect agreement.

I have one last topic I want to address in this debate, that being the conduct of the opposition Parties in Parliament in seeking to block the free trade agreement. The NDP have obstructed the process of this House at every step. Bill C-130

was held up for three weeks on specious procedural grounds. Debate in the House was delayed by recorded votes on the first reading of NDP Private Members' Bills on such matters as naming hockey Canada's national sport or marking the anniversary of the signing of the Magna Carta.

By the way, hockey is quite a pertinent issue because I heard the other day that the Leader of the New Democratic Party wants to make the national sport, not hockey but rowing. He wants Canadians sitting on their backsides going backwards. It is pretty cheap to bring in a Private Members' Bill to make hockey our national sport in order to cover that up.

Those are the kinds of procedural steps the NDP took in order to prevent us from getting to this debate. They have not tried to debate any substance, only unfounded fears. All the time Members of the NDP were proclaiming that they were prevented from serious debate on the free trade agreement, these were their tactics.

When they and the Liberals were asked how much time they wanted for report stage and third reading, they said 350 days, more time than is left in the life of this Parliament. Imagine the two opposition Parties asking for 350 days of debate on report stage and third reading. Then they could not scruff up enough speakers for the days that we did have.

The NDP tampered with and misused the rules of Parliament, although they did stay within them. Unlike the Liberals, the NDP did not resort to corruption of the conventions of our Constitution, corruption of the conventions of Parliament.

The Leader of the Opposition returned to political life in 1984 and offered himself as a man of principle, a man coming out of the wilderness to cleanse Canada. He was going to bring much needed change to the nation by his leadership. He did not agree with the direction in which Mr. Trudeau had led the Party. He had been in Winston's on Bay Street since 1975 meeting with the people who he now excoriates. He was going to sweep away the old gang from the Trudeau years. He was going to bring a fresh new approach to the Liberal Party of Canada.

Where is he today? He is back in the hands of the politicians and back-room boys placed in the Senate at the behest of the Prime Minister he succeeded, the very people appointed to the Senate by then Prime Minister Trudeau or by the Leader of the Opposition in the few days that he was Prime Minister. He has put this whole issue and himself right back in their hands. He has fallen into the same tactics of trading in fear which were used by the Liberals in the 1974 election when they said "Zap, you're frozen" on the campaign trail. When they got into office they instituted wage and price controls. Mr. Turner is following in the exact tradition of the politicians who did that.

Who are those back-room boys who are now in the Senate and how long are they going to be there? Senator Gigantes will be there until 1999. Senator Jerry Grafstein will be there until 2010. Senator Marsden will be there till 2017, Senator Graham till 2004, Senator Hébert till 1998, and it will be 2018 when Senator Kirby from Mr. Trudeau's office has to retire. Senator Kenny will be there until 2018. Senator MacEachen will be there until 1996, Senator Pitfield until 2012, Senator Frith until 1998, and Senator Fairbairn will be there until 2014. Senator Stollery will be there until 2010, Senator Romeo Leblanc will be there until 2002, and Senator Davey until 2001. It seems as though he has been there an eternity now. Senator Jack Austin will be there until 2007, Senator Cools will be there until 2018, Senator Corbin will be there until the year 2009, and Senator de Bané will be there until 2013.

The situation is that the Liberal Party has told Canadians that it will govern Canada if elected with a majority to the House of Commons. They said that they have governed Canada for most of this long, interminable century because they have been given a majority in the House of Commons. They say that they are going to govern when they have a majority in the House of Commons and that they are going to govern when Canadians give someone else a majority in the House of Commons because they are Liberals, only they can govern the country, only they have the brains, the magnetism, the intelligence, and the arrogance to govern this Canada. They are going to govern it from the Senate where they have a majority of Liberal Senators until the year 2008. If everyone in the Senate today lives to be 75 and stays in their position in the Senate, the Liberals will have a majority in the Senate until the year 2008.

• (1250)

The Leader of the Opposition has told us, and it has been confirmed by Senator MacEachen and the Liberals in the Senate, that they will determine the policy of Canadians as long as they have a majority in the Senate. They say: "We do not care who elects a majority in the House of Commons, we do not care what their policy choices are". If it is the Atlantic Canada Opportunities Agency, and they do not like it, they will change it. They do not care if it is the immigration laws. If they do not like the suggestions of the people for whom the electorate was dumb enough to vote in the majority in 1984, they will change them. They say: "If we do not like anything you propose we, the Liberals in the Senate, will change it".

Now the free trade agreement is coming before the Senate. Although the Liberal majority in the Senate believes in free trade and believes in the free trade agreement, they will say no to free trade. They will tell us that we must have an election. We are not to be governed by the ordinary rules that govern Liberal Prime Ministers. We will be governed by the Liberal Senate.

They say: "We, the Liberal Party of Canada, are going to decide". That is what the Leader of the Opposition is telling Canadians. The slogan is not "let the people decide", it is "let the Liberal Party of Canada decide". Let the Liberal Party of Canada violate all the conventions of the Constitution.

Is this country run by a democratic parliamentary system or is there a Liberal tyranny in this country in which a government can never be changed because they will have a majority in the Senate forever? When the Conservatives or someone else comes to power, they will not decide the important issues of the day. That is what the Leader of the Opposition is telling us. The Canadian people will be asked whether they agree with this. What system will we have in this country?

I know what the Canadian people will determine. Do the people of Canada agree that Senator Kirby, of the Machiavelli memorandum, should govern Canada until the year 2016? Was he elected by the people of Canada to govern? Was Senator Kenny elected to govern until the year 2018? Was Allan MacEachen elected to govern until the year 1996?

They were not elected to govern. They were turfed out, turned out, tired out. They were put up in the second house of sober second thought. Where is the sober second thought for the free trade agreement?

The man who came back in 1984 said that he would cleanse the Liberal Party and brush aside all the old gang, the bureaucrats and Trudeaucrats in the smoke-filled rooms. The same group are now governing Canada. The Trudeaucrats who the Leader of the Opposition was going to eliminate from public life in order to cleanse the Liberal Party are those to whom he is now appealing in his final abject surrender to the desire for power. He is now appealing to them for help.

We will see what the Canadian people want. I cannot wait to get this question into the hands of the Canadian people.

Some Hon. Members: Hear, hear!

Mr. Crosbie: The Governor General of Canada does not rule Canada only because of the conventions of the Constitution. She has the legal power to dismiss the Government today and rule by fiat. The Queen in England has the same right. Our system is democratic only because of these conventions that have governed us. There have been the conventions since the early 1900s that the Senate does not prevent legislation from going through the Senate when it has been passed by the elected House of Commons of this country. Anything contrary to that is contrary to the democratic system. I would expect the New Democratic Party to agree with that.

The Leader of the Opposition has sunk to the level of calling on Senators to abandon their conventional roles under the Constitution in the pursuit of partisan advantage. Are Liberal Senators giving sober second thought? Are they representing regional interests when they agree to obey the directions of an opposition leader to block an initiative that the House of Commons has approved? Of course not. The arrogance of the Trudeaucrats knows no bounds. After being defeated at the polls, they will rule from the Senate. They can do so for at least another two decades. However, the responsibility is not theirs. It is the Leader of the Opposition who is responsible for falling in with their schemes and making the suggestion to them.

The Opposition has and continues to play on the fears of Canadians. Canadians are more confident and more capable of seeing through the distortions and the misrepresentations spun by the Opposition than the Opposition believes. Canadians are bigger than the scare tactics of the Opposition.

The Government was elected to provide leadership to the nation in the face of changing circumstances and to take advantage of the opportunities that arise. That is what this Government has done. It has provided the leadership in seeking the achievement of a free trade agreement with the United States when the opportunity arose. It arose because our Prime Minister had a good, valid and valuable relationship with the President of the United States. We seized that opportunity and we have this agreement. A group of people who do not want the national interest to interfere with their insatiable lust for power are doing everything they can to prevent that.

This Government has provided the leadership in seeking and achieving a free trade agreement with the United States. We are proud of our record. We are confident that when Canadians are called on to decide in an election, they will support the Government and the free trade agreement. This Government is the free trade agreement. There is no free trade agreement without this Government. In the organized political Parties, we are its only friend. We are the free trade agreement, and Canadians will not forget that.

Free trade can only be achieved with a majority Progressive Conservative Government. It cannot be achieved with a minority. It cannot be achieved any other way. We are the only way to a brighter tomorrow for Canadians. We are confident in Canada, confident in Canadians, confident in ourselves and confident in our leader. We are coming, and we are many millions strong.

Some Hon. Members: Hear, hear!

Mr. Axworthy: Madam Speaker, in view of the time, I wonder if I might call it one o'clock and resume debate this afternoon?

The Acting Speaker (Mrs. Champagne): Is there unanimous consent?

Some Hon. Members: Agreed.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being 1. p.m., I do now leave the chair until 2 p.m. this day.

At 12.58 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

S. O. 21

STATEMENTS PURSUANT TO S. O. 21

[*Translation*]

THE LATE JEAN MARCHAND

Mrs. Lucie Pépin (Outremont): We were sorry and saddened to learn yesterday of the death of Jean Marchand, a committed trade unionist and the most passionate of the "three wise men", a great Liberal.

Allow me, to quote an excerpt from the tribute to him by Alain Leduc in this morning's *La Presse*.

> With Jean Marchand's death, we have lost one of the men who shaped modern Quebec, one of the architects of the Quiet Revolution, without which we would not be what we are today.
>
> But Jean Marchand's major contribution is still little known by more than half of Quebecers.
>
> Since they only know of the federal Minister and then Senator, they do not appreciate the debt they owe someone like Jean Marchand.
>
> As president of the CNTU, he was also a pioneer of the Quiet Revolution and a partner in its reforms, from the creation of the Department of Education to the unionization of public servants.
>
> He showed the same energy and the same passion when he moved to the federal arena in 1965. He fought for a strong Canada and the defence of bilingualism in Canada and, as Minister of Regional Economic Expansion, against regional inequalities.
>
> But it would do an injustice to Mr. Marchand's memory not to mention the sometimes strong reactions he aroused. His conflicts matched his image of a combative, fiery, emotional man, not a politician ready to make concessions to please. Mr. Marchand was a courageous militant, ready to fight for his convictions, even if they went against conventional wisdom.
>
> There are few Quebecers whom one can call without exaggeration the Fathers of modern Quebec. There are barely a handful, and Jean Marchand is one of them. And that is why we owe this pioneer our respect and our gratitude.

So to this passionate wise man and great Liberal, I say thanks!

* * *

[*English*]

DANGEROUS SUBSTANCES

PRESENCE OF PCBS IN HYDRO TRANSFORMERS

Mr. Alan Redway (York East): Mr. Speaker, last Saturday a truck knocked over a hydro pole in Toronto causing PCB-laced oil to spill from a hydro transformer. Hydro officials said there was no need for alarm because the PCB levels in transformers are low and the oil coolant is pretty well safe.

There are two transformers on the hydro pole across the street from my own home. No doubt, they contain PCBs as well. Although PCBs have been banned in Canada for the past 11 years, there are still lots of them around in hydro transformers.

The National Research Council and Atomic Energy of Canada now say they know how to get rid of PCBs. I trust that even though the PCB levels in hydro transformers are low, we will get rid of them as well.

* * *

CANADIAN BROADCASTING CORPORATION

CFPR PRINCE RUPERT—PLANNED STAFF REDUCTION

Mr. Jim Fulton (Skeena): Mr. Speaker, the statutory mandate of CBC requires that service be extended to all parts of Canada as public funds become available. The Conservative Government has hacked and slashed CBC's budget, making extensions of service impossible. CBC proposed a plan to the CRTC earlier this year which included the reduction of staff at Prince Rupert from 14 to two persons to allow extensions of service elsewhere in British Columbia. This plan was turned down.

On November 12, 1987, Pierre Juneau and again before the CRTC Michael McEwan, vice-president of CBC, stated that the plan was all or nothing. CBC now plans to reduce Prince Rupert to four staff and sell the assets anyway.

On December 2, 1987, Pierre Juneau, President of CBC, wrote to me stating that there was an undertaking with Treasury Board that "in the period of cuts to capital and operating funds, there would be no extensions of service", and that any funds would be for maintaining existing locations. The Standing Committee of the House concluded that storefronting should not be done at the expense of the existing stations such as CFPR.

The Minister has three choices, first, put forward the necessary funds for service extensions in Victoria, Kelowna, Kamloops and Prince George, while fully maintaining CFPR; second, fire Pierre Juneau and Michael McEwan for lying or, three, resign herself for failing to uphold her statutory mandate and Treasury Board undertakings.

* * *

YOUTH

INTERNATIONAL CONFERENCE ON HOSTELLING

Mr. Gordon Taylor (Bow River): Mr. Speaker, last weekend it was my pleasure to represent the Minister responsible for Youth (Mr. Charest) at the thirty-seventh International Conference on Hostelling which was held at the University of Calgary. Present were 240 delegates from 60 countries and this was the first time in 80 years of hostelling that the conference was held in Canada.

It was a fitting area for the conference because Canadian hostelling was commenced in 1933 at Bragg Creek, Alberta, by two dynamic ladies who erected a tent and charged a 25 cents overnight fee. It was the first hostel in North America.

One of the ladies, Miss Mary Barclay, was present at the conference and was honoured by the delegates.

The Canadian Hostelling Association and Canada's fitness and tourism programs are complementary. Besides attracting to Canada hundreds of youths from around the world, it is an instrument of understanding and peace, blended with environmental appreciation. I compliment the Canadian Hostelling Association and urge the Government to continue and increase its financial support to this splendid organization.

* * *

ABORTION

POSITION OF PRIME MINISTER

Mr. John Nunziata (York South—Weston): Mr. Speaker, the Prime Minister (Mr. Mulroney) has breached another very firm commitment to the people of Canada. He committed himself to introduce legislation on abortion prior to the next general election campaign. Yesterday, seven full months after the Supreme Court of Canada rendered its decision in the Morgentaler case, the Prime Minister said he is going to wait for the results of the Borowski case.

Two months ago the Government went to the Supreme Court of Canada, asking the Supreme Court to postpone the Borowski case until Parliament had an opportunity to deal with the issue. The Prime Minister is now telling us that Parliament needs the guidance of the Court and he is postponing the introduction of legislation pending the results of the Borowski case.

The net effect of the new position of the Prime Minister of Canada is that we will not have legislation introduced until at least two years down the road. The Court is hearing the case in October and it is unlikely to render a decision until at least the following year. This is another example of a broken promise by the Prime Minister of Canada. He has a lot of explaining to do. He has to explain to the people of Canada his about-face on this very crucial issue which faces the country. The reality is that the Prime Minister lacks the courage and conviction to introduce legislation.

* * *

EXTERNAL AFFAIRS

BURUNDI—CONTINUATION OF RACIAL VIOLENCE

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, since its independence in 1962, the history of Burundi has been marred by one intertribal massacre after another. After the slaughter of 2,000 Tutsis in 1972, 200,000 Hutus were massacred in a period of only six weeks. Racial violence continues today. In the last few weeks over 5,000 people have been killed and 100,000 have been made homeless. The army has been deeply implicated in the killing.

Mankind ought not to tolerate human rights violations on such a massive scale. Canada should press the United Nations to conduct an independent investigation and to take action to stop the genocide.

* * *

ABORTION

POSITION OF PRIME MINISTER

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, in a CBC interview last night the Prime Minister (Mr. Mulroney) continued in his failure to provide leadership on the subject of abortion. He talked about abortion as being a question of personal decision for Members of Parliament when it comes to voting, but did not recognize the more basic personal decision women must make. What a double standard.

The Prime Minister defends the rights of Members of Parliament to vote on the basis of a personal moral decision, yet he stays silent on the question of the right of a woman to make a personal moral decision as to whether or not she should have an abortion.

No wonder that Ruth Evans of the United Church said last week that Canadians do not trust the Mulroney Government to come up with a workable solution on abortion. She said: "Mulroney, in particular, has not shown any clear leadership". It is not enough to say this is a difficult moral issue. He now wants to postpone any decision on abortion until after the election and hide his Government's position. The Conservative Government must tell the Canadian people what it plans to do on the question of abortion.

* * *

THE PRESS

ATTEMPTED ASSASSINATION OF EDITOR OF *INDO CANADIAN TIMES*

Mr. John Oostrom (Willowdale): Mr. Speaker, just a few days ago a 17-year old male was charged in the shooting of Tara Singh Hayer, the editor of the *Indo Canadian Times*, the largest Punjabi newspaper in B.C. A few days prior to the assassination attempt, a report from London, England, said that Hayer was one of the men targeted for a $50,000 contract killing because of his political views.

In Canada freedom of speech is the cornerstone of our democracy. Canadians have fought and died in two world wars to preserve this right. The printed and electronic media are free to venture any opinion on any topic without fear of endangering one's physical well-being. Assassination as a

means of terminating political dissent is a tactic used by brutally repressive dictatorial regimes, of which we have many.

Any individual who uses violence to suppress freedom of speech must be severely punished. Canadians will not tolerate any attempts to subvert democracy.

* * *

FISHERIES

SITUATION OF NEWFOUNDLAND AND LABRADOR INSHORE FISHERMEN

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, hundreds of inshore fishermen in the Province of Newfoundland and Labrador continue to receive no positive response whatsoever from the Government of Canada to their request for assistance after having a disastrous season this year in the inshore fishery. Indeed, organizers today in western Newfoundland, in the community of Corner Brook, a city 150 miles south of the northern peninsula, are putting together food to be sent to the northern peninsula to be distributed at the first food bank ever on the Great Northern Peninsula of Newfoundland.

We saw last week that the National Citizens Coalition, a right wing group in this country, awarded a $10,000 prize to the Member for St. John's West (Mr. Crosbie), a cabinet Minister, for espousing the views of the National Citizens Coalition. The Minister says he wants to put it to work for a good cause. He will give it to the Tory Party—a back-door contribution. If he really wants to contribute it to a good cause, let him give it to the inshore fishermen of Newfoundland whom he is ignoring, and who have had no response, and who are trying to put food on the table. That is a good and worthy cause.

* * *

• (1410)

[*Translation*]

RAILWAYS

ABANDONMENT OF FRANQUET-CHAPAIS SUBDIVISION—REQUEST FOR MORATORIUM

Mr. Guy St-Julien (Abitibi): Mr. Speaker, since March 1986, I have been working with CN employees, Denis Lamarche, the Railway Network Committee of the CRDAT and municipal and economic partners in the Abitibi region, to fight against the abandonment of the Franquet-Chapais subdivision.

I received a copy of a letter dated August 16, 1988, sent by François Gendron, Quebec MNA for Abitibi West, to the Canadian Transport Commission, in which Mr. Gendron opposed CN's application in the following terms: "The application by CN would jeopardize the mining potential of this part of the region."

In a letter sent on August 27 this year to the federal Minister of Transport, Marc-Yvan Côté maintained that "the abandonment of the Franquet-Chapais subdivision will, in the medium term lead, to a considerable rise in the cost of transportation between the Chapais-Chibougamau mines and the Noranda smelter".

Mr. Speaker, since 1986 I have spoken many times about this matter, both in the House and in the Standing Committee on Transport, and I repeat that Quebec is disavadvanted compared to Western Canada. I would ask the Minister of Transport for a moratorium on all applications for abandoning CN subdivisions in this country and I would ask the Government of Canada to grant CN a subsidy of $5 million for repairs and maintenance on the Franquet-Chapais subdivision in Abitibi.

* * *

[*English*]

PORTS

PORT OF CHURCHILL—LACK OF GRAIN SHIPMENTS

Mr. Rod Murphy (Churchill): Mr. Speaker, as of today there is no grain being shipped through the Port of Churchill. There are no commitments from the Government to ensure that that will happen.

Last June I wrote to the Prime Minister (Mr. Mulroney) asking for his personal intervention in this matter. He in turn referred the matter to the Minister of State for Grains and Oilseeds (Mr. Mayer) who responded to me indicating that he himself would not get involved.

Since the Minister of State for Grains and Oilseeds is a Manitoba Member of Parliament I believe it is his duty to make sure that there is grain shipped through the Port of Churchill. I call his lack of action a real treason to his own province and to the people in Manitoba of all three political Parties who believe that grain should be shipped through that port. I call upon him to act.

* * *

[*Translation*]

NATIONAL DEFENSE

VISIT TO SUBMARINE

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, at the invitation of the Department of National Defence, I had an opportunity, as so many other Members of this House, to visit one of our Canadian Forces submarines last Thursday. Upon consulting the log, I found, to my surprise, that not a single

Liberal or Socialist Member had dared visit the submarine, and this while both the Liberal and Socialist Leaders, in accordance with the respective programs of their Parties, are against nuclear subs.

Mr. Speaker, before speaking out against the submarines, it would perhaps have been better for both Leaders to visit our submarines and see for themselves the competence of our men and, by the same token, realize that our fleet of submarines is in need of immediate modernization, to bring the fleet up to the level of the and skills of men who have been trained to operate the best.

* * *

[*English*]

CANADIAN NATIONAL RAILWAYS

COMPANY PENSION PLAN

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, when the Progressive Conservatives were elected in 1984 one of the expectations that they created at that time was that they would act to do something about the long-standing complaints many CN pensioners have about their pension plan. We know that there was a subcommittee which heard from a great many witnesses and which made some recommendations. The recommendations of that subcommittee were not completely satisfactory to a great many CN pensioners, but they would have been better than nothing if they had been implemented.

The fact of the matter is that we are now on the eve of another election. We have all that many more people out there on CN pensions, and still we have no action from the Government. I think something we should all keep in mind is that these kinds of promises were made in 1984. Here we are in the fall of 1988 and not a blessed thing has been done about the CN pension plan, something that has been crying out for action for years.

* * *

DANGEROUS SUBSTANCES

SAFER PCB MANAGEMENT URGED

Mr. Barry Turner (Ottawa—Carleton): Mr. Speaker, PCB, polychlorinated biphenyl, is a very dangerous chemical compound used as a coolant, primarily in transformers.

The recent incident at Saint-Basile-le-Grand, where PCB contaminated oil burned and released dangerous chemicals such as dioxin into the environment, is a dangerous and very serious situation. When ingested in small quantities they are fatal.

Although PCBs have been banned from use since 1977, many are still in use, and many storage sites exist with used PCB contaminated oil. They can and should be destroyed.

I call upon the federal Minister of the Environment (Mr. McMillan) to take the lead and to convene a meeting of his provincial counterparts, industry users, and scientists, to deal immediately with a plan of action for safer PCB management.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—WATER RESOURCES

Mr. William C. Winegard (Guelph): Mr. Speaker, free flowing water is not a part of the free trade agreement between Canada and the United States. Those who says it is often quote Article 105. Sir, let me quote Article 105 to the House and to the Canadian public. It states:

> Each Party shall, to the extent provided in this Agreement, accord national treatment with respect to investment and to trade in goods and services.

The operative word is "trade". How can you give national treatment in trade, Mr. Speaker, to something you do not trade—I repeat, do not trade? What nonsense their arguments really are.

Mr. Speaker: There is agreement among all Parties to have certain statements made, and I know that Hon. Members would want to hear first from the Hon. Member for Windsor West (Mr. Gray).

* * *

[*Translation*]

THE LATE JEAN MARCHAND

TRIBUTE TO A GREAT CANADIAN

Hon. Herb Gray (Windsor West): Today I wish to pay tribute to a man who made a great contribution to the lives of all Canadians. With the passing of Jean Marchand, we have lost one of the men who made Canada and Quebec what they are today.

Mr. Marchand was not just a remarkable politician, he was also a leading light of trade unionism. He was tireless in his defence of great causes, and he has left Canadians an impressive heritage. We all know that he fought for a strong Canada. We are also to a large extent indebted to him for introducing bilingualism, cast in the image of our country. Mr. Speaker, today we have lost a fighter, a man of exceptional courage, without whom Canada and Quebec would not be what they are now.

The Late Jean Marchand

Those who like myself had the privilege of knowing Mr. Marchand were able to appreciate his many qualities as a politician and his dedication to great causes. Within the Liberal Party, Mr. Marchand was well known for his political acumen and his leadership qualities. He was a man of rare eloquence who had the courage of his convictions. In a nutshell, he was a remarkable Quebecer and a great Canadian whom we shall always remember with great pride.

On behalf of the Liberal Party, I wish to offer our sincere condolences to his daughter, Marie Eve. Canada has lost one of its great men.

[*English*]

We are saddened by the untimely death of Jean Marchand. We offer our condolences to his daughter and to his family. With the passing of Jean Marchand Canada has lost one of its great men.

Some Hon. Members: Hear, hear!

[*Translation*]

Hon. Lucien Bouchard (Secretary of State for Canada): On behalf of the Government, I would like to join those who today mourn the passing of a man with a great heart and a political leader who put his stamp on Canadian society.

Jean Marchand was involved in every debate of any consequence in the recent history of Quebec and Canada. He was part of a generation that, from the forties onward, struggled to put Quebec on the road to social justice.

As president of one of the most important labour congresses of Quebec, he was at the heart of the battle fought by workers, for recognition of their rights and human dignity from Asbestos to Murdochville.

In the sixties, his thirst for justice made him enter the political arena and without fanfare but with passion and skill, he stood up for the rights of Francophones at the federal level and in Canadian society. In addition he was one of the progressive elements of the Government of which he was a member.

He decided to maintain his allegiance to both Quebec and Canada in the federal Government. With typical courage and honesty, he fought his difficult struggle to the very end, because Jean Marchand was, above all, a man of passion to whom politics was nothing if not commitment. This man, who had known and experienced our political travail, knew that somewhere, over and above political confrontation and party lines, there was a common ground for men and women of good will, whether they were from Quebec, Manitoba, Ontario, New Brunswick or elsewhere.

For him, the noise and clamour of social and political struggle have now faded away. May he receive from us this final expression of friendship and may he depart from us a serene and respected man.

• (1420)

Hon. Edward Broadbent (Oshawa): Jean Marchand was an outstanding Canadian who never did things by halves. He was a man of passion who fought ceaselessly for what he believed in, whether it was the rights of Quebec workers or the Canada to which he dedicated his entire political life.

He did not wait to see whether a cause would be popular. He made up his own mind and plunged into the fray. Everyone in his beloved province of Quebec and elsewhere in this country always knew what Jean Marchand was trying to do.

[*English*]

Sometimes wrong, more often right, this warm, courageous man served his country and his province with great distinction. Canada and Quebec have lost a relentless voice for social justice.

On behalf of all members of my Party I send our deepest condolences to his daughter, Marie Eve.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): As one who had the opportunity of working very closely with Mr. Marchand in my capacity as opposition transport critic while he was the Minister of Transport, I would like to join with my colleagues in the House of Commons in expressing my personal sympathy and condolence to members of the Marchand family on his untimely passing.

He was a man for whom my respect and admiration grew with each encounter. He was a tough, skilled, and very articulate debater. As *The Gazette* observed this morning, he loved a good fight. He was an exceptional orator. He spoke with conviction, and with emotion. He knew what he wanted, and he articulated it in a very precise way.

He fought for a better Canada. He fought for justice and equity. He was welcome in all parts of Canada, and particularly in western Canada. To western Canada he was a friend. He spoke to westerners, as he spoke to other Canadians, with sincerity and with honesty.

We may have not always liked what we heard from him, but we always knew that he was frank and that he spoke with conviction from the heart. He was trusted and, as I said, always welcome.

Jean Marchand was a nation builder. He was a great parliamentarian, a great Quebecer, and a great Canadian. I personally mourn his loss, and I am sure it is shared by all westerners.

Mr. Speaker: It would be appropriate if Hon. Members stood for one minute's silence.

[*Editor's Note: Whereupon the House stood in silence.*]

ORAL QUESTION PERIOD

[*English*]

DANGEROUS SUBSTANCES

WINNIPEG—STORAGE OF PCBS IN RAILWAY BOXCAR

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, my question is directed to the Acting Minister of the Environment, or the Deputy Prime Minister, whichever is answering for that portfolio.

In the last four or five days Canadians have been reminded how increasingly dangerous this industrial world of ours has become, and how absolutely crucial it is for Governments to take on the question of public safety with the utmost vigilance. Unfortunately, it has not been an isolated incident.

In my own province of Manitoba it was discovered late last week that on federal Crown land under the jurisdiction of the federal Government, in the CPR marshalling yards a boxcar containing PCBs was left totally unattended and unsecured, with a seal on it that a nine-year old boy with a penknife could have broken into without any apprehension. Inspections had not taken place for a long period of time, and environment officials at both levels of government professed to be surprised at the results.

Considering how serious a problem this is in the federal jurisdiction, can the Minister tell us how many other boxcars are sitting in railway yards across the country unattended and unsecured? Does the Government have a plan to deal with the problem of the serious contamination and vulnerability that exists on Crown land and railway properties across Canada?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, with respect to this very important situation, I think that we should all check our facts before we make allegations.

I am informed that there is a railcar owned by Canadian Pacific Railway in Winnipeg, that the car is in an isolated area, and located on a track that is fenced and patrolled regularly. The car has been inspected and is secure, with no leakages.

REQUEST FOR REGULATIONS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, what the Minister does not say is that the inspection took place after the boxcar was discovered. In the very same railway yard a fire broke out on Saturday night within proximity of the same boxcar. If the Minister thinks that that is adequate safety coverage, there is no wonder the Government and the country are in the trouble they are, and Canadians expect an awful lot more.

In 1985 both levels of government, provincial and federal, came to a meeting and agreed on a series of steps that would be taken, none of which have since been taken. There are no destruction facilities, and there are no regulations. There are only guidelines that cannot be enforced.

When is the federal Government going to take on its full responsibility and introduce the type of action and initiative that are required to provide proper regulations to guard against the type of event that we saw in Winnipeg this weekend?

• (1430)

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, again the Opposition tends to make statements of fact that are unfounded. Since 1977 the use of PCBs has been restricted through regulations under the Environmental Contaminants Act. Since June 30, 1988, all those regulations have been incorporated under the Canadian Environmental Protection Act that was tabled and passed by this Government. Nothing had been done by the previous Government.

TECHNOLOGY TO NEUTRALIZE PCBS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, the Minister is guilty of a clear abdication of responsibility and response. There are no regulations in place governing these kinds of events.

I would like to ask the corollary question. Officials of Atomic Energy of Canada Limited and the National Research Council have said that they have developed technologies that make it possible to neutralize PCBs, but to quote a federal official of AECL, there has not been the political will to pursue those kinds of treatments. Does the Government have any intention of bringing in a plan of action with the kind of resources and investments that would bring about destruction facilities to deal with PCBs so that we do not have the kinds of circumstances that occurred in Québec and in Manitoba over the past week?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I am particularly surprised that that Hon. Member is talking about abdication. As I have already indicated, we have an Act in force that was passed in June of 1988. Regulations are included, and we will make sure that incidents like the one in Saint-Basile-le-Grand do not occur again, with or without the help of the Opposition.

* * *

[*Translation*]

THE ENVIRONMENT

ECOLOGICAL ACCIDENT AT SAINT-BASILE-LE-GRAND—REQUEST FOR RESULTS OF TESTS

Mrs. Lucie Pépin (Outremont): Mr. Speaker, my question is for the Deputy Prime Minister. Since last week, the Minister of the Environment has been assuring us that the federal Government, in cooperation with the Government of Quebec, is providing all possible assistance in taking samples to determine the degree of contamination in Saint-Basile-le-Grand. Given the further evacuation of another 300 people

from the region, as well as the growing fears and frustrations of the 3,000 who have already left their homes, can the Minister tell us today the results of the tests conducted jointly with the Government of Quebec on the contamination in Saint-Basile-le-Grand?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, as my hon. colleague knows, some results were made public on the weekend and I am not able today to give the results of the further tests now underway. For example, approximately 20 schools and a number of homes will be sampled today in the Saint-Basile-le-Grand area as well as in the region evacuated on the weekend. So, Mr. Speaker, we will of course be able to provide the results when they are known this week.

TREATMENT OF INFORMATION—GOVERNMENT POSITION

Mrs. Lucie Pépin (Outremont): Mr. Speaker, the citizens of Saint-Basile-le-Grand deplore the lack of information and especially the lack of coordination in providing it. They have the impression that someone may be hiding the truth from them and that the information they receive varies depending on who is speaking.

So can the Minister tell us whether there would not be a way, in cooperation with the provincial Government, to find a spokesperson to coordinate all the information and provide as much information as possible, so that the citizens would be assured that the different levels of government are in control of the situation?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I think that under the circumstances, it is clear that all levels of government involved have tried to control the situation and to reassure the Canadian people about what is going on in Saint-Basile-le-Grand and its aftermath. I think it would be appropriate, not to say desirable, not to do anything in this House to increase the public's fears, which are no doubt very justified.

Regarding coordination, Mr. Speaker, I am informed that Gilles Saint-Antoine, assistant director of the Quebec Police Force, has been designated commander of operations at the head of the new organizational structure set up on Saturday, and that Jean Demers of Environment Quebec is responsible for field operations.

That being said, Mr. Speaker, obviously, all federal authorities and the whole federal apparatus concerned are cooperating with the provincial authorities involved, so as to make this situation as livable as possible, under the circumstances.

DESTRUCTION OF TOXIC SUBSTANCES—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): My question is for the same Minister. As he knows, 3,000 residents from Saint-Basile-le-Grand and surrounding areas had to be evacuated last week and 300 more during the weekend. Officials are running tests on the people, their houses and the farms in the area. Here is my question: Considering that the technology has been available since 1981, why has the Government not introduced legislation requiring that these substances be destroyed instead of simply being stored?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, last Friday, I think, it was mentioned in the House that a new technology had been developed by the National Research Council and, if I remember correctly, that information was made public in April 1988. This is certainly a revolutionary process; contrary to the present method, it does not involve burning PCBs; it calls for new facilities which will certainly be built, I hope, in the near future. It is clear that the Federal Government will cooperate in the implementation of this new technology in order to destroy PCBs safely and thus avoid similar situations to the one which occurred in Saint-Basile-le-Grand.

[*English*]

CRIMINAL CODE—REQUEST THAT GOVERNMENT INTRODUCE LEGISLATION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister refers to technology of the National Research Council. I was informed by a research scientist from AECL in Manitoba today that technology has existed since 1982, other than the technology to which the Minister refers. Mr. Colin Isaacs, President of Pollution Probe, also said on the weekend that such technology has existed for a number of years.

Since quite literally human lives are at stake here, I want to ask the Minister, notwithstanding the failure of past Governments, why the present Government does not build on what it has already done? Why does it not use the Criminal Code to make it mandatory that technology be applied for the destruction of PCBs after they have been used rather than allowing for their storage?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, with respect to the new technology and the Criminal Code, I think it is obvious that with the new Act passed by this Parliament in June of 1988, there are powers that will permit the Minister of the Environment to make sure that those disasters do not occur again, and if they do, which we certainly hope they do not, those involved will be punished to the full extent of the law. Obviously this Government will do everything in its power to ensure that PCBs are destroyed in a safe manner so that the safety and health of Canadians are not prejudiced.

GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister knows that in the existing law to which he has referred there is absolutely nothing making it mandatory that PCBs be destroyed. Once a storage facility has broken down,

there is a potential disaster like the one with which we are now faced.

We know that there is technology available for the destruction of these dangerous substances. Since the present law brought in this year is inadequate, will the Government recognize the seriousness of the situation and bring in a new measure that will make it compulsory to destroy these substances? That is the issue.

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, as we indicated on Friday, there is a new technology that has been developed by the NRC which apparently is revolutionary in dealing with PCBs, and I am sure that this Government will do whatever is necessary in order that PCBs, when stored, are stored safely, and hopefully destroyed without any danger to the health and security of all Canadians.

STORAGE OF PCBS

Mr. George Baker (Gander—Twillingate): Mr. Speaker, on May 31, 1985, three years and three months ago, the federal Government agreed to "a national system of destruction facilities for PCBs involving a mix of fixed and mobile facilities," and the proposed facility in Québec would "treat high-level PCBs and other chlorinated organic waste from the rest of eastern Canada and the Atlantic provinces".

Since the technology to destroy PCBs has been available for years, what has happened since the announcement three years ago and since the borders of Alberta and the United States were closed to the transportation of PCBs? Why is there such a location in Saint-Basile-le-Grand? Why are there 71 locations in Nova Scotia, 41 locations in New Brunswick, 14 locations in Prince Edward Island, and dozens of locations in Newfoundland? A potential Saint-Basile exists in every province in Atlantic Canada.

• (1440)

Why has the Government failed in its promise of leadership three years ago to rid this country of this deadly chemical?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, as was indicated previously in this House, particularly on Friday, the prime responsibility for storage and maintenance of PCBs is a provincial one. The Province of Quebec did proceed and is proceeding with respect to dealing with the substance known as PCBs.

It is obvious that all Governments are concerned about what happened in Saint-Basile-le-Grand. This Government in particular, with the co-operation of all Governments in Canada, will make sure that such instances do not occur again, and deal with the maintenance and destruction of PCBs in a safe way in order that they do not damage or endanger Canadians' health and security.

NEWFOUNDLAND RAILWAY—TRANSPORTATION OF PCBS

Mr. George Baker (Gander—Twillingate): Mr. Speaker, the only way PCBs are transported in Canada today is by rail from each province to the port of Montreal where they are containerized and then sent across the ocean to Pontypool, Wales, in the United Kingdom, for destruction.

It is outrageous enough that we would be shipping our filth to another country and risking the ocean environment while we are doing it, but does the Government not realize that by discontinuing the Newfoundland Railway next month it will be unable to carry PCBs by rail? Is the Government suggesting they be carried by our one and only road across the province? Does the Government not realize that every province in Canada has alternate road routes and a railway on which to carry dangerous chemicals? Newfoundland has neither.

Will the Government of Canada now keep the railway open for the transportation of dangerous goods, or does it care about the health and safety of Newfoundlanders?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I am tempted of course to try to be as amusing as the Hon. Member but I think this issue is serious enough that we should perhaps not try to divert attention from this important subject.

I understand that some provinces were very concerned with dealing with PCBs, Québec in particular, which was working and is still working on a project with respect to the destruction of PCBs. Obviously the population is involved and there is intense consultation that is going on, but I can assure all Hon. Members of this House, and Canadians in general, that the federal Government will continue to co-operate with the provinces in order to come up with a valid solution to this problem with safety for all Canadians.

WINNIPEG—STORAGE OF PCBS IN RAILWAY BOXCAR

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, I think we have had a good example here this afternoon of what is wrong with environmental law. The Minister of the Environment in Manitoba maintained for two days that it was a federal matter, and the Minister here, when he is backed into a corner, says it is a provincial matter. The fact is there is a need for co-ordination at both levels to deal with the problem. It has not been dealt with properly by any level of government.

The Minister has said we ought to pay attention to the facts. I ask him how he has the nerve to get up and say on behalf of the Minister of the Environment that the boxcar, which incidentally is in my riding, has a fence around it? I was there Thursday afternoon. I walked in from Springfield Road. There is no fence. You just walk in, and walk down the track.

I was there for half an hour and I never even bumped into anybody. I went back later under CP Rail supervision to have a look at the car. There was no seal on it but there is now; no lock, only a bolt.

If the Minister is interested in the facts, why did he not get the facts that were available to me through Environment Canada? He appears to be unable to get those same facts.

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I obviously do not know what site the Hon. Member inspected but my information is to the effect that the car is in an isolated area, located on a track which is fenced and patrolled regularly. More importantly, the car has been inspected and is secure, with no leakages.

REQUEST FOR STORAGE REGULATIONS

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, I had hoped we would not have to argue about whether something is fenced or not. The fact of the matter is that on one complete side of the North Transcona yards there is no fence. Anyone with eyes to see can see that. I am surprised the Minister would get up and maintain that. It is beside a track which is the main lead into the CP railyard in North Transcona. The switch leading into it is not locked. There are all kinds of things that could have been done to make that a safer storage site that were not done, and Environment Canada says the guidelines were being adhered to.

Are these guidelines going to be reviewed so that these kinds of cases will not occur again? Are there going to be regulations, because we know there are no federal regulations with respect to the storage of PCBs? The Bill the Minister referred to has only to do with spills after they occur. It has nothing to do with storage. There are no regulations and it is about bloody time there were.

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, with respect to the facts themselves, I am informed again that the information I have been given is what has been seen on the site. Of course if the Hon. Member—

Mr. Blaikie: Then you are stupid, because there is no fence.

Some Hon. Members: Oh, oh!

Mr. Cadieux: Of course—

Mr. Blaikie: I walked in there myself, you idiot!

Mr. McDermid: You walk through fences!

Mr. Hnatyshyn: It was your ego that walked through.

Mr. Cadieux: Of course, Mr. Speaker—

Mr. Blaikie: I don't walk through fences. I could if I had to.

Mr. Cadieux: Of course, Mr. Speaker, I personally did not go there. Therefore I will take the Hon. Member's comments as notice and I will check with the appropriate people who have given me the report with respect to the fact that this car was fenced and was being patrolled. I can assure this House that, if that is not the case, not only will it be done but some people will probably be answering those questions for me.

Mr. Speaker: The Hon. Member for Notre-Dame-de-Grâce—Lachine East.

Mr. Thacker: Why didn't you say something about it sooner? You sat on it all weekend!

Mr. Andre: Why didn't you do something Thursday about it—

Mr. Blaikie: I did.

Mr. Andre: —if it was so life threatening?

Mr. Blaikie: I didn't say it was life threatening.

Mr. Speaker: The Hon. Member for Notre-Dame-de-Grâce—Lachine East.

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UNEMPLOYMENT INSURANCE

ELIGIBILITY FOR BENEFITS OF PERSONS EMPLOYED BY THEIR SPOUSES

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, my question is directed to the Minister of Justice or the Minister of Employment and Immigration.

Mr. Speaker, in a recent judgment the Federal Court of Appeal confirmed a ruling of the Canadian Human Rights Commission that spouses who worked for their mates should not be denied unemployment insurance benefits. Since the Unemployment Insurance Commission may still appeal this judgment to the Supreme Court of Canada, will the Minister state today whether the Government has agreed to accept the judgment of the Federal Court and forgo any appeal to the Supreme Court of Canada? In other words, will the Government accept the ruling of the Canadian Human Rights Commission that spouses should have the same right to unemployment insurance as all other Canadians?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, it is early days yet on this decision. The Department of Justice and my Department are reviewing the decision and once we reach a conclusion we will be able to report back to the House.

PARENTAL BENEFITS—FEDERAL COURT HEARING

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, this is a fairly clear-cut matter. I had hoped we would have a decision before the end of this week.

Will the Minister also tell the House whether the Government has decided to accept the Federal Court decision in June that parental benefits under the Unemployment Insurance Act should be available to natural parents in the same way as adoptive parents, that these benefits should be available to both father and mother, and that they should be distinct from

pregnancy benefits? Would the Minister inform the House with respect to that judgment today if possible?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, with respect to that particular judgment, Mr. Justice Strayer has asked counsel to put forward suggestions to him with respect to the form of judgment. There is, in fact, no judgment as yet as a result of the decision of last June. By the end of this month there will be a formal judgment issued by the court, at which time we will have an opportunity of assessing that with respect to future courses of action.

• (1450)

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[*Translation*]

THE ENVIRONMENT

AVAILABILITY OF LIST OF PCB WAREHOUSE SITES—MINISTER'S POSITION

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, my question is for the Minister responsible for the Environment. Last week, my party leader asked for a list of PCB storage sites in Quebec and throughout Canada. Environment Canada promised to provide it by the end of last week. Now we have not received this most important list. Why? Does such a list exist? And when will the Government provide this list of PCB storage sites?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, as I indicated when I was in the House last Friday, such a list exists and it will be made public this week.

[*English*]

REQUEST THAT CONSTITUENCY LISTS BE DISTRIBUTED TO MEMBERS OF PARLIAMENT

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, will the Minister supply each Member of Parliament, who is naturally very concerned about his or her own area, with a list of PCB storage sites there in order to enable Members to take further action? Can each Member of Parliament receive a list of storage sites of PCBs in their constituencies?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I am not aware which method the Department of the Environment was to use to make the list public. I will bring that to their attention and insist that a copy of the list be sent to each Member of Parliament.

ABORTION

POSITION OF PRIME MINISTER—INTRODUCTION OF LEGISLATION

Mr. John Nunziata (York South—Weston): Mr. Speaker, my question is directed to the Deputy Prime Minister and concerns the Prime Minister's new position, his about-face on the abortion issue.

Last month the Government appeared before the Supreme Court and argued that the Supreme Court should postpone the Borowski case until this Parliament had an opportunity to pass legislation. Yesterday the Prime Minister said that this Parliament is postponing legislation until the Supreme Court deals with the Borowski case.

Can the Deputy Prime Minister explain this contradiction? Can he explain why the Prime Minister lacks the conviction and courage to introduce legislation in this House?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am not quite sure whether the Hon. Member has a valid question and whether he speaks on behalf of his Party. I find it passing strange that the Hon. Member would be critical of anyone with respect to positions on abortion when his own Leader said that his own position is irrelevant. He refused, on a number of occasions, to indicate what his point of view was on that issue.

This is not a partisan issue. The fact is that the Borowski case is being heard on October 3. The Prime Minister has stated the obvious. There is the Morgantaler case and the imperatives with respect to it.

As far as the Charter of Rights considerations are concerned, the Prime Minister is simply saying that if there is an election this fall he does not think there would be an opportunity to have Parliament deal with it before the election. That is all he said.

Mr. Nunziata: Mr. Speaker, that's not what he said. He said he was going to wait until the Borowski case before the Government introduces legislation.

GOVERNMENT POSITION

Mr. John Nunziata (York South—Weston): Mr. Speaker, the Prime Minister is abdicating his responsibility to provide leadership on the issue. For the last seven months the Government has promised legislation on the abortion issue. The Minister said last March that the Cabinet was considering legislation as an urgent priority.

In documentation filed with the Supreme Court of Canada two weeks ago the Government argued that:

> —answering the constitutional questions in the abstract, without passing upon the validity of any subsisting legislation, would involve a serious risk of encroaching directly upon the legislation function.

That is what the Government is arguing before the Supreme Court. Why is the Government saying one thing before the

Supreme Court of Canada and telling the people of Canada another thing here in the Parliament of Canada?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, we are not. I am sorry that the Hon. Member attempts to pretend that the matter has not been dealt with by Parliament. We made a commitment as a Government and a Party that Parliament would have an opportunity to vote on this in a free vote. We brought forward a motion which was debated and amended and upon which every Member had an opportunity to vote. I do not know whether the Hon. Member was here for that vote.

Some Hon. Members: No, he wasn't.

Mr. Hnatyshyn: If he was not he should read *Hansard* to see precisely what transpired. There was no conclusive result from that debate. The Government is considering the matter now in terms of the next steps that could be taken and is reviewing its options.

I do not think that that is abdicating our responsibility. We allowed Parliament to have a free vote on this issue and no consensus was reached as a result. We, as a Government, will resolve this matter at the earliest possible date.

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FORESTRY

FEDERAL-PROVINCIAL AGREEMENTS—GOVERNMENT POLICY

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is directed to the Deputy Prime Minister. In the last round of Forest Renewal Agreements, or FRDAs as they are known, the federal Government put up $609.9 million. The B.C. industry, which produces about one-half of Canada's forest products, received less than one-quarter of the FRDA funds. That agreement runs out in about one year.

Since the Alberta, Saskatchewan, and Manitoba agreements run out in six months would the Minister advise the House why Cabinet continues to withhold approval for negotiations in the West and has not even identified a pool of funds for such agreements?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I believe that I responded to that question last week or the week before. I said that this matter was under consideration and that there were discussions going on. I am sure that when a decision is made it will be announced.

Mr. Fulton: Mr. Speaker, there are no negotiations and no funds have been identified. I confirmed that with the office of the Minister of State for Forestry this morning.

FEDERAL FUNDING

Mr. Jim Fulton (Skeena): Mr. Speaker, there is a growing body of opinion that the combination of the inclusion of the 15 per cent export tax as Article 2009 in the trade deal and the recent B.C. government decision to terminate replanting subsidies for the forest industry in B.C., which was pre-approved by Washington, means that there will not be a new sustainable agreement on reforestation for B.C. Would the Minister tell us when there will be negotiations and where the money will come from for those agreements in western Canada?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the NDP is back at it again. When we announced the earlier Special Grains Program they wanted to know whether it was going to be new money, old money, borrowed money, or just what the case was. The money was found and distributed. The same thing happened with the science and technology program, and with child care.

The fact is that the Government has made a very strong and firm commitment toward regional development with ACOA, western diversification, and various ERDA agreements. We have demonstrated that we are committed to regional development, and we put our money where our mouth is every time.

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DISASTERS

PCB FIRES AT SAINT-BASILE-LE-GRAND—CANADIAN ENVIRONMENTAL PROTECTION ACT

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is for the Minister of Labour who is representing the Minister of the Environment on the matter of the catastrophe at Saint-Basile-le-Grand. Earlier in the Question Period I understood the Minister to say that the Canadian Environmental Protection Act had been in force since June 30 and that that was evidence of his Government's commitment to action on environmental matters like Saint-Basile-le-Grand.

If it is the case that the Environmental Protection Act was in place since June 30 and the federal Government was vigilantly using that Act to carry out its responsibilities, how is it that the Saint-Basile-le-Grand disaster took place?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, with all due respect to my hon. colleague, I think his question is a little bit strange. Nevertheless, since I am to answer the question, I will repeat what I have already said. It is no relief, but nevertheless remains the fact, that the prime responsibility for the storage of PCB's at that site at Saint-Basile-le-Grand was under provincial jurisdiction. It is obvious that with our movement with respect to the Act about which we are talking we will probably be in a better position to inform our provincial colleagues of what steps ought to be

taken to ensure that in the future no similar circumstances occur anywhere in Canada, irrespective of jurisdiction.

GOVERNMENTAL RESPONSIBILITY

Hon. Herb Gray (Windsor West): Mr. Speaker, in answer to an earlier question the Hon. Minister boasted about the Environmental Protection Act passed by the Government being in force on June 30. Yet he has been unable to explain why it had no impact in preventing the disaster at Saint-Basile-le-Grand. The Minister also said that the storage of PCBs at Saint-Basile-le-Grand was primarily a provincial responsibility.

• (1500)

Why was it that on August 26, in the *Ottawa Citizen*, the following quote was attributed to the Minister of the Environment:

> There's a collective responsibility between the federal government and the provinces to ensure that people's health is secure in the face of this kind of possibility," McMillan said.

He was speaking about the catastrophe at Saint-Basile-le-Grande. Why is the Minister contradicting his colleague, the Minister of the Environment, in not accepting the reality that there is a federal responsibility in these matters as in Saint-Basile-le-Grand and across the country? Why is the Government not accepting that responsibility and taking action, not only to prevent cases like that in Saint-Basile-le-Grand but to prevent future cases across the country since it has supposedly an inventory of PCB storage sites all across this land?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I do not see the logic in my hon. friend's trend of thought. But I guess that's obvious to everybody. Nevertheless, I do not think I was boasting about the particular Act that was passed and adopted on June 30, 1988. I was simply indicating that this Government, contrary to the former Government, took action. We finally came in with a Bill that was passed and adopted by the House which gives us the tools to deal with such situations. Those tools did not exist under the previous Government. Not only will we exercise our responsibility in federal jurisdiction but obviously, as we have been able to do since 1984, the Government will continue to work with the provinces in order to protect Canadian health and safety whenever possible.

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FINANCE

REQUEST THAT GOVERNMENT INTRODUCE RESIDENTIAL HOUSING SPECULATION TAX

Mr. Alan Redway (York East): Mr. Speaker, my question is directed to the Minister of State for Finance. He should be aware that one of the best ways to cool off inflationary pressures in the Metro Toronto area without raising interest rates would be to institute a residential housing speculation tax.

Will the Minister give us his undertaking that the Government will institute such a tax in order to fight inflation in the Metro Toronto area and in southern Ontario, without discouraging economic growth in other parts of Canada by increasing interest rates?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, it might be helpful to the Hon. Member if I reminded him of the number of steps taken under the tax reform leadership shown by the Minister of Finance with regard to measures that will inhibit speculation on real estate.

The measures involved include the elimination of MURB's, the increase in the inclusion rate for capital gains, the reduction in the capital cost allowance rate for real estate from 5 per cent to 4 per cent, and the introduction of the cumulative net investment loss account to discourage excessive sheltering of ordinary income.

Finally, as the Hon. Member knows, the Government continues to support, as do the majority of Canadians, the exemption of principal residences from capital gains taxation.

* * *

HEALTH

PROPOSED LOCATION OF LABORATORY CENTRE FOR DISEASE CONTROL

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. The Minister appointed an expert committee with industrial and scientific capacity to make a recommendation with regard to the location of the laboratory centre for disease control in Winnipeg. This committee recommended that the centre be located near the medical school and the Health Sciences Centre.

The Tory MP's from Manitoba got together and unanimously recommended that the centre go to St. Boniface, which is presently held by a Conservative Member of Parliament. Will the Minister respect the recommendation of his committee, play straight with Winnipegers, and locate the centre where it had been recommended by the expert committee, or will he simply play pork-barrel politics with this centre for disease control?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I thank the Hon. Member for the question. I appreciate that he has changed his view since we first announced the LCDC coming to Winnipeg when he did not think it was all that important. Now he feels that it is important. As I said in Winnipeg and elsewhere in Manitoba, an announcement will be made when there is a decision. I will not tell it to him directly today.

Mr. Keeper: I hope the Minister can back up what he said about my view with regard to the centre being located in Winnipeg. At no time did I downgrade the fact that this centre would be located in Winnipeg.

TIMING OF ANNOUNCEMENT

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, the people of Winnipeg want to know whether the Minister will place the centre where it should be in order to fulfil its promise or whether he will give into the temptation of playing pork-barrel politics just because his back-bench MP's are telling him to put it in St. Boniface. Put it where it belongs and stop playing pork-barrel politics. Tell us when you will announce that decision.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I am glad that he is applauding the federal Government's initiative and putting the LCDC in Winnipeg. It is a very welcome change of tune from what I have heard from the NDP, both provincially and federally—

Mr. McCurdy: What nonsense.

Mr. Epp (Provencher): —saying about this Government's commitment to Winnipeg. While they may get a little irritated about my saying it, it is about time they heard it.

Mr. McCurdy: There is nothing unusual about dishonesty from that side.

Mr. Epp (Provencher): Just relax, our health care costs will go up if you keep going on like that.

Advice has been given to me from the advisory committee. I made that quite public. There is also an environmental study that we have to do under federal regulations for buildings such as this. When that material is complete and I have made a decision, I will announce it.

* * *

CHILDREN

GARBAGE PAIL KIDS—REQUEST FOR BAN ON IMPORTATION OF MOVIE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, in the absence of the Minister of National Revenue my question is directed to the Minister of Justice. It concerns the Criminal Code of Canada.

The Minister will know that a few weeks ago I publicly called upon the Government to ban the importation into Canada of an offensive product known as *Garbage Pail Kids* cards. These are bubble gum cards depicting the mutilation, dissection, burning and murdering of small children.

Given that the promoter of this product now says he wants to bring into Canada a movie known as *Garbage Pail Kids—The Movie,* will the Minister of Justice state in the House that he will not let this kind of offensive movie into our country?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am informed by the Department of National Revenue that current regulations with respect to importation of obscenity into Canada are being strictly observed. If the Hon. Member has any influence with his caucus colleagues, he might want to draw their attention to very progressive legislation, Bill C-54, which has specifically directed prohibitions against pornography, which might be of assistance to him with respect to the kind of offensive material he describes. He might be able to convince his colleagues to bring this matter into committee so that we can see whether there are better ways to improve the protection at our borders with respect to salacious material.

CRIMINAL CODE—APPLICATION OF PROVISIONS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, perhaps for once I can try to get a non partisan answer from the Government. I will try to be the same myself.

My supplementary question is directed to the Minister of Justice. Given the present provisions of the Criminal Code on obscenity and crime comics, has the Attorney General, the Minister of Justice, attempted to receive information from his officials or the officials of the Department of Revenue in order to determine whether all of these products, the movie or the bubble gum cards in question, which offend millions of Canadians in their right mind, should be banned? Will he take that initiative and ban this offensive product that I believe is objectionable to all Members of the House and offensive to right-minded parents?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, I will give a non partisan response to the question. It is a serious question. I am not attempting to make it a partisan issue.

I am simply saying that it has been long recognized that our present obscenity laws—

Mr. McCurdy: Nonsense.

Mr. Hnatyshyn: —require strengthening. Nonsense says the Hon. Member.

The fact is that we will be monitoring the situation. I am sure the Department of National Revenue is taking into account the representations made by the Hon. Member. I am not in a position to report to the Hon. Member as to precisely what action has been taken. I will take the question as notice and pass it on to my colleague. I am sure he will get back to the Hon. Member.

• (1510)

NATIONAL PARKS

BANFF—RENTS CHARGED TO CIVIL SERVANTS

Mr. Gordon Taylor (Bow River): Mr. Speaker, my question is directed to the Hon. President of the Treasury Board or to her alternate. Given that excessive rates are charged civil servants and the RCMP who live in government owned houses in Banff, which has the highest rents of any national park in Canada, including Jasper National Park where rents for similar accommodations are some $300 lower, will the Hon. Minister lower the Banff rentals to what is charged in Jasper National Park or, at the very least, send someone with authority to the area to resolve this problem?

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, my hon. friend will know that housing rental rates vary from community to community. Canada Mortgage and Housing is responsible for setting the rental appraisals on an annual basis on all federal Crown owned land. As it happens in the case of Banff, CMHC has established that there is a viable rental market which in fact is higher than in Jasper and other places in Canada. I point out that the appraisal methodology is approved by the National Joint Council and is part of the collective agreement we have with the 14 union members. However, I would say that I would be pleased to provide a briefing opportunity for my friend to review this with Treasury Board officials.

Mr. Speaker: These will be the last two questions.

* * *

IMMIGRATION

IMMIGRANTS' ACCESS TO LANGUAGE TRAINING—ADVISORY COUNCIL RECOMMENDATION

Mr. Dan Heap (Spadina): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. As the Minister knows, the report of the Canada Employment and Immigration Advisory Council which was issued last Friday recommends that "The federal Government ensure that access to language training is available to all immigrants". Does the Minister agree with the recommendation? If so, what steps will she and her Government take to change the present rules which restrict official language training according to people's intended occupations?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I would like to thank the Hon. Member for his question. I would also like to thank the Advisory Council for a very thoughtful and excellent report on immigration in Canada. Certainly language training is a very important element of people being able to settle in Canada and take a full part in Canadian life.

Point of Order—Mr. Cadieux

As the Hon. Member knows, we have extended the language training through the Settlement Language Training Program and, through the Job Entry we have made it easier for immigrant women, for example, to receive language training in connection with their job training.

The chief difficulty is with women who remain at home. That is why we focused on those particular aspects.

Mr. Speaker: The Hon. Member for Spadina on a short supplementary.

MINISTER'S POSITION

Mr. Dan Heap (Spadina): Mr. Speaker, with respect to women who are supposedly destined to be at home, or women who are supposedly destined for jobs that do not require English, or men destined for such low paid jobs, or school children who receive no federal help for classes in English as the second language or French as the second language in their school, will the Minister continue to withhold official language training from such a large proportion of immigrants? Or will she take steps to change the rules?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, what we have done is attempt to expand language training for those most in need. Let me say that in terms of children, one of the reasons we have such a broad consultation process on immigration matters with the provinces, with employers, with labour groups and with various non-government organizations, is so, whatever immigration laws are determined, provincial educational systems and programs in place are able to deal with the numbers.

Mr. Speaker: I should advise the House that I have, I think, two probably short points of order, one from the Minister of Labour and the other from the Hon. Member for Churchill. I also have a question of privilege from the Hon. Member for Ottawa Centre.

* * *

POINTS OF ORDER

CLARIFICATION OF REPLY IN QUESTION PERIOD

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, in view of the fact that my colleague, the Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie), had personal experience with respect to the Winnipeg boxcar, I had the officials, during Question Period, check the information again. It appears that I have been misled on the existence of the fence. Most important, with respect to the situation of the car itself, it is being inspected and it is safe, but with respect to the existence of the fence I have been misled and I am going to ask officials of Environment Canada to explain why I have been misled.

Some Hon. Members: Hear, hear!

Point of Order—Mr. Murphy

Mr. Murphy: At least that Minister is not fenced in.

WITHDRAWAL OF COMMENT

Mr. Rod Murphy (Churchill): Mr. Speaker, I rise on a point of order to withdraw a word I used in Statements earlier today with respect to the Minister for Grains and Oilseeds (Mr. Mayer). I said he was acting in a manner which was treason to Manitoba. I certainly withdraw that word.

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PRIVILEGE

THE GLOBE AND MAIL—MORNING EDITIONS

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I rise on a question of privilege which affects all Members of Parliament as well as some 17,000 subscribers to *The Globe and Mail* in the National Capital Region. For the past several years *The Globe and Mail* has printed its second national edition here in Ottawa and has distributed that edition to the House of Commons as well as to other people in Ottawa. Political and other events taking place up until 10 p.m. eastern time and 7 p.m. Pacific Time were covered in that edition.

This spring *The Globe and Mail* changed that practice and began to supply to this House copies of its first national edition which is trucked from Toronto and which has a deadline of only 3 p.m. Pacific Time and 6 p.m. eastern time. That means that when this Parliament sits in the evening, as we did on tax reform and other issues last week, or when a federal leader meets the press in the afternoon in Vancouver, no news of those events appears in copies of Canada's national newspaper that is available to parliamentarians.

I have checked and this applies very specifically in the Parliamentary Reading Room, in the Centre Block, as well as the copies of *The Globe and Mail* which are reviewed for inclusion in the press digest, which we know as *Quorum* and which is read by all Members of Parliament. To add insult to injury, that late national edition with the 10 p.m. deadline is still printed in Ottawa but only for distribution in Montreal, in the Province of Quebec, and in the United States. That means that on Pennsylvania Avenue or Wall Street, New York financiers, Mr. Reagan and Members of Congress, receive a better service from Canada's national newspaper in terms of the news it covers than Members of Parliament or other people here in the Ottawa area.

I would hesitate to suggest this is a precursor of free trade, but I would ask you, Mr. Speaker, to lend your weight to ensure that *The Globe and Mail* stops giving second-class service to the people of Ottawa, particularly to Canada's national Parliament, or it should stop calling itself "Canada's national newspaper".

Mr. Speaker: The Hon. Member has raised this as a question of privilege. I have some difficulty in being able to bring the complaint within that particular forum. However, I am sure *The Globe and Mail* will be properly impressed with the need of all Hon. Members to be promptly informed of national events. I have no doubt that the Hon. Member's intervention will be noticed by the paper in question and might even get in the first edition.

Continuing debate.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Crosbie (St. John's West) that Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, be read the third time and passed.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I thank you for your recognition and would say it is an honour for me to open debate on third reading on behalf of my Party. I think Canadians expect from Members of Parliament on this serious and, for many of us, solemn occasion, a level of debate and expression that is commensurate to the subject at hand. For that reason, I am very thankful we had a two-hour break between now and the time the Minister for International Trade (Mr. Crosbie) spoke so we could clear away the somewhat putrid atmosphere of the House. After listening to the Minister, one of my colleagues noted that following the Minister for International Trade is like trying to track a skunk downwind. All one gets is the odour, not the tracks. I prefer to think of it more as coming into a small kitchen after a grease fire. All that is left is voluminous clouds of black smoke with no real content.

• (1520)

If I may continue the metaphor, the good thing about a grease fire is it just takes one shot of good clean cool water to clear away all the obscurity and all the fog that is created. All that it would take in this debate would be one clean cool shot of logic and common sense to dissipate the smoke and fog left after that quite miserable treatment, which was more reminiscent of a bar room brawl than it was of a serious and important exchange of different points of view.

I have been acting as trade critic for about three years. It has been a strange odyssey, but one that has taken me into the byways and highways of the country to talk to thousands of people, both by way of speech and by way of listening, as well as attending task forces. I have gone through three trade Ministers in my tenure. Watching their antics at times has been similar to watching an old movie of the Marx brothers. I can reminisce about the famous statement made by the Prime

Minister (Mr. Mulroney) when he appointed the Hon. Member for Vancouver Centre (Miss Carney). He said: "I am going to give the Minister the ball and watch her go". We saw where she went. She went over her own goal line and scored a touchdown in her own end zone when she negotiated the softwood lumber agreement that cost the Canadian industry $100 million.

Of course we have the wonderful example of the present Minister for International Trade (Mr. Crosbie) who has given new dimension to the meaning of illiteracy. He had the gall to stand up and say with respect to the most important decision facing Canadians in decades that he had not bothered to read the basic document yet. He was going to rely upon his officials to tell him what was in it. I am sure his officials are trustworthy. But I would say that an abdication of responsibility such as the Minister confessed to is one that is singular in the historical annals of the country.

In saying that I want to say that I have had some interesting companions along the way. I pay tribute to my friend, the Hon. Member for Essex—Windsor (Mr. Langdon), who in all my travels has been to every committee, travelled with every task force and been involved in every debate along with me.

I also want to pay some compliment to the Parliamentary Secretary to the Minister for International Trade (Mr. McDermid) who is not in the House at the moment. I would say that while I totally disagree with everything that he has had to say, and while we have fought hard and in some cases in a tough way, I have also respected the way in which he has conducted himself in this House. I appreciate the fact that over the past two or three years in trying to organize this very important exercise in the House of Commons we have been able to retain a level of respect for one another. I certainly do for him.

I appreciate those kinds of options. I believe that this is a debate that should not be conducted in a fit of vindictiveness, a spirit of meanness. Unfortunately, those are the qualities that the present Minister for International Trade brought to the debate. It should be conducted on the basis of hard, serious exchange of two very different points of view, two very different versions of what the country is about, two very different visions of what is Canada.

If I have any assessment, any feeling after three years of being involved in this matter, it is how much it has divided the country. There was with some great irony last night as I watched the Prime Minister in his 20 minutes of free paid political advertising offered by the CBC. He was asked this question: "What would you consider to be your greatest accomplishment?" He said: "National unity". Immediately my mind flashed back to the intense, sometimes bitter conflict between business and labour, between region and region, between one group and another, between church groups and the chambers of commerce and the way that this debate has divided the country like no other issue ever has. It has been far more intense than have been issues of language, issues of regional division. It has gone to our very heart and soul. The country is split right down the middle. For the Prime minister to say that his greatest accomplishment was national unity makes me wonder what planet he came from. What spaceship has he been on if he does not recognize that out there in the country there is an internal roiling of feeling, of emotion and of conflict?

I looked back at a novel written by Benjamin Disraeli entitled *Sybil* in which he described England in the 19th century. I thought it was reminiscent of Canada in 1988. He wrote:

> "Two nations, between them there is no intercourse, no sympathy, who are as ignorant of each other's habits, thoughts and feelings as if they were dwellers on different planets in different zones, who are formed by different breeding, are fed by different foods, are ordered by different manners, are not governed by the same laws."

When asked of whom he spoke, he said the rich and the poor. It is close to that in Canada now. I am not sure the divisions are totally between rich and poor. Let us look at the differences and the divisions in terms of groups that have appeared before the committee to express their views on the trade agreement.

In favour of the free trade agreement were the Business Council on National Issues, the Canadian Chamber of Commerce, the Canadian Manufacturers' Association, the Canadian Bankers Association, the Canadian Federation of Independent Business, the Petroleum Association of Canada, the Canadian Pulp and Paper Association and the Canadian Life and Health Insurance Association. On the other side of the debate is the Canadian Labour Congress, the Québec Federation of Labour, Canadian Federation of National Trade Unions, the Québec Teachers Federation, the Canadian Teachers Federation, the United Church of Canada, the Ontario Federation of Agriculture, National Action Committee on the Status of Women, Women Working With Immigrant Women, and the National Anti-poverty Organization. There is the division of our country in front of us. That is what this Government has created.

Some Hon. Members: Oh, oh!

Mr. Axworthy: Members opposite wish to make light of this. The fact of the matter is, as they well know, we have two solitudes. We have these two worlds. The Government has rammed right down the middle and split them apart. We saw it this morning with the Minister for International Trade. There was no sense of understanding or comprehension of the other side. No. He just put his steel jackboots on and tramped over everybody who disagreed with him.

Mr. Robichaud: Rambo-style.

Mr. Axworthy: That is right. Rambo-style. Put an Uzi submachine gun in the hands of the Minister for International Trade and let him spew all over the country. He does not care who he hits. He just wants to let us have it. That may be okay if one is an adolescent going to a Saturday afternoon movie.

But we are here debating a serious subject which goes to the very heart and core of the country.

As the Minister for International Trade said this morning, it is not a new debate. He made it sound as if the pro-free traders have just been waiting on the precipice of history to come to this divine goal one day, that they are somehow divinely ordained, pre-ordained to bring us this new Valhalla, this new heaven upon earth. What he did not say is that this is a debate that has brought the country into internal conflict generation after generation. I have to say that his reading of history is very strange and unique. He talked about Laurier, King and Pearson as being somehow proponents of free trade with the United States. I would like to remind you, Madam Speaker, and the House that in all the cases he cited free trade was defeated by the Canadian people. Elections were held and they withdrew.

What he did not say is an interesting footnote to history. In 1849 the merchant class of Montreal, Canada's business elite—342 Canadians who were the princes of Canadian industry at that time—signed what? They signed an annexation manifesto to join with the United States. Why? Because they had lost the preferential tariff under the British system. Free of having this country pursue its own independent course, what did that merchant class at that time based on the Conservative Party of Canada decide was the solution to Canada's problems? Annexation by the United States. That has been a train of thought, a philosophy, and a Pavlovian response by the same group ever since. Every time they feel a challenge, every time they feel that there is something out there that will threaten the comfortable cocoon, what is their solution? Annexation by the United States. Unfortunately, the problem is that for the first time in 100 years the so-called Montreal merchant class has a Prime Minister who agrees with them. That is the problem. They finally got a national government in sympathy with those views.

• (1530)

This morning I listened to the Minister for International Trade talk about history as somehow being on the side of the free traders. Yes, there were powerful forces and powerful coalitions promoting this cause since the inception of this country, but fortunately time after time when it came forward it was beaten back and disregarded.

The Minister for International Trade rose and stated that 1911 was a classic example of the value given by history to free trade. What he did not mention is that when the Government went to the polls, the Laurier people were defeated, with a large defection of Liberals on the side, including for one, Edward Blake, the major Grit leader in Ontario. The fact of the matter is that it was a serious debate but it was defeated. When Mackenzie King sat down and had this discussion with the Americans, why did he not go ahead? Because he realized very clearly that it would give the Americans what they want, and that would be final control of this continent. Therefore, the history lesson supplied this morning by the Minister for International Trade was highly selective and distorted, to say the least.

One thing strikes everybody seemingly strange, and I must say I was waiting for an answer when I listened to the Minister for International Trade this morning as he quoted Laurier, King, Gerry Regan, and Donald Macdonald. The person he did not quote was the present Prime Minister of Canada. In 1983, in his last pre-election statement on the issue, he stated: "Free trade with the United States affects Canadian sovereignty and we will have none of it, not during leadership campaigns, or any other time". He went on to state: "Free trade with the United States is like sleeping with an elephant". The Prime Minister further stated: "Canadian plants wouldn't be able to compete with larger scale U.S. firms". The Prime Minister also stated: "Canadians rejected free trade with the United States in 1911, they would do so again in 1983".

It is funny that we did not hear those quotes from the Minister for International Trade this morning. Is it not unusual that he did not quote his leader who had made all those statements?

A previous Prime Minister, who competed in the same leadership campaign, and is now the distinguished Secretary of State for External Affairs (Mr. Clark), stated: "Ontario and Quebec would be the hardest hit because of their industries, but we are in a position to benefit earlier from technological measures. When you are moving towards a common market—" for all those Tories who say that harmonization is not a problem, let me cite to them the words of the Secretary of State for External Affairs. He stated: "You must accept some other ties. Our health insurance system is much more sophisticated than theirs, as well as some of our environmental or health standards, and they could be jeopardized. To ignore our interest outside the U.S. would also be in danger".

I did not hear the Minister for International Trade quote the Hon. Secretary of State for External Affairs. Yet I thought the Secretary of State for External Affairs made some very important statements back in 1983.

The Minister of Trade stated this morning that we have a great Minister of Finance (Mr. Wilson). He really understands what is going on. Let me quote the Minister of Finance who stated: "Talk of bilateral free trade strikes me as simplistic and naive. The U.S. has its national interest and we should enunciate clearly and pursue vigorously our own. Too much would have to be compromised especially by Canada to make a mutually acceptable broad master plan the best option". "Too much would have to be compromised", says the Minister of Finance.

The distinguished Minister of Veterans Affairs (Mr. Hees), dean of the House, has stated the same thing. "Free trade is a threat to our sovereignty". I suspect that a large part of the present front bench of the Conservative Party has a similar point of view. Therefore, the question has to be asked, why divide the country when in 1983 all those sages of Canadian

political wisdom clearly foresaw the dangers, clearly understood the problems, and clearly saw the vulnerabilities that were being engaged in? What happened? Was it a hoax? Was it a big con job? Was the whole thing born in a lie? Did the present Prime Minister all along know secretly that he was going to do it, and he just was not telling Canadians the truth? I suggest that the results of 1984 would have been very different if the Prime Minister had been forthcoming and honest and stated that this is what he was going to do. I suspect that, in 1984, many Canadians would have looked much differently at the present Prime Minister and the Members he was trying to elect, for example the Secretary of State for External Affairs, and the Minister of Finance, if they had stated that now they had changed their minds. Can we then assume that they were keeping it secret?

When I hear the Minister and his colleagues castigate the Leader of the Opposition (Mr. Turner), or other members of the Opposition, for what they call misrepresentations, what could be a greater misrepresentation than the words I have cited, taken to an election, and then a few months after the exact opposite being done? A change is initiated that is of glacial proportions. It will shift the geology of this country, but nobody is told about it. It is kept a deep, dark secret. What greater example of misrepresentation? What greater example of mistruth is there than that? The whole basic foundation of this agreement started with a lie, with a mistruth.

I would say that perhaps the Prime Minister knew all along what he was going to do. He knew that he could not say it in the election, because he would not be the Prime Minister, so he kept it tucked away. I believe he had different reasons. When the plan was proposed, and the Prime Minister appeared on television, it was interesting to hear the reasons why. When we judge it in the light of the present circumstances, surely Canadians must judge this agreement based upon a very hard-nosed calculus of costs and benefits. That is the bottom line for a country. It is not for a corporation, but it is for a country. Therefore, we must examine very carefully the balance between those costs and benefits. We have to ask, what are the great economic bonanzas that will fall upon us?

It is very interesting that, as time goes on, those promises shrink to the point where they are now so miniscule they are hardly talked about any more. Did we hear the Minister for International Trade use any facts and figures this morning in terms of projecting the economic benefits of this agreement? Not once did he ever comment on this type of projected growth rate or employment. He used rhetoric, but no hard facts.

It was interesting to note that, during the course of committee hearings, on several occasions when representatives of the business community appeared, they would say: "We think there will be prosperity. We hope there will be jobs. We believe there will be economic growth". I would say: "Such a statement of faith is okay for a theologian but you are supposed to be a hard-nosed business person. Give us the hard facts". They could not provide them. The reason is because there is no sure guarantee. There is no magic wand that will have Canada all of a sudden move into the promised land.

• (1540)

The Economic Council of Canada, well known to be in favour of Canada-U.S. free trade, tried its best, used every possible good news criteria. Do you know what they come up with? Hold your hat, because this is going to knock you off your seat. It was a quarter of 1 per cent a year growth based on the assumption that there would be a 6 per cent productivity growth in the meantime. I asked Dr. Maxwell, the Director, in front of the committee: "What happens if you do not get the 6 per cent productivity growth and there is no guarantee? Isn't it true that there would be less growth under the Canada-U.S. trade agreement in manufacturing than there would be under the *status quo*?" Do you know what Dr. Maxwell's answer was? "Yes, that is right". If those enlarged, gargantuan predictions of productivity growth are not there, or are there only in partial terms, then we will have less growth in manufacturing under this agreement than we would have otherwise.

The jobs that they are talking about, primarily in the service sector, are lowly paid clerical jobs, again confirmed by the Economic Council. You will lose somebody in the printing industry and end up having somebody serving hotdogs at McDonald's. I am not sure that that is the right kind of trade-off that Canadians expect they are buying. I am not sure that that is the kind of economic promise that should be fulfilled.

Projection after projection, whether it is the Department of Finance or the Economic Council or Informetrica, comes up with the same conclusion, that the actual incremental growth in Canada over 10 years is marginal. Informetrica, which is an independent agency, said: "No one can argue any more about the question of whether there is more or less growth, because it is simply not there. It is hard to predict". I am not necessarily saying that there is less growth, but I will tell you that there is not that kind of great cornucopia pouring out thousands of new jobs that the Prime Minister talked about back in 1985.

Of course, what the Government did not talk about are the job losses. We have heard from the then Minister of Employment and Immigration that It could be close to 500,000 dislocated workers. Well, someone got to him and he changed his mind.

The Economic Council talks about 150,000 to 180,000. Let me give you an example of just how untrustworthy these figures are. A brief submitted by the food processors from Mr. McLean of McCain's Food predicted that in the agrifood industry, which is one of Canada's largest employers, there could be upwards of 60,000 job losses, spread right across the country. The reason is that, very clearly, the food processing industry is put in a dilemma. It cannot go ahead and buy the raw materials at the same price that the Americans can supply it. Their answer is very simple. They are going to move south. They will take their capital and move it where they can get a lower price for potatoes, chickens or whatever it may be. That

will have an impact on farming, processing and retailing, all the way up the chain.

The Deputy Minister of Agriculture of the federal Government came in front of our committee. I asked him: "Have you studied the impact of this agreement on the agrifood industry?" Do you know what the answer was? He said no. One of Canada's largest industries, one of the most important foundations of this country in terms of self-sufficiency and food, and the Department of Agriculture had not got around to studying what the impact would be. He said: "But I can tell you that the food processing people are wrong because I read the Economic Council report". I said, "How did they arrive at their calculations?" He said, "Oh, by a computer".

There are people in the industry who say that there are going to be job losses. The Deputy Minister of Agriculture said that he relied on somebody else's computer. I put it to this House, who would you rather trust? I heard from the Minister for International Trade that I should listen to people in industry. He said to listen to the council of wisdom, the people who create the jobs. Well, I did. What do they say? "We are going to lose jobs". The printing industry said that 6,000 jobs may be at risk. The textile people, the clothing people, the electrical appliance people, they were not kidding. They said: "We have big problems here if you go ahead".

At the same time, we have a Government that refuses to talk about adjustment, that is perpetrating one of the great falsehoods of all time, saying: "We do not need any adjustment programs because there will be so few people affected, or communities affected. We will get by with the Canadian Jobs Strategy", which is that great success story that every committee of this Commons has lacerated as being a total failure. Nor do they say that the Canadian Jobs Strategy has had its budget cut by 30 or 40 per cent.

My colleague from Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) has stated many times in this House that the Government—how can they make the case and keep a straight face while they are doing it—claims they are going to deal with the thousands of people needing adjustment in food processing or printing when they have already cut back 30 or 40 per cent from their present budget and they cannot even meet the need? There are community colleges across Canada closing their doors because of a lack of money under the Canadian Jobs Strategy. I know the reason why they will not have adjustment programs. They are afraid that under the trade agreement any attempt to help workers or industries will be subject to countervail, to trade action.

If anyone wants to see a clear case in point of how we are limiting our freedom of action, there we are. We cannot even mount the means of responding to the problem created by the trade agreement because of the trade agreement. We do not have any adjustment programs, but we know that we are going to have job losses.

I saw in this morning's *Toronto Star* a report from the Social Council of Metro Toronto. They are not Grits or New Democrats. They are a respected social agency of independent mind. What did they say? Under the trade agreement older workers will be left behind. They are going to be the real victims, people over 40 years old. People in those manufacturing industries who are going to lose their jobs cannot go to work for McDonald's and serve hamburgers the same way. The Social Council of Metro Toronto said: "Where are the programs to help?" Well, we get a placebo, a pat on the head, or assurances.

Let us talk about some other so-called economic benefits. For example, the consumer benefit. I have read the book of the Minister of Consumer and Corporate Affairs (Mr. Andre) very carefully. It talks about approximately $800 in savings. There were some interesting gaps and omissions in that study.

An Hon. Member: It is not surprising.

Mr. Axworthy: This vision that is being presented to Canadians whereby that they can rush to Buffalo, Burlington, Grand Forks or Spokane and pick up a VCR at 50 per cent off, rush back across the border, is pure hokum, an absolute hoax. There is a rule of origin which says that anything that has less than 50 per cent North American origin is still subject to the tariff. Who do you think is making the VCRs that the Americans are buying? They are not making them in Michigan; they are making them in Taiwan and in Korea. Even if you find something that is North American in origin, when you cross the border you are still hit with the taxes, the currency controls. All of a sudden those savings begin to evaporate.

Mr. Nunziata: The travel limits, they are all part of the big lie.

Mr. Axworthy: The economist, Mr. Kerton, for the Consumers Association of Canada estimated that the savings for a Canadian family under the trade agreement as it is written might be one-fifth of 1 per cent a year, perhaps a total of 30 or 40 bucks. Mr. Racicot from the Consumer's Association of Québec estimated $38 a year in savings, perhaps, if you are driving back and forth across the border. Those are the so-called consumer benefits. Is that going to have you dancing in the streets, 38 bucks a year? Maybe. The information that we are not being given today is what we will ultimately end up losing.

Presently, the tariff structure generates about $2 billion worth of revenue for Canada per year. That disappears. It has to be made up somehow. We either increase the deficit or we tax. We saw in the last Budget an extra $500 million raised by a new tax on gasoline to pay for what we are going to lose this year if the trade agreement goes through. You just lost your $38. If you drive a car or you heat your home, it is gone. It is not there any more. That is just the beginning. Wait until you have to pay the full $2 billion. I do not see the Minister of Consumer and Corporate Affairs talking about that in his little pamphlets that he spews around the country. It does not mention those kinds of calculations, that somehow there are

going to be major tax bites or an increase in deficits. Talk about misrepresentation. I suggest that to accept on blind faith that somehow there will be all kinds of consumer benefits is simply to live in a fool's world.

• (1550)

Let us turn to the final argument that the economists like to use, those evangelical economists, the Jimmy Bakkers of Canada, who are saying that if only you buy free trade, you shall be saved. Their solution for Canada is called the shock therapy system. They say that if only we had access to that big American market of 250 million people, Canadian industry would be forced to get mean and lean, really gear down and get tough and competitive and break into those markets. It sounds good in a textbook, but we have an interesting case history before us.

There are many industries which do have free trade. One of the most important such industries was the farm machinery industry. There was a time when Canada was a leader in the production of farm machinery. Some of the proudest companies in Canada, companies like Cockshutt and Massey-Ferguson, provided not only jobs but real pride. We were the leaders in the technology. We sold all around the world. By the way, we did that when we had a preferential tariff.

Over time, in the 1940s and the 1950s, the Americans eliminated their tariffs so we thought we had to eliminate ours as well. Now the bones of those farm machinery companies are strewn from one end of the country to the other. John Deere priced them out of existence. Massey-Ferguson has been sold off. Versatile, located in my City of Winnipeg, is now a branch plant of Ford. The independent farm machinery industry of Canada which had free trade, which according to economists would make it lean, mean, tough and competitive, is now a dead industry.

Mr. Hopkins: International Harvester doesn't even have a plant.

Mr. Axworthy: No, it does not have a plant. The Morris-Rod-Wheelen system in Yorkton is also in trouble. I know because a relative of mine is involved. The fact is that there is no magic wand. To buy the case made by people like Richard Lipsey, John Crispo and people from the Queen's School of Economy is to buy the evangelical protestations of Jimmy and Tammy Bakker or Jimmy Swaggart. It may be fun, but we will not get salvation. We may get burned along the way.

Mr. Hopkins: Their revenues are down too.

Mr. Axworthy: Yeah, they have lost it all. Talk about real free trade. Sometimes we thought it was slave trade.

The point I want to make is simply that the proponents and advocates of this agreement have not been able to successfully make the case that this agreement will provide substantial improvement in jobs and in growth of consumer savings or productivity.

Let us consider the claim that this will help regional development. People tell us to look at the European Economic Community. Let us look at it. Is northern England bouncing into a wild era of prosperity and optimism because of the European Economic Community? No, it is a depressed, dilapidated region of England. The same is true of parts of Italy, Belgium and other places. Belgium has the highest level of youth unemployment and it is part of the Common Market. The problem is these countries are up against some very large economies which are simply dwarfing and swamping them.

Mr. Hopkins: Maggie Thatcher wouldn't understand that.

Mr. Axworthy: My colleague says that Maggie Thatcher would not understand that. She is beginning to understand it. Now, as the Common Market is beginning to move toward some of the same things that are in this agreement, Maggie Thatcher is saying: "No, no, that takes away our sovereignty, that takes away our economic rights". She is pulling away from the precipice. Maggie Thatcher is not prepared to make a leap of faith, even though she has a broomstick to do it on. She is not going to do it.

Mr. Marchi: And she lectures us.

Mr. Axworthy: That's right. She can come to the House of Commons and tell us that free trade is good for us, but when it comes to Great Britain, Maggie Thatcher is all of a sudden pulling in her skirts and saying: "No sirree, I'm going to defend my people".

I challenge Members on the other side to prove to us with hard facts, not rhetoric, not evangelicalism, but hard facts, that there will be economic benefits. Those facts simply are not there. Committee hearing after committee hearing, report after report, showed clearly that it was simply a smoke-screen.

Mr. Malone: False.

Mr. Axworthy: That comes from a Member who never attended one committee meeting and did not know what was being represented.

Let us move on to the other great statement that is made. Now we will talk about the Prime Minister, that great paragon of truth and veracity. When the agreement was introduced, he said that our highest priority is to have an agreement that ends the threat to Canadian industry from U.S. protectionists who harass and restrict our exports through misuse of trade. He said: "Let me leave no doubt that a new regime of trade remedy laws must be part of this agreement".

The Prime Minister was right in one sense. There is a new regime of trade remedy laws, but they are not the kind the Prime Minister was talking about. The end result of two and a half years of negotiations on so-called free trade with the United States to get some kind of salvation from U.S. protectionism is tougher U.S. trade laws. There is a skillful negotiator for you. There is someone who really knows how to get a good deal. After two and a half years and after putting the

whole country on the table, we have ended up with tougher laws applied to us.

Last week the American President signed into law the omnibus trade Bill and with it, a brand new series of trade measures. Last March, Ambassador Gotlieb, our ambassador in Washington, wrote a letter to the Members of the Congress stating clearly that this law was contrary to the spirit of the trade agreement, it was damaging to international trade and it was contrary to the principles, rights and obligations of international rules. He cited a new definition of subsidies and new powers, but I will not get into technicalities.

We asked the Minister questions in the House. We asked him what he would do about this. He said: "Oh, boy, we're really going to get tough, can't have that happen". Well, it has happened. The U.S. has introduced a new protectionist trade law with tough new measures, and the only answer we can get from the Parliamentary Secretary is that it has been watered down. When we asked him how, he could not say.

We phoned the Department of External Affairs, the trade office and the embassy in Washington to ask how the new law had been watered down, to give us an example of the changes that have been made. There is no such document. There has been no analysis done. Perhaps it has been done, but it is not going to be made public because the changes have not been made. The fact is that the new powers under the U.S. trade law are much tougher. They redefine subsidies on a much broader basis. They give new powers to the President to retaliate. They give new import relief measures and 95 per cent of the measures that were in Ambassador Gotlieb's letter are still in that Bill.

Every other independent minded country in the world, Japan, France and the European Economic Community, are protesting and are threatening to take the U.S. to GATT. What do we get from the Government of Canada in protecting the Canadian interest? We get a whimper, not even a word.

This Prime Minister said that our highest priority is to have an agreement that ends the threat to Canadian industries. Here is a new U.S. protectionist Bill now in law, and the Prime Minister of Canada did not say a peep about it. The Minister for International Trade, that big, brave, brawling, blustering, blasphemous blow-hard from Newfoundland, what did he say about it? I do not think he said anything. Did you hear him say anything, Madam Speaker? Did you read a statement from the Minister for International Trade about the omnibus trade Bill? No, I guess he was off in Newfoundland talking to all those fishermen or getting rid of railways or something.

Surely we can see how illogical this is. Talk about a joke being perpetrated on the Canadian people. How can we look back on what the Prime Minister said about getting all this new protection while faced with a brand new trade Bill that really puts it to us?

• (1600)

As if that were not enough, the U.S. Congress and administration introduced in their implementing legislation brand new measures to punish us even further and extend their power to harass Canadian industry. They brought in amendments to say that U.S. industry can petition the trade office to undertake studies to determine whether or not Canadian exports have government subsidies. You do not have to do the work any more, just ask us, we will pay all the bills and take those Canadians to task.

This morning the Minister for International Trade was in high dudgeon about the Leader of my Party's comments in Newfoundland about the way in which the implementing legislation creates a real threat to the Canadian fish processing industry. He stamped up and down and swore that the Right Hon. Leader of the Opposition was guilty of the worst kind of calumny. He was not telling the truth. I went back and read the U.S. Bill. This is it right here, passed by the U.S. Congress, and here is the section. It is a long section and I will read it to you: "Canadian Controls on Fish". I am reading from the U.S. legislation: "Within 30 days of the application by Canada of export controls on unprocessed fish exempted per agreement under Article 203, or the application of landing requirements per fish caught in Canadian waters, the President shall take appropriate action to enforce U.S. rights under the General Agreement on Tariffs and Trade. In enforcing those rights the President has discretion to bring a challenge to the offending Canadian practices before GATT, retaliate against such offending practices, or seek resolution directly with Canada", et cetera.

That is the East Coast fishery we are talking about. If the Minister can somehow interpret this legislation as being protection against U.S. protectionism, then he had better put windshield wipers on his glasses because there in the Bill itself is the U.S. taking unto itself the right to challenge our ability to require processing of fish in Canada. They will take the raw fish but when we try to provide processing, there is the U.S. legislation saying we cannot do it. I ask you, is that ending the threat of U.S. protectionism which harasses and restricts our exports?

Furthermore, this same Bill carries with it instructions for the U.S. to renegotiate all the measures dealing with investment, culture, energy and resources to get even more than they got, to say nothing of the right of the U.S. to continue to apply steel quotas and implement new provisions on agriculture. Is it any wonder that the farm groups that appeared before the committee, the Western Canadian Pool, the largest farm organization, the advisory group to the Wheat Board, all said they feel we are in real danger for that reason? Yet the Bill itself provides new loopholes for U.S. trade action.

What about our own legislation? There is another great sort of *coup d'état* on the part of the Prime Minister. He was such a smart negotiator that he agreed to entrench in the legislation that we passed as part of the agreement the softwood lumber

agreement. For time immemorial, if this agreement is ever implemented, we will be unable to challenge the right of the U.S. in effect to impose a 15 per cent penalty against all softwood lumber producers in Canada. In other words, the Hon. Member for Vancouver Centre's wrong way touchdown scored against her own goal will now be cast in bronze. We will never be able to change it.

In our own legislation, we agree that transportation subsidies for grain, something very central to my part of the world, for the first time in the history of this country, are considered to be an export related subsidy and subject to dispute resolution under the trade laws. That may not sound too profound in this Chamber, but if you are a farmer in Manitoba and you have to move your grain to Prince Albert by train and you are competing with a farmer in Minnesota who moves it down the Mississippi River system at a substantially lower cost, you will realize that by accepting that a transportation subsidy is a disputable offence, you have just given away our export market. That precedent will be established in further negotiations and it is in our own legislation.

Let me now go to the crown jewel of this commitment to obtain secure access. This is the one which in some ways tells the whole story. All the business groups, all the proponents, all the advocates, when asked about the agreement, say it is not perfect but it is an improvement. You ask them why it is an improvement and they say that we have this new dispute settlement mechanism. They make it sound as if it were new, which it is not. A more correct definition is that it is a review mechanism. The one thing that is very clear in the agreement is that U.S. trade law will still apply. We did not get any exemption as the Prime Minister promised. We did not get any special guarantee. We did not get any kind of special concession. The U.S. still retains the right, as we do, to use its own trade laws. The difference is, and I want to make this case to you, that the so-called dispute settlement mechanism is a worse system than what we have now. It will take longer, cost more, and be less protective of Canadian interests.

Let me quickly give you some examples. Under the present system we have the right to challenge the U.S. law. The omnibus Trade Bill has just been passed and it redefines a subsidy in a much broader way. If the U.S. attempts to take action against us based upon that law, we can take them to GATT and challenge it directly, saying that the law itself was not proper. It betrays the rights and obligations of the U.S. under the international trading system. Under this dispute settlement mechanism the law is not reviewed, just whether it was fairly applied. We cannot challenge the law. All we can review is whether or not the trade panel or the courts or the trade commission applied it fairly. That is all.

We got into a kind of gobbledegook with the officials and the Minister about whether you still have recourse to GATT. They say if you read Section 1802 we still have recourse to GATT except that since 1949 GATT has never accepted an appeal from any two countries that have a bilateral system. We do not have recourse to GATT. We have given up one of the most important avenues of protecting Canadian exporters, one which has been successfully applied in the last four years against the U.S. We have had six cases, we won three, we could have won two of the others except that the Government caved in on softwood lumber, and we lost one. We had a pretty good record of challenging the law. Yet this great agreement, this great achievement, this so-called improvement, takes that option away from us.

Not only that, it will take longer to apply. What is the biggest complaint by many Canadian exporters to the U.S.? It is that U.S. industry harasses them by taking action at the International Trade Commission, goes to the Department of Commerce, and it costs you a million or two to fight your case.

• (1610)

Let me give you another interesting comparison. Under the particular scheme we are debating today you cannot take a review until the whole American procedure is completed. It only kicks in at the end of the procedure. Under GATT you can kick it in after a preliminary decision, almost a year earlier than this one. When you are fighting a trade action a year is a lot of money. I suggest that rather than getting an improvement we have a retardation of our ability to fight our trade wars.

What is more, it was not necessary. The only thing that has been replaced in the whole system is the final review on the grounds that it was "biased". Yet, Ambassador Ritchie, who is recognized by all sides as being an honest man, when asked whether the present system was biased, said no. He said that the International Court of Trade in New York judges impartially. The only thing we replaced was the one thing that was working very well.

Is that what you consider a great accomplishment, Madam Speaker, a system that cuts off one of your major recourses, does not allow you to challenge the law, takes longer, costs more money and replaces something that was working perfectly well? That is a so-called benefit.

Mr. McDermid: That isn't the testimony the manufacturers gave at all, and you know it.

Mr. Axworthy: In terms of this agreement the Government makes Neville Chamberlain look like a winner. In that great pantheon of winners along with Neville Chamberlain and General Westmoreland will go the name of the Prime Minister. This is a full-scale, absolutely incredible defeat for Canadian interests. The only thing that can be said for it is that they are certainly trying to propagandize it. We are cutting down forests across the country to produce paper on which to print the message that this was a great achievement.

That is why we need an election. It is only through daily word of mouth comments that these facts and this kind of hard-nosed analysis will come out. The business people who support the agreement will be required to read the agreement and learn what it means. If they are going to be honest about it

they will see that it is simply not the case that they will get secure, guaranteed access as promised in 1985.

Just last week I talked to some businessmen who said that that is not important, that if they are further harassed by the United States industry they can move their factories to Alabama.

Mr. McDermid: Who said that?

Mr. Kilgour: Give us the names.

Mr. Axworthy: We will provide all the information, just like the Government does. We will provide it.

Mr. Kilgour: Put up or shut up.

Mr. McDermid: Why doesn't he move them there now?

Mr. Axworthy: Madam Speaker, to answer the Parliamentary Secretary, the fact is that it is already happening and many of them have.

Mr. McDermid: At least be honest in your presentation.

Mr. Axworthy: They want to talk about being honest. Talking about honesty, let me refer back to what the Prime Minister said about free trade with the U.S.

Mr. Nunziata: Lyin' Brian.

Mr. McDermid: Madam Speaker, I rise on a point of order. Two Members of Parliament, one from York whatever and one from Algoma called the Prime Minister a liar just now. I would like both the Hon. Members to stand up and withdraw their remarks.

Mr. Nunziata: Take your marbles and go home.

Mr. Hopkins: Can't take the heat.

The Acting Speaker (Mrs. Champagne): It has been very difficult in the last few seconds for the Speaker to hear what was being said on the floor of the House of Commons as there were exchanges between the two sides of the House. I am sure that if some Hon. Members did use some unparliamentary language, they will have the courage to do the honourable thing and apologize. I have to bow to Hon. Members' honesty. The Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) has the floor.

Mr. Axworthy: Madam Speaker, I sat for an hour and three-quarters this morning through the speech of the Minister for International Trade. On numerous occasions he called the Leader of the Opposition (Mr. Turner) a liar and said that he used mistruths. He said the same thing about the Leader of the New Democratic Party.

Mr. McDermid: No he didn't.

Mr. Axworthy: I did not see the Parliamentary Secretary rise to his feet at that time. If there is any side guilty of purple probe, of making unbiased allegations, I suggest that the Parliamentary Secretary read the "blues" of the speech of his Minister this morning and he will see the worst example of the use of debasement in a speech in this House on the most serious topic we have ever heard. I only wish that he would apply the same standard to his Minister as he wants to apply to Members on this side of the House.

The two major counts which the Government has put forward as the rationale for this agreement come up as failures. There are very serious questions about the so-called benefits. If the benefits are so meaningless and limited, why do they persist? It is interesting to note that when the trade negotiator, Mr. Reisman, withdrew from the table saying that he could not get what he thought was a fair deal for the country, or words to that effect, it was the political people who brought him back in.

I think the answer to the question lies in the substantial part of the accord. I think the real reason we have a total flip-flop on the part of the Prime Minister and his colleagues since 1983 lies in other parts of the agreement which do not deal with trade at all but with the basic domestic institutions and practices of the country. What you see is a concerted, coherent attempt to enfeeble the Governments of Canada. It is a clear expression of the neo-Conservative philosophy which says that it is the market-place of North America that will make decisions for Canadians and not Government, the public sector, people speaking through their elected representatives, or people relying upon public initiative. It is purely the market-place that will decide.

The philosophy expressed by the merchant class of Montreal in 1849 is now coming home to roost in 1989. They do not want to share power. The real issue in this debate is about who governs Canada, who is going to make the decisions, and who the decisions are going to be made for. As you go through the agreement you will see all the non-trade related items. What does investment have to do with trade? That was part of the trade-off with the Reagan administration.

It is instructive to read the words of Mr. Reisman speaking to the Ontario Economic Council in May of 1985 when he said, "A major difficulty in negotiating a bilateral agreement with the United States is that the economic benefits from free trade are likely to be asymmetrical and the Americans will have to seek concrete benefits in other areas".

The same formula applies whether you talk about this comprehensive agreement or another comprehensive agreement. We have to put more chips on the table than we have in trade so we end up having to put energy, investment, services, and the various domestic sectors of our economy on the table because we do not have enough to play with. The United States is 10 times our size. That was the message of Mr. Reisman. Mr. Reisman's conclusion in the speech was that we could get a deal if we put water on the table. He talked about the Grand Trunk Canal and all the rest of it. We know that

that in fact became part of the deal. The fact is that we gave an awful lot more, we gave up a whole series of instruments.

• (1620)

For example, there is energy. I ask Members to go back and read a very interesting document produced by the Paley Commission during the Eisenhower administration. It put forward the notion that the United States could only have national security if it had complete control over continental resources. That was a number one priority going back to the 1950s. In 1988, the United States achieved that priority.

Mr. McDermid: They have not got it.

Mr. Axworthy: They have it in spades. I hear the protests of the apologist for the Government across the way. Let me quote from statements by William Martin, Deputy Secretary of the United States Department of Energy. He was appearing before the subcommittee in the House of Representatives and said: "The free trade agreement will benefit industrial energy consumers . . . ", American consumers, " . . . by ensuring non-discriminatory access to Canadian energy resources, increasing the availability of energy supplies such as electricity and gas; improving security of supply by reducing circumstances under which supplies can be interrupted; reducing energy costs by eliminating price discrimination in U.S.-Canada energy trade and increasing the competitiveness of U.S. industries in world markets".

Mr. Martin then went on to point out how U.S. industry, by getting access to cheaper Canadian energy, will be available to virtually put us out of those world markets. The industries he cites include petro-chemicals, pulp and paper, primary metals and so on.

He said: "The agreement can help make Canadian electricity imports cheaper. Under current regulations, Canadian exporters may not charge a price for that electricity that is significantly less than the least cost energy alternative available to their U.S. customers".

Mr. McDermid: That is wrong.

Mr. Axworthy: Of course, the U.S. Under Secretary of State is wrong. The Government apologist—

Mr. McDermid: Do not be silly.

Mr. Axworthy: The problem we have in the House with the Government is that it thinks an assertion is evidence. It thinks that by simply saying something is so, makes it so. The fact of the matter is that no one trusts the Government.

We are talking about the way the Americans understand the agreement. You can bet your bottom dollar that when it comes to a question of using the trade agreement to challenge, the Americans will be up there with all their high priced Washington lawyers.

The problem is that we have seen the Government, from the day it came into office, give away on every single count.

Some Hon. Members: Shame.

Mr. Axworthy: Pharmaceuticals, softwood lumber, potash, cedar shakes and shingles, you name it. I would like to know when the Government ever had the gumption and guts to stand up and defend Canadian interests. Not once has it had the gumption to do so. Do government Members think Canadians will believe them? Do they think Canadians will accept their bald-faced assertions? They are like these stupid documents which the Government prints up at a cost of $30 million or $40 million in taxpayers' money which do not tell the truth but simply state a selective case and miss the important essentials.

Investment is a great example. We are now at the point where there has been $33 billion worth of foreign investment since the Government came into power, 95 per cent of which has been takeovers and acquisitions. The Government is not simply selling off our resources, it is selling off everything that owns them. Everything is being given away lock, stock and barrel. It is not good enough for the Government that 95 per cent of all foreign investment is in the form of takeovers and acquisitions. It wants to give the rest of it away.

The Petroleum Monitoring Agency, the Government's own agency that measures these matters, points out that Canadian ownership is dropping rapidly. Why is that important to Canadians? If we lost the requirement to have Canadian ownership, we lose research and development, management jobs and we lose all the supplementary jobs that go with it.

Head offices create a lot of jobs in this information age, with people who work on the computers, do the data processing and innovation. The more they buy up Canadian companies, the more they do that work down at the head office. The Government will make it that much easier.

Will that create jobs? Is it in the Canadian economic interest to not only open the doors, but now open the windows without making one performance requirement? We will no longer have the right to require the creation of jobs here or the conduct of research and development. The Government has simply said: "Open Sesame".

This morning the Minister said that Canadians can be competitive. He referred to Northern Telecom as a Canadian company that can be held out as an example of what we can do in the international market-place. I agree.

However, the possibility of another Northern Telecom ever occurring in Canada under this agreement is virtually nil. There is a part of the agreement that limits the powers of monopolies. It prohibits preferential purchasing on a monopoly. We know how Northern Telecom began. It was a subsidiary of Bell, which is a monopoly and was granted that power under federal regulation. It was able to give a preferred purchasing arrangement to a small subsidiary to do all its R and D. With that protection, over time it grew and developed. Its engineers

and scientists became world class. Now it can go into the market.

If one believes that could ever happen again under this agreement, forget it. It is gone.

Mr. McDermid: Tell us where that is not allowed in the agreement. Give us the chapter.

Mr. Malone: Give the evidence. How can you say that? You make me sick.

Mr. Axworthy: The Hon. Member for Crowfoot (Mr. Malone) says he is getting sick. It is an example of how one's stomach's stability is related to the inability to consume the truth.

Let us talk about regional development. The Government says that nothing in the agreement touches regional development. Joe Ghiz, Premier of Prince Edward Island, said in a speech:

> Last week, the Director of Agriculture Canada in the Maritimes told an audience in Nova Scotia that a new agreement between the Province and the Federal Government must be tailored to avoid complaints from the United States.

Before the agreement is even in place, grants under our regional development programs are being conditioned in order to "avoid the countervails" on the basis of the new definition of subsidy implemented by the American legislation. We are already tailoring our cloth to fit the agreement.

Recently, I read an interesting study of the Canadian mineral industry by Professor Anderson of the Centre for Resource Studies, Queen's University, Kingston, Ontario. In his study on mineral resources, Professor Anderson said:

> It can be asserted that the forthcoming attempt to develop common rules for countervail and anti-dumping action under the agreement places the Canadian regional development programs at risk. Given the strong U.S. objections to these programs, Canadian negotiators may face significant pressure to curb such activities.

It is the same thing as Premier Ghiz is saying. He went on to say:

> Although the evidence is less tangible, it is also possible to argue that the Canadian minerals and metals industry could suffer in the international marketplace as a result of the free trade agreement. This statement rests on the premise that if Canadians tax and subsidy schemes slowly change or mirror U.S. policy, then Canadian firms may end up being less competitive than they are now in offshore markets.

Professor Anderson is saying that we will no longer be able to provide the kind of support we did to modernize the forest industry or to provide infrastructure support for minerals and mining. That is a key element of our regional development program.

Because of our resource base, we have used those kinds of government investments to aid the regions.

One can say the same thing about agriculture and the cultural industries. A strait-jacket has been put on the ability of the Government of Canada to make decisions on behalf of its citizens according to its judgment, or to have that judgment based upon the kind of normal democratic activities that take place in a society where there is freedom of action. But if we sign away those freedoms, if we give away that right to make decisions in the international agreement, we do not get them back again. Aside from those parts of the agreement, I think it is important to recognize the argument about harmonization.

• (1630)

The Minister for International Trade took great pains this morning to challenge the assertions made by our Leader with respect to the impact of harmonization, which is a very simple concept. It simply means that by having, over time, to harmonize standards, and also facing competitive pressures, Canadian businesses will put their own pressure on Canadian Governments to start limiting standards, to cut back taxes and programs. If you are faced with competition in the manufacture of furniture from a southern state that has a small minimum wage and no occupational health standards, and its costs are 5 per cent, 10 per cent or 15 per cent less, how do you compete? You start asking the federal and provincial Governments to reduce your costs accordingly.

The Minister for International Trade quoted Laurent Thibault, the President of the Canadian Manufacturers Association, with great authority this morning. He looked across the Chamber at me and said: "The Member for Winnipeg—Fort Garry (Mr. Axworthy) should listen to this gentleman". Well, here we go. Laurent Thibault, the President of CMA, said: "It is simply a fact that as we ask our industries to compete toe to toe with American industries, we in Canada are obviously forced to create the same conditions in Canada that exist in the United States whether it is unemployment insurance, workmen's compensation, the cost of Government, the level of taxation or whatever". Tom Stanfield, President of Stanfields, says: "It is the cost of Government, the cost of human resources, which will allow us to compete and therefore we will have to slowly adopt the American way with very few modifications". Why is it that manufacturing is largely located in the southern United States instead of in the northern states, which are more comparable to Canada when it comes to cost structures and way of life? They are going where they have lower costs. That is the answer.

With respect to the question of regional development, I live in a city just north of the states of North and South Dakota which are going through their own depression because they cannot compete with the sunbelt states which have much lower costs, much lower social programs. Does the Government think that pressure for harmonization will not occur over time? It is beginning to appear already. If we throw into the mix the kind of curious, eccentric arrangement called the Maquiladora process, where United States manufacturers can take component parts, send them to a little strip along the Mexican border, have them assembled by labour which is paid 60 cents an hour, bring them back up and stamp them "Made in U.S.A."

We asked the question in front of the committee: "How are you going to police against this? How will you stop those "Made in U.S.A." products competing with us?" The answer was that we can go down and inspect those factories. Just imagine for a moment, Mr. Speaker, a Canadian customs officer going into a small town in Georgia or a town on the border of Texas, with all those Texas Rangers and guys walking around with six-guns, saying: "I have come to see if you are cheating"? We may never hear from that customs officer again. It would be the highest risk occupation in the Public Service. I would not even give the job to the Minister for International Trade.

This is not a laughing matter. It represents a very serious pressure for us over time to accept a wholly different way of doing things, and not because the Americans are necessarily going to bludgeon us. It will be our own people who will say they cannot compete, and we will have to change the rules. That will bring about fundamental change in the way we do business in this country. It will again limit the parameters, the horizons, the options of Canadian Governments to understand any kind of investment, programming and support, with its own environmental standards, social programs, or whatever it may be. That is what we mean by "harmonization". It is not a figment of my imagination. It is reinforced by statements made by the Social Council of Canada, the Nurses' Federation, and the Wildlife Federation. Highly respected, serious minded, interest groups in this country have made that same case. When I read the editorials in the *Winnipeg Free Press* which say there is no problem or threat, I would ask those reporters to read the testimony of people who know. They should listen to the kind of people who can see that kind of problem.

These people are not worried about the bottom line. What they are saying is very simple. Capital can move quickly. One can move a million dollars in a second on a computer. Someone can set up a new factory tomorrow in any part of North America, but the jobs cannot be moved, the farmers cannot be moved, the communities cannot be moved, people cannot be moved very easily. That is part of the problem. This agreement may suit us fine and dandy if we are simply worried about a quick, fast shuffle of capital playing in those markets. But one of the things that has made us different as Canadians is that we have not just listened to the bottom line. We have not just simply followed the dictates of the market-place. We have not simply followed the profit margins of the stock exchange. They are important. They are necessary institutions. But they are not the dominant force. They should not set all our priorities. They should not make all our decisions for us.

We talk about Canadian independence. What has made us independent has been the role of the public sector, the ability to make major public investment when the private sector often would not do it. My part of the country grew because of investments made by the public sector, be it the Wheat Board, transportation or even investment in our communications system. We would not have a country if it were not for that ability of Governments at all levels to make those kinds of decisions. But we are now faced with an agreement that will limit those kinds of decisions and replace them with the market-place. That is why there are millions of concerned Canadians. That is why there is a deep and abiding split in this country. There are Canadians who recognize that this has been part and parcel of our history. It is an essential ingredient in what makes us different, and it is absolutely crucial for our maintenance as a country.

If we put ourselves into a strait-jacket, if we find ourselves no longer with the same kind of freedom of action we had before, then we no longer exist. I listened to the Minister for International Trade carefully. He said "Well, you signed agreements with GATT. You accepted rights and obligations", and that is true. The reason is very simple. There were some shrewd Canadian leaders back in the 1940s and 1950s who had some sense of vision. They understood very well that by joining an international body, we were able to protect that right of decision. When we negotiated reductions in tariffs, which we did, we did not do it at the sacrifice of our right to make decisions about investment. We did not sacrifice our right to make decisions about how we were going to support our energy industry or our mineral industry. We did not sacrifice our right to decide environmental concerns or financial institutions. We found there was a way of getting a balance, of opening up trade, of liberalizing trade, of bringing down trade barriers without putting those other things on the table.

One of the reasons for this was that we were not the "demander". We were able to share a bargaining power in those international organizations. We were able to get concessions from the United States and other big trading partners because other countries were part of the team. There is a good analogy in football. If you are a blocking lineman, and you are across the line from a 190 pound defensive end, and he is going to push you over, you get someone else to block him out. You double-team him. That is what you do with your international organizations. You double-team the Americans. You provide some way of putting proper pressure and balance against them. That is why it is worked well for us. That is why we suggest that that is the best way of bringing down trade barriers without giving away the store and all the rest of the chattel and goods that this agreement gives away.

The Minister for International Trade does not understand that, nor does the Prime Minister. They have forgotten that fundamental lesson we have learned in the last 40 years. It goes back to what I said before, not because it is a lesson they do not want to learn but because the motivating force, the driving impetus of the agreement does not really have as much to do with trade as it does with limiting government, of destroying the political mixed economy of Canada, of making the market-place supreme—of giving the big corporations the right to decide. That is what is really behind this type of agreement. It is that type of philosophy, theology or ideology which is really at the base root of where this agreement comes from.

• (1640)

I say to you, Madam Speaker, we want an election because we want the chance to give Canadians a choice. We want to give Canadians the right to see that there is a different vision of the country.

The Minister for International Trade got into a high dudgeon today about the use of the Senate. He was abusive in his comments about many of our colleagues in the Upper House. It is not surprising, he is abusive of everybody. He forgot one very simple fundamental fact. It was that he was the Minister of Justice who brought in a Bill concerning Senate reform. We agreed with it. Our Leader said: "You bring any proposal on Senate reform, an elected Senate, and we will pass it. We will go along with it". That was in 1985. Who backed off? Who withdrew?

Mr. Nunziata: Crosbie the coward.

Mr. Axworthy: That is right, the big bad wolf from St. John's West turned out to be Little Red Ridinghood. He simply did not have the guts to follow through. Why? Because he had his own people. He had the Lowell Murrays, the Michel Coggers and all the other guys. He had the Laval team and all the rest of them. They had to be gotten on to the benches too. What hypocrisy to talk about the Trudeau hacks when the Prime Minister and his colleagues have been loading the trenches as fast as they could. Our Senators are prepared for Senate reform. They want an elected Senate. Our Party wants an elected Senate.

Mr. Malone: You do not.

Mr. Axworthy: Yes, we do. Our Party in national convention voted 78 per cent in favour of an elected Senate. I have not seen a similar resolution on behalf of the Conservative Party.

The Senate is not the issue. The instructions are very simple. Canadians have the right to make a choice on something that is fundamental. One does not shift fundamental ingredients, the rights of a people of a country without giving them the right to decide, especially when they were not told the truth in 1984, especially when the Government went around saying that it did not believe in free trade and that it would never happen. Surely to goodness all we are saying now is that the Upper Chamber is doing what it should do, and not say that it is for or against the Bill but: "Let the people decide. Let them choose. Let them show what they are prepared to do". That is all.

In the final part of my remarks I wish to talk about what that choice will be. Tomorrow our Leader will be speaking. He will outline in detail the kind of trade strategy that we will promote. I want to talk about what I felt and heard over the last three years. I want to talk about the sense I got from all those people who oppose this agreement but who want something different. The people who are against the agreement are not in favour of the *status quo*. They are not in favour of going back to some kind of little England. That is pure mythology that is being perpetrated.

Do you know what there is, Madam Speaker? There is a new kind of internationalism growing in Canada. There are all kinds of people in business, professions, schools, women's organizations and cultural groups who see Canada as a mature country with an important role to play in the world. They see us being able to help solve the problems in Central America in a way that we could not do before. They see us being able to work out new economic and trade relations in Latin America or in the Middle East. They see us being able to take a different perspective on the great power bi-polarities on nuclear weapons. They really believe that Canada has come of age as Laurier promised—but not as a junior partner to the United States, not as a country which will simply be the tail wagging the dog, a country which has integrated itself so much economically that it has no ability or right to make the types of choices that need to be made in the international arena. They see us, certainly, in an interdependent world.

The way to manage that is not to form a regional block, not to form into some kind of fortress to fight other regions, but to develop new international institutions. I refer to new monetary institutions, new ways of holding corporations accountable, new ways of developing financial fiscal assistance for Third World countries. There is an enormous sense of aspiration and of expectation on the part of Canadians to achieve that. But they know it will be frustrated by this type of agreement.

An interesting group of people is the Lawyers for Social Responsibility. They point out how in God's name this country could in the future ever take on establishing new policies in the Arctic, in Central America or in the United Nations if we become so economically integrated with the United States and when the only program that is allowed under this agreement for regional development is military purchasing. That is really all that is left for us to do. This Government has a White Paper which is probably the most extreme type of example of cold war mongering. I think that Ronald Reagan would blush if he put a document like that. This Government has the capacity sometimes to make Ronald Reagan look good.

We have the ability to do something different, to try to find a new type of internationalism, and we are going to throw it away. We are going to give it away. I was at a conference in Japan this summer. I was having lunch with a young Korean who was part of the Academy of Economics and Science. He is a top economist. He said: "I do not understand this agreement you are going to sign with the Americans. Why are you doing it? Right now, we have to deal with you on investment, trade and tourism. We look to Canada as being a significant and powerful important player. Once you get into this agreement you just come along for the ride with the Americans. We will just have to talk with them from now on".

Down in Central America this spring I was talking with he people there who said: "What about this agreement? We would like you to break the economic embargo in Central

America. Open up new trade lines. Replace the United States in terms of machinery and other kinds of parts and goods. Why are you signing this agreement? Why are you cutting yourselves out?"

The world is moving away from this great power bi-polarization. This Government is not. It is the one that is stuck in the past. It is the one that has rearview mirrors attached to its policy. It is like a feeder fish that gets on the back of a big shark. This Government wants to become a feeder fish. It wants to latch itself on to the back of a big shark and go along with it.

Canadians do not want that. They want an independent role in the world. They realize that we can do it most effectively through international organizations, through strengthening, developing and enhancing them. That is why we are fighting so hard. We want to open up and retain that capacity for Canada to achieve that sense of a new vision and purpose.

Similarly, the people I talked to feel that we still have a real choice in the country for full employment. They feel that we still have a chance to put in place the right kind of mixtures of things to obtain full employment. We listen to members of the government treasury benches talk with enormous pride that after five or six years of a boom economy our unemployment is still at 8 per cent. That is not good enough. That is not acceptable. The boom started in 1983 when we were in government. It has continued throughout. We still have not been able to get unemployment down below 8 per cent. There is something wrong with that.

I refer the House to an interesting analysis done by a Dutch economist who studied those countries which were able to achieve virtually full employment versus all the other industrial countries that could not. He examined all the kinds of indicators. They were Gross National Product and levels of investment. Yet one of the key factors he considered was the ability to make independent choices about one's own economy. The successful ones were not members of the EEC or free trade groups. They were members of countries that retained the right to make judgments, to tailor and blueprint labour market policy, investment policy and research policy to fit the times and conditions.

• (1650)

The argument they are making is that there can be good international relations as part of multilateral groups, but not to the point where the right to make those choices is given away. That is what we are giving away. When the right to control investment, resources, energy, culture, agriculture, and regional development, plus the questions of harmonization are given away, the opportunity for this country to initiate significant new employment opportunities for many Canadians has also been given away.

Finally, I put this case to you, Madam Speaker. The third part of that new vision, the contrasting vision, is based upon a simple question of what I call democracy. It is a simple institution, but we have spent a lot of time in our society building it up, and slowly finding ways that people without wealth or status are able to have the right to make decisions about their lives, their families, and their neighbourhoods. We are simply the inheritors of an enormous number of battles and fights that have gone on in the past to ensure that that will happen. I believe that this Chamber is one of the prime repositories of that tradition. We have always recognized that there are sources of real power. Concentration of wealth is perhaps the most. Things can be bought, and things can be made to happen. There has to be a balance always. There has to be an alternative access always, a parallel ladder for people to have their interests heard, responded to, and acted upon.

We are in an age where much of that access is being closed off. We live in an age of executive federalism where more and more decisions are made by far-away institutions, by access behind closed doors of Cabinets or regulatory bodies. That is another topic that I will not get into.

Think what happens under this agreement, for example, when we lose our ability to make decisions about what the big corporations will do about tax policies. When decisions are made in a far off board room, outside our own country, where our own law cannot be applied to hold them accountable, what does that do in terms of the right to participate, the right to make a decision, or the rights of people in small, one mineral town communities in northern Québec, Alberta, or the Territories? If those opportunities are taken away to make those decisions because the power is removed, then an empty shell is left.

One of the real visions that people want is a return or a restoration of some feeling of control over their own lives. They want this institution to be far more effective than it has been in ensuring that we respond and are able to react to their types of concern. How is that to be done if a whole series of decisions have been taken on a whole range of aspects of our life and turned over to another commission, to private hands, to where it cannot be got at, or to where people are faceless? If that whole opportunity for ordinary Canadians to get a hold on the system and make themselves heard has been taken away, then one of the most precious and vital substances of their lives has been taken away. That is what this agreement does.

It is not only the economics. Talking about independence is not only talking about supply management boards, or investment programs. It is also talking about many intangibles, and things that people feel. After a while it will become fairly apparent that if we cannot get a decision from our own National Energy Board on the price of natural gas, and the real decisions are being made by the federal energy regulatory commission in Washington, or one cannot go to his or her Member of Parliament and say that something should be done about foreign investment because that foreign-owned mining company is going to shut down in my town and they are told, "Sorry, we have nothing to say about it", the message will get through that perhaps we had better start electing people in Washington. Perhaps we should go where the power is. Get a

Congressman rather than a Member of Parliament, or get someone in their commission rather than here.

I do not state that this will happen overnight, but it may do so over time. People are pretty smart and they will figure those things out. They will soon realize that they have to go where power is. If you are going to exercise the power, you have to go where it is. It cannot be said that this will not happen for there are historical precedents. Hawaii first started out with a trade agreement with the United States and ended up as the fiftieth state. In the 19th century the German states started out as independent kingdoms or duchies. Over time as the *Zollverein* they had a customs agreement and they ended up being dominated by Prussia, and then there was Germany. History has many examples of where those things happening, and people finally decided that they were tired of being denied the rights to make decisions, so they went to where the power is.

Canadians have ambition and the appetite to be a significant and important, but independent, player and to do important things in the world, to open up not only world markets, but to do something constructive in trying to reorganize a crazy, nuclear dominated world. Canadians believe that we can do that. I do not mean to say that we will change things overnight, but we can make a real difference. Canadians want the independence to do that, and they can see that independence being shrunken or limited by this type of agreement.

Canadians want to retain the same opportunity within their own country to make decisions whether it is on ensuring equalization of opportunities, or that we do not have to have everybody move to the southern states to get a job, or move to Toronto, but we have always had the principle that we have tried to move jobs to where the people are. We also want to have the right to make those decisions for ourselves through our own institutions in our own way. That is the type of vision that many Canadians believe in. It is not the market-place vision. It is not the merchant class vision. It is not that type of bottom line vision. However, it is there, it is strong, it wants a focal point, it wants a vehicle, and it wants a government that will give life, substance, and meaning to that vision. Canadians do not find it in this Government. If this agreement comes into force and is entrenched in stone it will close off the doorways for that vision ever being implemented.

That is why we are involved in this fight. That is why we, on behalf of millions of Canadians from coast to coast, are fighting the type of battle we have fought and will continue to fight. We believe surely that, if any appeal makes any sense that we can make to the Prime Minister of this country, that is that he has a responsibility to give people that choice. If you believe in what you are doing, which you obviously do, then simply put it out on the platform at election time. Quit playing games. Quit going on television and saying, "Maybe this week, maybe tomorrow. I'll consult the stars. I'll consult my anniversary date. I'll check with the kids at home". That is not leadership.

The Prime Minister has a clear responsibility, and it is one of the conventions of Parliament within the real conventions of democracy that he has a right to put in front of the people a major change in the life of this country, and the people have the right to make that decision. Quit playing the games. Quit doing the cutesy little interviews. Quit tantalizing the Canadian public. Simply say: "That is an obligation I have as a Prime Minister, for no other reason, and I am prepared to live up to it".

We will be there, and we will do what we have to do. We believe there is a newer world out there. We believe that we can represent that vision. We believe that when the people get the right to make that choice and the Prime Minister gets off the television screens and gets over to Government House, people will give us that opportunity and that mandate to fulfil and live up to a brand new vision for Canada, one that goes way beyond this trade agreement, one that does not see us tied into a continental fortress, but talks about the world as a place where Canadians can do the most good, and where we can also do good for everybody else in the world.

Some Hon. Members: Hear, hear!

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS--MOTIONS

• (1700)

[*English*]

LABOUR

PLANT CLOSURES

Mr. Steven W. Langdon (Essex—Windsor) moved:

That, in the opinion of this House, the government should consider the advisability of introducing legislation to prevent plant closures, which would require any corporation that had received federal funding to make public the books of any plant it proposed to shut down and would require any shutdown to be justified by demonstrating long-term losses.

He said: Madam Speaker, I had expected to be making a different speech this afternoon, but we will have to wait for that. What this motion seeks to do is two things: first, to address the very serious problem of plant closures which exist in considerable quantity right across the country. We do not document them through Statistics Canada at this stage any longer, but they are nevertheless a continuing and prevalent problem.

Second, it attempts to protect the taxpayers' investment in a sense, in these plants, because this particular motion does not deal with plant closures in general; it deals with plant closures which come about in the cases of corporations which have received federal funding. So it is not, as somebody suggested

earlier, something that more properly would be looked at in a provincial context, but instead, something which I think is the responsibility of this House of Commons, since we provide the funding to these companies also to set certain conditions with respect to any shutdown which might take place affecting the companies involved.

To give a brief sense of the dimensions of the situation, I will take just the statistics for last year, which indicate that over 14,000 employees in the Province of Ontario alone were affected by such plant closures, 9,200 employees were affected by the complete shutdown of the plant that they worked for, something like 3,800 suffered reduced operations, and another 1,000 or so from partial closures. It is a total which really gives us a significant number of plants in the Province of Ontario to be concerned about.

In the case of my constituency of Essex—Windsor and the surrounding area, we have been particularly hard hit by such closures. I was fascinated this morning, for instance, to hear the Minister for International Trade (Mr. Crosbie) talk about the full employment conditions which existed in southern Ontario. It is quite possible that there are parts of southern Ontario for which that is true. It is certainly not true for Essex-Windsor and for the Windsor area itself. Within the last few years, for example, we have had the great Atlantic and Pacific corporations shut some of their operations in Windsor, with 145 people laid off. We have had Sheller Globe shut its operations, with 205 people losing their positions. We have had the Industrial Tool Division of ITL shut its operations, with 185 people laid off. We have seen, in places like Kelsey-Hayes, Dominion Forge, General Motors itself, partial lay-offs taking place which have hurt people quite badly.

For the most part, if we talk about these closures it is not something which the federal Government has a great deal of power to do much about. But if we take a case such as ITL Industries, which owned International Tool, the company which shut down last year and cost 185 workers their jobs, that company in the preceding eight years had received totals of close to $1.4 million from this Parliament, from the various Governments that had support in this House of Commons. That money included $550,000 in terms of an IRAP grant for the adaptation of CAD-CAM technology, $230,000 in terms of IRDP modernization grants, $200,000 in the form of ILAP grants, $257,000 in the case of the Enterprise Development program.

With this kind of tremendous contribution to the capital base of this company, I think that it is something that is especially important, because it is an issue which is almost certainly going to become more significant as the trade deal comes into effect, if that happens. I think it is crucial that certain conditions be set on the grants which are provided by this Parliament to such enterprises.

I would suggest that there are two key concerns which, as the very basic minimum, have to be established in the case of a plant like ITL or some of these others that have shut down and thrown people out of work. First, I think that it is absolutely basic that a company, when it decides to close a facility within a community, should have to open the books of that facility to the community itself and to the workers who have often put 20 or 30 years of their lives into building this plant. If that were to be established as the first basic requirement, the result would be that the Windsor Development Commission, for example, would be able to look at these books very carefully. It would be able to bring auditors in to review the books and answer the question, which is almost always asked by the workers who are affected by this kind of a situation: Was it in fact justified to shut down this plant, was it justified because the plant itself was losing money and could not be viable and therefore had to face a shutdown, no matter what the community might like?

• (1710)

In the case when a company has, for a considerable period of time suffered losses, I do not think anyone would argue that we should keep the plant operating. However, there is a second point which I think should be very, very carefully considered by the Government.

If the community looks at the books of a plant that is to be shut down and finds that the company appears to be viable, to be able to continue to operate and provide employment and income for the people of the community, it should then be possible for the community, perhaps in conjunction with the workers, as was the case with Lapp Industries of Hamilton, to make a bid for the firm and, as purchasers, have some preference because of the tremendous contribution federal taxpayers have made to the plant. In the case of ITL, for instance, the workers felt very, very strongly that the plant was viable. It had orders which could have been filled and which could have kept it profitable and operating, therefore keeping the workers employed in the community of Windsor. However, those workers had no ability, either through the community or through their union, to bring in outside auditors who could have access to the books of the company. The company was able to say, "No, we are shutting the plant down for purposes which of course make perfect sense. It is strictly a business decision and we have the right to shut this company down".

If we had a government-sponsored Bill which put into effect these two conditions I have talked about, access to the books and the potential for local development commissions in conjunction with workers to buy the plant and keep it going, then the workers of ITL would have been able to make the company a proposition. They would have been able to say: "We will purchase this plant and see to it that it keeps operating, and as a consequence, 185 workers in an important area of machinery manufacturing in the City of Windsor will be kept on the job and the economy will continue to be diversified". The community would have been better off and the taxpayers would have been better off because the various grants which had been made to the operation would have

continued to keep employment and income in the City of Windsor, employment and income which has disappeared.

A detailed study of the auto parts industry was undertaken by our Mayor's Committee on Unemployment. It looked very carefully at many auto parts plants. It heard very frankly from those parts producers that there is a great deal of pressure on them, pressure which comes from restructuring within the auto parts industry itself and from the increasing value of the Canadian dollar over the last year. That pressure has made it very difficult for some of those plants to keep going.

Indeed, it was the conclusion of the special study by our Mayor's Committee on Unemployment that we should set up a system whereby the community would get access through the development commission and the union to the books of the company and would have the ability at that stage to make an offer to purchase and keep open a plant which would be shut down. With such a system, we in Windsor would be in much better shape as we face the uncertainties in the auto parts industry of the years ahead.

I hope that today's debate will have the effect of telling the Minister for International Trade that there is still a great deal of unemployment which exists in southern Ontario. Second, there is a possible solution to parts plants shutting down and to other plant closures when federal money is involved, and that is to see to it that there is access to the books and that there is the possibility of purchases by local development commissions of these plants to see to it that jobs are kept in the communities, not just the community of Windsor or the communities of Ontario but communities right across Canada.

• (1720)

Mr. Rob Nicholson (Niagara Falls)): Mr. Speaker, I am pleased to make a few comments on this motion. I do not think there would be much disagreement among Members with the fact that no one likes to see plant closures. That is usually a sad time in any community, and particularly difficult for the individuals who work there. I guess it is a motherhood statement to say we do not like plant closures. Certainly those of us in public life and the private sector like to do anything we can to assist in helping businesses which may be in difficulty.

However, I suggest it is another concept indeed if the federal Government considers passing legislation to prevent plant closures. Yet we have here a motion by a member of the NDP which suggests that the federal Government introduce legislation, among other things, to prevent plant closures. There should be a law on the books and it should require that any shutdown be justified by demonstrating long-term losses. The other part of the motion says the law should say that any corporation receiving federal funding should open its books to the public.

When I first read that I thought it was not surprising that it is from a member of the NDP, and I see it was seconded by a member of the Liberal Party. It suggests a time in Canadian life when perhaps industry and society as a whole were more static. It suggests the kind of company which apparently existed years ago in Canada where an individual might be employed at the age of 20 and be there until he or she retires at 65. I suggest that those kinds of industries have become very rare. What has happened to Canadian industry and society over the past decades is rapid change. The Canadian economy is not static, it is changing very rapidly.

The Economic Council of Canada recently did a study on the subject of adjustment and said, among other things, "Firms are constantly engaged in a process of adaptation, contracting or expanding production and employment, entering or exiting industries, merging and divesting, building new plants and closing existing plants". The same study found that the Canadian labour market is undergoing constant change. In a typical year, 8 per cent of jobs in the manufacturing sector disappear because of plant closings and contractions, while there is an increase of 9 per cent in the number of jobs created because of plant openings or expansion. Worker behaviour adds another important dimension to labour market turnover. The number of worker-initiated moves is equal in a typical year to at least 10 per cent of the labour force in the manufacturing sector. This excludes temporary movement.

Data would indicate that over the 1970s, which was characterized by multilateral trade liberalization, the main method of adjustment was creation of new establishments. At the end of the 1970s 30 per cent of existing establishments were new entrants, the large majority through the creation of new facilities rather than by acquisition. Conversely, 40 per cent of the establishments which existed in 1970 were no longer in existence by the end of the decade. I would suggest, therefore, that at the very least the suggestion by the NDP that the federal Government should step in and start legislating against plant closings is unworkable.

I would further suggest that those things causing changes in the market-place will be accelerated by the Canada-U.S. free trade agreement. I believe there will be expansions, new plant openings, and so on as a result of Canadian industries trying to take advantage of the new open markets and the reduction of trade barriers between ourselves and the U.S. This is all well and good because the reduction of trade barriers is not something new, invented in this Parliament. This has been going on since the 1930s when economists and finally politicians came to realize that duties, tariffs, red tape, barriers to international trade, were very bad for everyone. They did not protect jobs in the long run, but ensured there would be fewer jobs to go around. Trade liberalization policy has been pursued by every Government of Canada since the 1930s. That has in fact helped to expand trade.

The Government, in the sensitive area of worker adjustment, has continued to try to obtain the best advice possible from all individuals in society. We have concluded that it is the private sector that is the engine of growth in society. The private sector and market forces, working in conjunction with trade liberalization policies, will increase the number of jobs and benefit all Canadians as a result.

However, the federal Government, aware of its responsibilities to ensure those benefits, announced the formation in January of this year of the Advisory Council on Adjustment. This council will assist the Government in at least three different ways. First, by examining the possibilities for Canadian businesses and workers to position themselves for optimum benefit from the free trade agreement. Second, identifying specific adjustment issues or circumstances, and examining various government programs that support adjustment by firms, workers and communities. Third, recommending any changes to those programs which would improve their effectiveness, efficiency, or equity as instruments to facilitate adjustment to the opportunities or issues arising from free trade and other issues.

However, it is not the intention of the Government to reinvent the wheel. There are in place a number of different programs and initiatives to assist in the difficult area of worker adjustment. However, the messages we have been receiving from the private sector are quite clear and, I believe, quite correct. The proper industrial policy for the Government of Canada is to allow market forces to work. I will repeat that for the benefit of members of the NDP: the best policy is to allow market forces to work.

This is something that I think has continuously escaped, and perhaps always will escape, the understanding of the NDP and those committed to socialism. They suggest, and you have heard it many times in this Parliament and those who have been here longer than you or I have also heard it before, that the Government should step in on every money losing operation, not just money losing operations either. The motion says any shutdown would have to be justified by demonstrating long-term losses. Presumably a company that loses $1 million or $2 million in a year is not what we are talking about. We are talking about the real big bucks over a long period of time, and there have been lots of examples. You do not have to look too much further than some of the Crown corporations we have been blessed with in the past. The names of Canadair and de Havilland come to mind. Perhaps they would qualify in the sense of long-term losses.

As you know, those two corporations together lost not just hundreds of millions of dollars, but billions of dollars. Yet when the Government of Canada came forward with a sensible plan to turn them back over to the private sector, the squealing and bleating from members of the NDP could be heard right across the country. Even then I am sure that under any criteria brought forward by the NDP, losses of billions of dollars still would not quite make it because they are committed to a different kind of Canada, one in which the public is always involved in either ownership, financing or control.

• (1730)

If the last four years have taught us anything it should be that when private industry is encouraged it will become the engine of growth in society. It is not public dollars and public enterprises which create long-term jobs, it is market forces which create them. I believe this motion should be rejected out of hand.

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Madam Speaker, the motion before the House asks the Government to consider the advisability of introducing legislation to prevent plant closures when those plants belong to corporations which have received federal funding, in other words federal grants or soft loans. The motion says that if a company which has received federal grants wishes to close a plant that was subject to those grants, it would have to make its books public and would have to demonstrate that it suffered a long-term loss before being allowed to close the firm.

I have no trouble supporting the principle behind this motion. It is true that it lacks detail as to how such a measure should be carried out. However, we are, after all, debating a motion and not a Bill. The motion says that the Government should consider the advisability of introducing legislation to prevent plant closures under the conditions to which I referred. I think that most people sensitive to the plight of workers would support the principle behind this motion. If the motion is passed we would expect the Government to bring forward a Bill setting out procedures and methods for carrying out such a proposal.

There are some vague parts to the motion but they do not interfere with the principle behind it. I presume that the words "prevent plant closures" refer only to the manufacturing sector and not service-type industries which might also receive financial assistance from the Government. The motion does not specify any period of time between when the funding was received and the proposed closure. However, I would expect that any legislation coming forward as a result of this motion would impose a time limit. In other words, if the federal funding had paid off for a period of time to be determined by the Government this type of thing would not apply and the market system would prevail.

I thought it was rather amusing that when the Conservative Member spoke to this motion he completely forgot that the motion speaks only of corporations which had received federal funding. He said that the market-place should prevail and that if the market-place says a company should close down, it should close down. Of course, he forgot to mention that we are talking about companies which do not operate totally under the market-place system since they have received federal funding.

As you know, federal programs provide funding to corporations which will locate in slow-growth areas of the country. These are often referred to as our regional development programs. We try to stimulate companies to set up in the Atlantic Provinces, the Gaspé, the Eastern Townships, northern Ontario and northern Québec, areas which do not attract investment as easily as do Toronto, Montreal, and Vancouver.

The motion speaks only of companies which have received federal funding. I think that most Canadians would agree that if they received funding it is completely wrong for them, after a year or two, to sell the plant to a foreign buyer who will close it down or to close it down in order to put their money into something which they believe will bring them an even greater return.

They may not be suffering losses at all. That is very often the case, but they see an opportunity for getting even greater profit in another investment so they consolidate, close down the plant, and put their money into a higher-profit-making process. That is all right as long as they have not used federal funds to build up the equity in that plant. However, I think Canadians would agree that if they have used federal money they should not be able to close down the plant, put the workers on the street, and put the money into a higher-profit-making business.

The motion says that they would have to demonstrate long-term losses. That makes sense to me. As I have said, we are discussing a motion and not a Bill. I am pretty sure that with some imagination the Government could suggest how this might be done.

Government Members very often refer to what they consider to be a great record in job creation over the last few years. There has been quite a good record in job creation over the last few years but not much attention has been paid to the types of jobs that are being created nor the fact that there has been a lot of job turnover.

As the Hon. Member who introduced the motion pointed out, we have been steadily losing industrial-type jobs for service-types jobs. Everyone knows that industrial-type jobs are usually unionized, receive higher wages, are full-time and receive benefits such as pensions and health plans. Since they are full-time jobs, if you are laid off you get unemployment insurance. The new jobs that have been created since the recession of 1982-83 have, for the most part, been service-type jobs which have been part-time jobs at minimum wage and without benefit. Very often they are less than 15 hours a week so the employees do not get unemployment insurance if laid off.

So while we have been getting a lot of new jobs, a lot of them are of that kind. The job creation which has been going on is net job creation. Jobs are being lost and new jobs are coming on stream but very often the new jobs are not of the same quality as the old jobs.

The adjusted unemployment rate figures for last month were around 7.7 per cent. That is still higher than the unemployment rate before the recession of 1981-82. In 1981 the unemployment rate was 7.5 per cent and in the 15-year period prior to 1980, from 1965 to 1980, the average unemployment rate was 5.6 per cent. In 1981 it was 7.5 per cent. We had a recession in the following two years and the unemployment rate jumped up to around 12 per cent and has only started to come down since 1983. Five and a half years after the recession we still have a rate of unemployment higher than the rate just prior to the recession.

It is false to suggest that such a rapid turnover, even in a developing economy, from industrial-type jobs to service-type jobs can be adequately dealt with by the Canadian Jobs Strategy because such a turnover requires retraining, upgrading, and often relocating. The Canadian Jobs Strategy in its present form will not do the job. A unanimous report by the Standing Committee on Labour, Employment and Immigration recommended many changes to the Canadian Jobs Strategy. The other day, the Minister turned down most of them.

• (1740)

It is a step forward to accept a motion of this kind. It is asking that the Government consider the advisability of bringing in legislation to prevent plant closures, where the companies owning those plants have received federal moneys to help the companies in the past. It is saying that in those circumstances they should not be allowed to close unless they can demonstrate long-term losses. That is a good principle that I think we should support in the House.

Mr. Alan Redway (York East): Madam Speaker, I appreciate the opportunity to say a few words in respect of this motion before the House. The motion states:

> That, in the opinion of this House, the government should consider the advisability of introducing legislation to prevent plant closures, which would require any corporation that had received federal funding to make public the books of any plant it proposed to shut down and would require any shut down to be justified by demonstrating long-term losses.

That motion raises, by implication, three separate issues. The first issue concerns whether or not there should be federal government funding or assistance at all for private industry. Certainly we have seen over many years of previous Governments and, quite frankly, over the years of the present Government federal financial assistance to Crown corporations as well as private industry.

I suppose in a perfect world we would not have any need for any financial assistance to private industry. After all, private entrepreneurs are supposed to be risk-takers. They engage in business operations for the purpose of making a profit and one would think that they would be doing that on their own individual capital or the collective capital of a group of people who were prepared to take those risks. You may have some examples of this in your riding, Madam Speaker. In my riding I have an example of a private company which feels very bitter about the fact that there has been federal financial assistance to a competitive company. This particular industry, Allanson is in the heavy duty battery business. It has been established in my constituency for many years and believes very strongly that Government should not be giving grants or loans to assist companies or businesses that would be competing with it in the same particular line. However, that is exactly what has happened in the last two or three years.

The federal Government has put forward grants and loans to encourage regional economic development in northern Ontario. While this is a noble purpose, it has in fact assisted a foreign company to set up a plant in North Bay and compete with this company in my constituency that has been in business for many years. Allanson has been a profitable and taxpaying company for many years. It sees this as true Government intrusion of the highest order. It sees this as a very limited market for the kind of product it produces and that the Government has decided, in its wisdom, that there is a need for more competitors in this line than already exist, and is actually assisting another business with the tax money paid by Allanson in my constituency to get into business and compete with it.

I am sure you will agree that understandably they feel that this is a great injustice. This company, through its hard work and effort, through taking risks, investing capital and employing people is now paying taxes, and, through those taxes, is actually helping to fund a competitor at the decision of the federal Government. There are many people who would not agree with financial assistance to private industry in any way, shape or form, whether or not it be regional economic development, because they feel it is grossly unfair in light of the fact that they are taxpayers who are funding competitors. However, this is not an ideal world. While I am sympathetic and prepared to fight very strongly for my constituent, Allanson, I realize at the same time that there are other considerations the Government must take into account. I do not particularly agree with the considerations that applied in the Allanson case, but there are other considerations too.

During the great recession to which our friend from the Liberal Party referred a few moments ago, there were a number of instances of companies with many employees that would have gone under if there had not been some sort of government assistance through financing and loans. One example that flashes to my mind is Chrysler Corporation which apparently was on the verge of financial collapse, which would have put thousands of Canadians out of work at a time when the economy had been devastated and there were no job opportunities to compensate for a disaster of that sort. That is a case where, reluctantly, I would have to concede that some financial support would have to be given just to save jobs in a situation like that.

Another example that comes to mind, but where I do not think there has been any government assistance as yet, concerns the manufacturer of aircraft and aircraft parts in the Municipality of Metropolitan Toronto. McDonnell Douglas is engaged in producing major parts of the CF-18, as well as being a major producer and supplier of wings for McDonnell Douglas aircraft. The head office and main plant of McDonnell Douglas is located in California.

The wings for all those aircraft are made here in Canada, in Metro Toronto, by McDonnell Douglas Corporation. It is interesting to point out that the industry does not refer to them as wings but as tanks, since that is where the aircraft are filled with fuel.

The wings, or tanks, are made in Canada at McDonnell Douglas, and are then shipped by special rail cars to California where the aircraft are assembled in the United States.

As Douglas Aircraft in the United States reaches the end of its orders for its current line of aircraft, it is obviously designing new kinds of aircraft to put into production. McDonnell Douglas wants to make the wings, or tanks, for that aircraft here in Canada as well. Unfortunately, in this imperfect world, other countries are competing with us for the ability to make parts of that aircraft, including the wings. Therefore, McDonnell Douglas has to come to the federal Government for financial assistance in order to help continue to make those wings in Canada and continue to employ 5,000 labourers directly and continue to employ 10,000 who are in the supply industries. It is another case in an imperfect world where apparently government assistance is necessary, whether we like it or not, in order to save jobs. In this case, it is thousands of jobs.

• (1750)

That brings me directly to the second issue raised by the motion. I see I am running out of time. I actually had three points I wanted to raise and I am barely getting to the second point which has, of course, to do with the whole question of opening up the books of a company that has received these grants, then the employees having the right to make a bid or put in an offer in the event there has been financial assistance from the federal Government and in the event there will be a plant closure. I am one who is very sympathetic with this proposition, but just as the Liberal Member who just spoke, I too see some great problems. The greatest problem I see is how one determines a fair price in this situation.

Since you have indicated, Madam Speaker, that my time is up, I am going to have to leave it to some of my colleagues to debate and determine how in fact, in a situation of this sort, we could ever arrive at a price that was fair to those who wanted to buy and that was fair to those who, perhaps, do not want to sell but because they received federal assistance, would be required to do so by this sort of legislation.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, I was very interested to hear my colleague, the Hon. Member for York East (Mr. Redway), taking rhetorical flight in a detailed analysis, not only of the anatomy of airplanes but of the anatomy of the airplane industry in the region of Toronto. That, of course, is not unusual for a Toronto representative, a city which colours the impression one has of southern Ontario—which my colleague from Essex—Windsor (Mr. Langdon) is trying to dispel—that all parts of southern Ontario are blessed with virtually full employment. However, I was pleased to hear the Hon. Member express some doubt, in contrast to his colleague who spoke earlier, who seemed to go off into a state of religious ecstasy over the purity of market forces, resorting to the Darwinian theory of the 19th century as applied to economics. I think one has to bring both spokesmen for the government side back to ground zero, which is the

notion introduced by my hon. colleague, which I rise to support.

It seems to me to be an eminently supportable resolution. It states:

> That, in the opinion of this House, the Government should consider the advisability of introducing legislation to prevent plant closures, which would require any corporation that had received federal funding to make public the books of any plant it proposed to shut down and would require any shutdown to be justified by demonstrating long-term losses.

It is not very surprising that my colleague should rise to advocate this resolution because, as he has indicated, Windsor has been the victim of a number of plant closures and office closures as well, which have affected hundreds of Windsor workers. We are concerned about that, particularly in the context of free trade.

Parts manufacturers, which constitute a major portion of our economy, are severely threatened. My colleague has referred to the report of the committee on that subject. It is well substantiated. We are sincerely concerned about the effects of the free trade agreement, the potentially higher value of the dollar, the exchange rate. These are of great concern. Let me cite some examples of closures which have occurred in Windsor which deeply concern our community: Armson Iron, Cross-LaSalle, Controlled Systems, Dominion Forge, Essex Mould, Great Lakes Forgings, Jaloy Manufacturing, Namasco, Sheller-Globe and Summerville Industries. Two of these companies, specifically Sheller-Globe and Cross-LaSalle, were closed because they were bought out by U.S. firms. There was no indication they were in such severe financial straits that they had to be closed down. They may well, on the basis of purchase, have provided the jobs in Windsor that were lost as a consequence of these closures.

On the one hand, we heard the ecstatic appraisal of market forces by the earlier spokesman on the government side, as if there existed free enterprise in a vacuum. The argument my colleague makes is that if there are federal grants—and there are a great many of these—which are provided to industries, that should incur an obligation on the part of those industries to recognize their obligation to the Government, to the workers and to the community which has served them so well. Even without such grants, there would still be a significant contribution made by almost any community to any industry. I think, for example, of the Ford Engine Plant in Windsor. Nearly $400 million in government money was spent in order to provide the base for the construction of that plant. The municipality, the council on which I serve, spent tremendous amounts of capital resources of the city when things were very tight to ensure that the GM Plant in Windsor could operate with a basis of a sound infrastructure, the kind of infrastructure, of course, the Government denies it has any responsibility for whatsoever.

We hear a Member, such as the Member who spoke earlier, talk about market forces in an ecstatic religious fashion. As other Members have pointed out, that underlies the notion of the free trade agreement which is, of course, the Government's means of releasing the shackles of government involvement in private enterprise at the expense of workers. That explains government Members' opposition to this very mild motion. But it is curious to hear the virtual unanimity with which the Government provides speakers who oppose any effort to protect the interests of workers. Yet, I have in my hand a document just recently released with the unanimous agreement of all Parties. I want to read the justification for a far wider scope of action which respect to plant closures. I quote from the report of the Human Rights Committee. It is entitled "Human Rights and Aging in Canada". I quote from page 30:

> It is the view of the committee that, while the enhanced employment programs recommended above are urgently needed, they are unlikely to be sufficient, by themselves, to remedy the special predicament of the laid-off older worker.

They are the ones most affected by these plant closures we are talking about today. It continues:

> In the absence of mandatory closures notification, closures can happen overnight, preventing workers from making long-term arrangements to move or acquire different skills. The absence of notification can also prevent workers from making financial arrangements, which may be critically important if severance pay is inadequate. Takeovers can have the same effects, and, as recent cases have shown, can also involve the absorption of pension funds, thus depriving individuals of their pensions. The impact of this on older workers, who may have been employed by the same company for many years and been dependent on a single pension fund, can be devastating.
>
> There may, furthermore, be ways of reducing the incidence of plant closures, without impeding longer-term corporate adjustment.

That can be done with the unanimous agreement of all three Parties in this House. It goes on:

> The use of Investment Canada in minimizing any adverse employment impacts of foreign takeovers, and the targeting of regional development spending to assist the growth of new businesses in areas hit by major closures, are possible approaches.

We go on to recommend that the federal Government and the provincial Government act to protect workers, at least in respect to the notification of plant closures and, subsequently, by actions to protect the workers—

• (1800)

The Acting Speaker (Mrs. Champagne): I regret to interrupt the Hon. Member but the time provided for the consideration of Private Members' Business has now expired.

The Acting Speaker (Mrs. Champagne): The Hon. Member for Spadina on a point of order.

Mr. Heap: Madam Speaker, I wish to withdraw my motion No. 202 concerning Nicaragua, and I therefore seek the unanimous consent of the House to do so.

The Acting Speaker (Mrs. Champagne): The House has heard the request of the Hon. Member for Spadina. Is there unanimous consent?

Some Hon. Members: Agreed.

Motion (Mr. Heap) withdrawn.

[*Translation*]

Pursuant to Standing Order 42(1), the Order is dropped from the Order Paper.

GOVERNMENT ORDERS

[*Translation*]

INCOME TAX ACT AND RELATED ACTS

MEASURE TO AMEND

The House resumed consideration from Friday, August 26, 1988 of the motion by Mr. Wilson (Etobicoke Centre) that Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts, be read the third time and passed.

The Acting Speaker (Mrs. Champagne): It being six o'clock, pursuant to the order passed on Thursday, August 25, 1988, the House will now proceed to the deferred division on the motion by the Hon. Minister of Finance for third reading of Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts.

Call in the Members.

The House divided on the motion (Mr. Wilson (Etobicoke Centre)), which was agreed to on the following division:

(*Division No. 567*)

YEAS

Members

Bernier
Binns
Blenkarn
Blouin
Bouchard (Lac-Saint-Jean)
Brightwell
Cadieux
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Clinch
Crofton
Darling
Daubney
de Cotret
Dick
Domm
Dorin
Duguay
Edwards
Epp (Provencher)
Fontaine
Forrestall
Fretz
Graham
Gray (Bonaventure—Îles-de-la-Madeleine)
Grisé
Halliday
Hardey
Hnatyshyn
Hockin
James
Joncas
Kelleher
Kempling
Kilgour
Ladouceur
Lanthier
Lewis
MacDonald (Kingston and the Islands)
MacDougall (Timiskaming)
MacKay
Malone
Marin
Mazankowski
McCain
McDermid
McKinnon
Merrithew
Minaker
Mitges
Nicholson (Niagara Falls)
Nickerson
Oberle
Oostrom
Peterson
Price
Redway
St-Julien
Schellenberg (Nanaimo—Alberni)
Scowen
Tardif (Charlesbourg)
Taylor
Thacker
Towers
Tremblay (Lotbinière)
Tupper
Turner (Ottawa—Carleton)
Vézina
Vincent
Wilson (Swift Current—Maple Creek)
Winegard—72

NAYS

Members

Allmand
Axworthy
Benjamin
Blaikie
Boudria
Caccia
Cassidy
Finestone
Foster
Fulton
Gagliano
Gray (Windsor West)
Heap
Hopkins
Hovdebo
Isabelle
Keeper
Langdon
Manly
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nicholson (Trinity)
Nunziata
Orlikow
Pépin
Riis
Robichaud
Waddell
Young—33

• (1820)

[*English*]

The Acting Speaker (Mrs. Champagne): I declare the motion carried.

Bill read the third time and passed.

* * *

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Crosbie that Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, be read the third time and passed.

The Acting Speaker (Mrs. Champagne): When the debate was interrupted at five p.m., the Hon. Member for Winnipeg—Fort Garry had the floor. Resuming debate with the Hon. Member.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Madam Speaker, I think we had reached the point in my presentation to the House where the argument had been sufficiently made. I feel the motion that I would like to move should now receive unanimous support. I move, seconded by the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand):

> That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:
>
> "Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, be not now read the third time but be referred back to the legislative committee for the purpose of reconsidering Clause 8.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the amendment. Resuming debate. The Hon. Member for Essex—Windsor.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, I intended to start out by saying that I had been thinking a lot about this speech, during the long, interminable set of speeches by both the Government and the Official Opposition. I say this seriously, too, because despite the duress of closure having been used by the Government, despite what we might call the dirty tricks of millions of dollars of advertising being spent to try to promote the trade deal, there is still a fundamental choice, a basic debate that faces Canada. I think that it is very much, when we get right down to it, a question of direction and philosophy. On one hand we have belief in basically unrestricted capitalism, a society which is driven by profit, by the fast buck, where those who own our large corporations basically call the shots, and where that is justified by the fact that they are believed to drive the economy forward.

The United States has always been the greatest example in the world of that kind of society of unrestricted capitalism in which the search for profit has driven what has taken place. It is for people who believe this view of the world. It is not a minus in any sense to integrate into the United States. On the contrary, it is a giant plus, because they see themselves as tying into an economy which is itself the model of that unrestricted capitalism.

On the other hand, there is a belief in people before profit, a belief in community, where we can take care of each other, where we share power instead of seeing that power concentrated in large corporations, in large organizations, and in large government. It is not so much a view that unrestricted capitalism does not work, though I think it is pretty clear, looking at the last 100 years, that unrestricted capitalism does not work successfully. Governments have to intervene. They have to smooth out business cycles. They have to provide infrastructure for the large corporate sector to make the money which drives it forward.

• (1830)

As I said, it is not so much a view that this unrestricted capitalism does not work; it is a much more positive view. It is a view that sees human beings fulfilled as people by much, much more than money, by much, much more than profit. It sees them fulfilled in a fair, caring and sharing society. That is the different perspective from which we in our Party approach this trade deal.

The fact is that this deal stops us from being able to build in the future that kind of fair, caring and sharing society for average families for which we as a Party have always fought. That is why we fight so strongly and will continue to do so as long as we possibly can. That is what it is all about.

When we cut through the rhetoric, the false statistics that are thrown out by the Minister for International Trade (Mr. Crosbie), the nonsense which the Minister spoke in much of his speech, that is what it is all about. It is a question of direction: Do we choose the direction of unrestricted capitalism, U.S. style, or do we choose the chance to build a caring, fair society for average families in which they will have power to shape their lives? That is what it is all about.

This deal is in fact the biggest hoax Canadians have experienced in hundreds of years. The Government says that this is a trade deal. If we look through it, we find that there are chapters and chapters which deal with anything but trade. They deal with investment, agriculture, financial services, services themselves, emergency actions, technical standards, wine and distilled spirits. These are issues which are important to the people within those sectors. They are important to us as we try to shape monetary policy for our country. They are far, far more than a trade deal. Yet that is what we find throughout this deal, far, far more than a trade deal.

In fact, in this deal we find an integration with the United States which, over the next 20 years, will tie us so completely into United States society and United States assumptions that we will not have the ability to shape ourselves a Canadian direction for the future. That is what it is all about.

The Government says that it has been successful in signing this deal. When we actually get out on the hustings and face an election, this deal will be seen by the people of Canada not as a successful deal but as the largest failure of this Government, the failure that does not except us from the omnibus trade Bill in the United States with its various taxes on the capacity of Canadian exporters to export into the United States.

The committee on which I was a member said that we should not sign this deal if the omnibus trade Bill goes through. Last week, the omnibus trade Bill was signed by the President of the United States. It is now law. Yet this Government has not been prepared to withdraw this Bill as the committee suggested.

The Government did not get the exemption which it said was crucial, the exemption from countervail laws. We were told again and again by business people that they had to have that exemption in order to make certain that they had guaranteed access to the United States market. Well, they did not get it. There was no exemption from countervail or from anti-dumping. There was a complete failure on that level.

There was also a failure with respect to subsidies. The Government said that there had to be an agreement on subsidies. Looking through this Bill carefully, we do not find an exemption from subsidies, a code which gathers together an agreement with respect to subsidies. The Government failed at that and it concedes its failure.

Mr. McDermid: No, we didn't because—

Mr. Langdon: You did. That is what the Government said it sought, and it failed to get it.

Mr. McDermid: Those negotiations go on.

Mr. Langdon: Instead, it said that it will take five to seven years to negotiate it, and that five to seven years will leave us in a much weaker position to get any sort of justice with respect to subsidies. Once more, it is a failure, the third failure of this Bill.

There is a fourth failure too. The Government said that culture would be exempted. Yet for the first time, we have explicitly said to the United States that it can retaliate against us with respect to anything we do in the cultural area. There are certain limits on how much it can retaliate, but it has the right to retaliate. We as a country have never before put into words our recognition that the United States could retaliate against us for anything we felt was necessary to protect Canadian culture.

There is no exemption for agriculture. The Minister of State for Finance (Mr. Hockin) chaired a committee which said that there should be an exemption for agriculture. No, the Government failed to get that. There is no exemption for regional development programs. Regional development programs will be part of the five to seven years of negotiations about subsidies, about what is acceptable and what is not. We have already had the Deputy Minister of Finance at the time tell us that we will have to change our regional development programs as a consequence. There is a failure in that area as well.

• (1840)

There is a failure, too, with respect to the Auto Pact. The Auto Pact was not going to be touched. It, too, said the committee chaired by the Minister of State for Finance, was to be exempted from negotiations.

Mr. McDermid: It was strengthened.

Mr. Langdon: They failed on that one, too. We could take the list of virtually everything they said they were out to get with this trade deal and we would find that they have failed to get what they sought. Now they have the effrontery, through the Minister this morning, to come before the House and say that we on the opposition side are somehow being unCanadian in attacking this lousy deal. Well, everyone who accepts this kind of record of failure in negotiations frankly should be ashamed of themselves. They should come before this House not with the kind of bluster of the Minister for International Trade this morning but with a shameful look on their face and say: "I am sorry for having misled the House of Commons for so many weeks".

We heard the Government earlier say that this agreement is no threat to international trade, no threat to our relations under GATT. Yet that absolute nonsense was rejected by everyone I talked to from other countries at the start of this GATT round of negotiations.

Mr. McDermid: Did you talk to the G-7?

Mr. Langdon: The Parliamentary Secretary was not there so he did not happen to hear. Most of the G-7 had people there, as the Parliamentary Secretary would know.

Mr. McDermid: They are supporting it there.

Mr. Langdon: The point is that regional blocks like the European Common Market, like the kind of regional block this agreement would set up between the U.S. and Canada, will lead to more protectionism in the future. That is what is likely to happen as regional blocks with powerful markets fight each other and then start protecting each other as a consequence. It is not just by chance that we had in the same summer the U.S. Congress accepting the trade deal with Canada and undertaking through the omnibus trade Bill a much more protectionist piece of legislation than anything we have seen from the U.S. before.

We can continue with what this Bill says it deems itself to be, what the Government describes it to be, and what in fact it is. It says that there has been no change with respect to lumber exports. Of course, it has put into writing that shameful, degrading commitment that we accepted under duress by the U.S. with respect to our softwood lumber exports. We accepted that 15 per cent tax which is hurting lumber workers right across this country.

Mr. McDermid: Oh, yes, with record profits, too. Tell me how badly we are doing.

Mr. Langdon: Health care is not touched, the Government says, yet there are parts of this agreement, as anyone who has read it carefully knows, detailed ways in which health care is very significantly affected.

Mr. McDermid: You are out to lunch.

Mr. Langdon: I put it to the people of Canada—

Mr. McDermid: You certainly would.

Mr. Langdon: —that they should reject this agreement and choose instead a new direction, a direction based on fairness, honesty, open leadership, a direction which would take us to something far better than this lousy trade deal the Government has signed.

The Acting Speaker (Mr. McKinnon): Questions or comments.

Mr. McDermid: Mr. Speaker, I have listened for the last 20 minutes to the Hon. Member of the NDP like I listened to the Liberal Party trade critic for about two hours. Both spent their time criticizing, knocking, saying how terrible the free trade agreement was. Not one of them suggested an alternative. For two hours we sat and listened to the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) and now the Hon. Member for Essex—Windsor (Mr. Langdon) and it was knock, knock, knock. The Canadian people know what you are against. The Canadian people want to know what you are for.

Therefore, I am going to, just as a favour to my friend from Essex—Windsor, read something out of the householder he sends to his constituents. There are the answers to Canadian's trade problems; this is what the NDP is going to do. This is its policy from its trade critic. "First, we have to get an election and defeat the Mulroney Government".

Some Hon. Members: Hear, hear!

Mr. McDermid: That is number one. He is going to get the election but that is not going to be the result, I can assure him of that. "Second, we have to push Premier Peterson of Ontario whose Liberal Government has not fought the deal the way he promised". That is the second plank in the NDP platform. They are going to go to the Liberals to help out in Ontario.

"Third, we have to stress our New Democratic counter policies to replace the deal". Here they are: No. 1 full employment, whatever the hell that means; No. 2, plans to build our industrial economy on a wider high-tech basis—where are the plans; No. 3, making full use of our farm and energy resources for the future. Full use of our energy resources, isn't that interesting?

Here is a good one: "working out our trade disputes with the U.S. directly". Isn't that marvellous? He just stood up and knocked the new dispute mechanism, and he says that it is a terrible thing but "we are going to settle these disputes with the U.S. directly".

Next is finding areas where our two countries can make sector agreements like the Auto Pact with safeguards for Canada. Isn't that great? They tried to reach sectoral agreements and got one sectoral agreement in 23 years. What nonsense. How do you expect the Canadian people to buy that?

• (1850)

Mr. Langdon: Mr. Speaker, there are several points I would like to make. I appreciate the opportunity, although I would have appreciated it had the Member just asked the question.

[*Translation*]

There are two points I want to stress here. We have an agreement that will radically change this country but we did not get any of the things the Government felt were necessary. These included, first of all, an exemption from countervail laws. That is something we did not get. Second, an agreement on the matter of support for Canadian industries. There again we did not succeed. Third, we have no guaranteed access to the U.S. market under the agreement. Furthermore, we have lost the freedom to organize our own energy program, to screen takeovers of Canadian companies by U.S. companies and to protect Canada's agriculture.

Mr. McDermid: That is not true.

Mr. Langdon: It is. We have also lost the freedom to organize our own health care system . That is true as well. And we have lost the freedom to protect Canada's cultural industries. We have an agreement that is not equitable and that must be rejected.

[*English*]

The alternatives to that accord are quite clearly set out and have been set out for months in the book which my colleague, the Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie), and I prepared entitled *A Time to Choose Canada*. We said that it was important to start to look for domestic investment in a way that the Government had not recognized.

We saw, for instance, that it did not make sense for interest rates to go up as rapidly as they were, especially when the spread with the United States was at record highs. We saw, as well, that it was important to have a community development basis from which investment could flow. We saw that it was also important to be able to make use of the energy and resources we have in order to provide a basis on which to build our industries and encourage investment. We saw that it as crucial, as well, to increase research and development, something which the Government promised and never delivered on. It promised to double research and development and has not even come close.

We stressed regional diversification in our document because we must get away from the golden horseshoe as the basis for prosperity in this country. There must be a serious effort to try to diversify investment and that will not happen through free trade. Free trade, in fact, will concentrate investment in Ontario around the golden horseshoe just as there are concentrated investment and serious poverty in many parts of the United States. Skill development is also crucial, especially for older workers and for threatened industries.

As well as sector agreements we need issue agreements. We need, for instance, to get what the Government has failed to get, that is, a joint agreement between Canada and the United States on what constitutes a subsidy.

Mr. McDermid: That's what negotiations are for.

Mr. Langdon: Yes, but the Government failed to get it.

Mr. McDermid: We haven't even started negotiating yet.

Mr. Langdon: It failed to get it in this whole long, sorry set of negotiations.

Mr. McDermid: Get serious.

Mr. Langdon: It is also important that we have better bilateral relations with the United States on a case-by-case basis. I think that if we had spent much less time chasing this pie in the sky, comprehensive free trade deal and concentrated on softwood, pork, stainless steel, and fish, we would have been able to solve those disputes much more effectively. We would not now be facing the damage from each of those disputes which we are facing.

We also have to look to GATT with respect to subsidies. We have to look to GATT as the place where we can work out, with other countries, some agreements which see to it—

The Acting Speaker (Mr. McKinnon): Order.

Mr. Langdon: Mr. Speaker, I remind you that my two colleagues from the other Parties had two hours each, so if I stray just a little bit over—

The Acting Speaker (Mr. McKinnon): I regret to inform the Hon. Member that his time has elapsed for questions and comments. If he desired more time he should have asked for unanimous consent of the House when he finished his 20-minute speech. We have now gone past that stage. I regret very much that I must continue with debate.

Mr. Langdon: Mr. Speaker, I think it is still possible to ask for unanimous consent to finish this answer in the next five minutes.

The Acting Speaker (Mr. McKinnon): Is there unanimous consent for the Hon. Member to have five minutes more to finish his comments?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. McKinnon): I heard a negative. I will call on the Hon. Minister of Labour on debate.

[*Translation*]

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, in 1984, Brian Mulroney stated that his Party was committed to four priorities. One of these was economic renewal. Today, I am proud to inform Canadians that the Government of which I am a member has kept its promise. By signing a historic trade agreement with the United States, Canada has obtained the best guarantee for a prosperous economy. The free trade agreement is the culmination of over twenty-five years of hard work by Canadians and Americans aimed at improving and strengthening the framework of their commercial and economic relations. It was high time the Canadian Government adopted a comprehensive view of the economic changes that were taking place. Canada had to get a head start in the race in which countries the world over were competing, and the best way to do this was to gain secure access to the biggest and richest market in the world: the United States. We all know the arguments in favour of signing a trade agreement with the United States. About 80 per cent of our exports go to the United States, representing sales worth around $180 billion annually, while one out of three jobs depend on our ability to export our products.

• (1900)

The growth of our external trade is therefore closely linked to the trade relations we have had and have today with our neighbours to the south, something our predecessors understood. In 1879, Sir John A. Macdonald shared this comprehensive vision of Canada's economic future, witness his trade policy. In 1911, the desire of Sir Wilfrid Laurier's Liberal Government to establish a comprehensive trade agreement with the United States reflected the economic realities of the time.

These are only a few historic facts, but there are many others. Thanks to the testimony and experience of our predecessors we are able to understand our own economic realities, and we will be able to build a future in the image of this country.

When in September 1985 we decided to negotiate a bilateral trade agreement with the United States, we knew what we were doing. We were not only mindful of our country's growth as a trading nation, we were also acting on a unanimous recommendation by committees and commissions of inquiry, including those of the Senate and the House of Commons and the Macdonald Commission, whose members represented all groups in our society. Need I recall, Mr. Speaker, that there was a Liberal majority in the Senate and that the Hon. Donald Macdonald was a Minister in Mr. Trudeau's Government?

Despite all these recommendations, the Liberals tried to ignore the lessons of history by involving Canada in a multilateral trade policy, while our trade with the United States continued to increase, from about 65 per cent to more than 75 per cent, and it did so despite the liberals' so-called nationalist policies and their rhetoric about their so-called third option.

Today, Mr. Speaker, the same Liberals would have Canadians believe that the same multilateral free trade process would give Canadians the same advantages as a trade agreement with the United States. What they do not tell Canadians, Mr. Speaker, is that the free trade agreement will enable Canada to control protectionist spillovers from the United States caused by domestic reaction to a budget deficit they have trouble keeping under control.

Mr. Speaker, let me remind these free trade detractors that Canadians are not being fooled and understand quite well that the Liberal Party does not offer a valid alternative to the accord.

Here is what Quebec Premier Robert Bourassa said in a press conference last August 16:

> With respect to the issue of negotiating on a sectoral basis we have to take into account the various GATT regulations . . . We did get the Auto Pact, of course, but it is becoming increasingly difficult to secure GATT approval to negotiate on a sectoral basis with another GATT country.

Canadians understand as well that they will be able to prosper in the 21st century if today they are prepared to look to the future and face the greatest challenges with vigour and determination. They are conscious of the fact that Canada's economic prosperity basically depends on the ability of our industries and our companies to maintain and improve productivity.

We know that Canadian farmers rank among the world's best traders, and they have demonstrated their skills on many occasions. Not only can we face up to our competitors in this sector, but we are also aware that access to American markets is a guarantee our farmers must have.

The value of Canadian agricultural products shipped to the United States is about $3 billion a year and that, Mr. Speaker, does not include grains and oilseeds. It accounts for over 50 per cent of Canadian food exports. Such figures faithfully reflect the situation, Mr. Speaker.

In addition to securing access to the American market the Free Trade Agreement will protect our agricultural sector against American compensatory anti-dumping duty and salvage measures. Some Canadians may have forgotten that pork and cattle producers have been the target of retaliation, but the people involved certainly did not, Mr. Speaker. With the FTA we can guarantee that they will never again be the hapless victims of American policy. Without the FTA, Mr. Speaker, history is bound to repeat itself.

We have maintained our marketing boards and the import control measures that constitute the very basis of our supply management system. During the 1986 Tokyo Economic Summit, the whole world became aware, thanks to the leadership of our Prime Minister, of the need to undertake a global reform of farm policies. For us, the first step in that process was certainly to agree with our main trade partner. Who could blame us for having brought forward what we have recognized ourselves, along with the international economic community? Need I recall, Mr. Speaker, that agriculture is one of the main pillars of our economy, as is the case with other countries?

As a Government and also and more importantly as Canadians, we had to take the necessary measures to ensure our continuing prosperity in that area as well as in all other sectors of our economy.

Admittedly, some adjustment will be needed following the implementation of this agreement and that is why our Government has set up an advisory council on adjustment in order to react quickly and judiciously to future changes and possible problems. Businesses, unions, consumer groups, teaching institutions are represented on that council and also the Federal Government which is automatically a member, Mr. Speaker. The council has the responsability to assess our programs and to ensure that they are used efficiently so that we are at all times ready to benefit from new opportunities arising in the work market.

Free trade will create new opportunities in the industrial sector. The Government has established a Skills Shortages Program in order to train employees in skills and jobs that will be increasingly in demand.

Companies can also use the Skills Investment component of the program in order to hire and train laid-off workers, Mr. Speaker. Moreover, communities that are particularly hard it by new technologies or markets can ask for assistance within the framework of the Community Futures Program under which businesses can be created and training assistance given at the local level. Who said, Mr. Speaker, that this Government did not care about giving businesses the means to adjust their production to the new trade dynamics? The same free trade opponents, Mr. Speaker, who tried to ignore that Canada is a large export nation which depends to a large extent on its trade relations with the United States!

The Conservative Government is committed to adjustment programs and it has assured businesses of a secure access to the U.S. market for their products. In the future, Canadian businesses will be able to produce more goods and to diversify services, thereby enhancing regional growth through resource development and economic growth.

Our Government has put forward an industrial and regional development policy which embodies one of the principles we cherish most: a country's prosperity depends on the economic strength of each of its regions. Decentralised decision-making is the basis of this policy. In our opinion, Mr. Speaker, the people of the regions are those most able to make the best decisions to help their region develop its industrial base and its export capacity.

By having greater control over their economic future, the regions will be able to take better advantage of the opportunities offered by the Free Trade Agreement. They will be able to benefit fully from those advantages and consequently, Mr. Speaker, not only the large centres but the country as a whole will benifit from free trade.

• (1910)

Allow me to give you a few examples. British Columbia will be in a better position to market its forestry products; Alberta's oil and gas sector will experience a new boom; the uranium industry in Saskatchewan will be able to expand as a result of the lifting of restrictions on uranium-enrichment processes; the Manitoba manufacturing industry will find new outlets on the American market; service industries, most of them in Ontario, will gain readier access to the American market; and Quebec will boost exports of electricity as well as pulp and paper products, not to mention eventual pork and beef sales, and demand for engineering and consulting services is expected to rise. As to the Atlantic provinces, Mr. Speaker, they will come to realize that a better trade environment is bound to spur the growth of their manufacturing and forestry sectors, their fisheries and their agriculture.

Given decision-making authority, the regions of Canada will be able to take better and quicker advantage of the new outlets of the wide North American market of over 250 million consumers. The regions will also be urged to ensure that industries switch to new technologies as soon as possible, for improved competitiveness rests on revamping the industrial base which leads to higher productivity and lower production costs. Mr. Speaker, the last two elements are essential if we

are to gain a foothold in the huge southern market which will become a worthy challenge to our skills and enable us to create a great many new jobs. Mr. Speaker, Canadian workers need these jobs now, and tomorrow younger generations will take over.

Anxious to create these job opportunities for young Canadians, in 1985 the Conservative Government set up a comprehensive employment policy geared to training. Mr. Speaker, the purpose of this policy is to meet the challenge of the skilled labour force training necessary to hold specialized positions in a highly technical and competitive Canadian industry. This policy is particularly aimed at our young people coming on the labour market. Mr. Speaker, gone are the days in Canada when without proper training, a young man could find a good and financially rewarding job. The need for unskilled workers is waning because our industrial base is continually developing to meet the harsh competition on world markets.

With or without a free trade agreement, Mr. Speaker, this reality of a greater need for a specialized labour force remains true. That is why the Government has put together an employment policy which is flexible and consistent with local needs.

To prepare a flexible and competent labour force, and prepare young Canadians to hold specialized jobs represent one of the greatest challenges Canada has ever been faced with. An employment planning strategy which already reflects the policy of the Canadian Government is already in motion. All its programs involve an element of manpower training or retraining. Steps will be taken to ensure Canada has the necessary qualified labour force to successfully participate in the new economic order. We need not only provide young Canadians with jobs consistent with their expectations, but we must also rely on them. And our Prime Minister perfectly expressed this deep conviction when he stated in the House of Commons on October 5, 1987, and I quote: "We go forward with confidence in our future, confidence in our country, and, most of all, confidence in the youth of Canada. We have set a course for a stronger, a more united, and a more prosperous Canada. It is not a path—it never was and it never will be—for the faint of heart, but this country was not built by timid souls. This is a pact for the daring, the innovative and the nation-builders who are now called upon to make a firm decision on behalf of a strong, united, and prosperous as Canada."

These are the distinctive qualities of youth and that is why the young people are confident in their ability to take on the new challenges that will confront them.

These young people support the Free Trade Agreement because they are aware that only in a stable and prosperous economy will they be able to fully develop their potential. Surely, they want to be able to choose from a host of interesting jobs, but they also want to test their talents as managers, entrepreneurs and innovators.

Who will have the courage, Mr. Speaker, to deny them a future worthy of their aspirations and their hopes? Precisely those who refuse to see in this agreement our best guarantee of economic success, the free trade detractors, Mr. Speaker, those who play up the fears by spreading false rumours, those who share neither the will and the foresight of their forefathers nor the spirit and the determination of their children, those who cast doubts upon the worthiness of our enterprises and those who believe that we do not have the power to preserve our distinct character and identity and who believe that an essentially trade-oriented agreement is a step towards our assimilation by the United-States!

Mr. Speaker, I would like to remind those people today that Canada is and has always been a strong and distinct country and that foreseeing its assimilation amounts to doubting the very stature of those who built this nation. Nothing in this Agreement threatens our sovereignty any more than our social programs. Our Government has always vowed that Canada's sovereignty would not be jeopardized by a trade agreement and it has kept its word.

Mr. Speaker, I see that my allotted time has expired. That is a pity because I do have a lot more to say.

Mr. Boudria: Mr. Speaker, I listened carefully to the Hon. Member's speech, and perhaps I should say hon. neighbour, since our ridings are next door to each other. First of all, I would like to congratulate him on his excellent speech. I noticed, however, that in his speech he said that the free trade agreement contained a guarantee for the sale of Canadian agricultural products in the United States. I would like to ask the Minister, who mentioned agriculture at the beginning of his comments, what specific part of the agreement contains this guarantee that will help us sell our agricultural products to the United States.

Mr. Cadieux: Mr. Speaker, first of all, I would like to thank the Hon. Member for his kind remarks—and I must say that doesn't happen very often—in referring to my speech. In fact, Mr. Speaker, and I say this for the benefit of all Canadians, we share a common border which separates our two ridings, mine on the Quebec side and the Hon. Member's on the Ontario side.

As for the free trade agreement, I think that all Canadians who have followed this debate from the very beginning—a debate that did not start recently, since it has been going on for a very long time . . . I remember mentioning in a previous speech how many hours of debate we have had and how many committee meetings, including the Legislative Committee and the Senate Committee and the Committee of the House of Commons, all of which considered these issues. Mr. Speaker, everybody realizes that what we obtained through the free trade agreement was guaranteed access to the U.S. market for our products, including agricultural products, and that the main advantage was also that we obtained a mechanism for the settlement of disputes that might arise from time to time,

and which did arise in the past when we did not have this kind of mechanism.

Mr. Speaker, with this agreement, unlike the situation we had in the past, we now have access to the biggest market in the world with a potential of 250 million consumers, where our farmers will be able to export more and more of their products, and I am thinking of our pork and beef producers who obviously endorsed the free trade agreement we have today.

• (1920)

[*English*]

Mr. McDermid: Mr. Speaker, I have a question for the Minister. The Leader of the Official Opposition is going around telling people in Canada that the free trade agreement is the sell-out of Canada. He also says that it is the give away of Canada. He says that we will become the fifty-first state, and so on and so forth. He says that anyone who supports this deal is really giving Canada away or selling Canada to the United States.

I would like to ask the Hon. Minister, who is a resident of the Province of Quebec where there is great support for the free trade agreement, if the people of Quebec feel that Premier Bourassa, because he supports the agreement, is a traitor to Canada, is selling out Canada, is giving Canada away to the United States? Or, does he expect that Quebec will become part of the United States if this agreement goes through?

Mr. Cadieux: Mr. Speaker, I thank the Hon. Member for his question. No one in the Province of Quebec, and I am sure no one in Canada, thinks that Premier Bourassa is a traitor, to put it in the words of my hon. colleague, with respect to the free trade agreement or any other matter. As a matter of fact, on the contrary, I believe that the Premier of the Province of Quebec, like most premiers of the other provinces, thinks that this agreement is not only good for Canada but good for the provinces and the regions. I am sure that if Mr. Bourassa supports this agreement it is because he feels like so many other Canadians that it is good for the nation. Since my colleague referred to the Right Hon. Leader of the Opposition, I would like to take this opportunity to read to the House a quotation that I would have given a little later in my speech had I the time in which to do so. It is from a former Minister in the previous Government, Mr. Regan, who stated:

> When I was Minister of Trade . . . in Mr. Trudeau's Government . . . I sought to move in that direction by initiating free trade talks with the U.S. on a sector by sector basis . . . I have come to the conclusion that the present free trade project is a more meaningful . . . courageous . . . and important undertaking than our more limited negotiations.

Obviously, we are moving in the right direction. We have obtained an agreement which will favour all Canadians from all areas of the country and which will give an opportunity to all Canadians to participate in the growing economy of Canada and to obtain better jobs either for themselves or for their children in the future. One thing to which the Government has been committed from the outset is to bring back the economy of Canada the way it should have been before—the way it is now.

[*Translation*]

Mr. Boudria: Mr. Speaker, perhaps I could ask a supplementary question, further to the one I just asked the Hon. Minister who was praising his Prime Minister's free trade agreement.

I wonder if the Minister is aware of the statement made by the Canadian Federation of Agriculture—and I must remind him that the UPA is a member of the Canadian Federation of Agriculture—that: "The CFA believes that Bill C-130, to implement the free trade agreement, threatens many sectors of Canadian agriculture." And further on, "It has a negative impact on the marketing system and the future of the quota systems, the whole marketing system of the Canadian Wheat Board, quality standards for Canadian agricultural products and the horticultural sector."

I wonder if the Minister is familiar with this statement of July 30, 1988 signed by the National Council of the Canadian Federation of Agriculture. How does he react to this statement? Is the Canadian Federation of Agriculture completely "out of it", or "fallen in the potatoes" as we say in French? Have these people been completely misled, as the Government Members claim the Members of the Opposition are?

Mr. Cadieux: Mr. Speaker, I would never claim that the UPA is "out of it", as my hon. colleague would have me say, although of course potatoes are an important crop. I would certainly not claim, as my hon. colleague would have it in his statement, that the UPA is "out of it". On the contrary, Mr. Speaker, I think that the UPA in the past has shown its knowledge, and usually great understanding of agricultural issues.

It seems that the UPA has taken a position this time that is not shared by all the associations that have something to do with agriculture. Mr. Speaker, coming from a constituency with many dairy farmers, I am told that despite what the UPA says, the free trade agreement is not only beneficial for these farmers, but they are obviously satisfied with the proposed safeguards in the Free Trade Agreement. Obviously, Mr. Speaker, they are even more pleased to have guaranteed access to the American market of 250 million consumers and they are especially pleased as well to have the threat of unilateral protectionist measures, which the United States used to take, removed by the free trade agreement.

[*English*]

Hon. Donald J. Johnston (Saint-Henri—Westmount): Mr. Speaker, I welcome this opportunity to say a few words this evening about Bill C-130 and the free trade agreement which the Bill implements. It is obvious to everyone in the House and in the country that this agreement is of historic importance to Canada. The question is: Will the ultimate impact be positive for the parties to it, namely, Canada and the United States?

Will it also be positive for the international trading environment? Of course, promoters of the agreement—obviously, the Government—argue that it will be. I must say that I hope that they prove to be correct.

[*Translation*]

Unfortunately, Mr. Speaker, because of all the emotion surrounding this debate, opinions become polarized. We cannot afford to let that crucial issue, that national challenge turn into a struggle, which, put in simplistic terms would pit free traders against sovereignty advocates.

[*English*]

I have reviewed the agreement and as many of the arguments that have been brought to my attention both for and against it. I say to my colleagues with, I believe, a good deal of objectivity, that there is good news here and there is bad news here. First, the bad news is that the agreement is not as good as the Government and its promoters pretend it to be. The good news is that it is not as bad as its detractors claim.

Some of the declarations with respect to the agreement strike me as being almost ridiculous to the extent that I understand the language which is plainly set forth in the agreement.

• (1930)

It seems to me that the question before this House, in deciding whether or not it should support the agreement, is to consider what I called the bad news and to decide whether the free trade agreement and of course the Bill that implements it, but the free trade agreement for all its problems and disappointments, should be ratified.

We all bring a certain bias to this debate. For some it is pure knee-jerk anti-Americanism. For some it is fear that Canada is swimming into the whale's mouth, which was a turn of phrase recently used by John Ralston Saul in an article in *The Spectator*. I have somewhat more respect for that position, but I believe that it is born of inferiority and insecurity, suggesting that Canada needs another ninety-odd GATT partners to bargain effectively with the United States.

New Zealand has apparently been quite successful in its free trade arrangement with Australia. Admittedly, the dimensions are somewhat different, but we are looking at something like five times the population. New Zealand clearly has the better part of that bargain. I have always felt that skilful negotiators in Canada, and efficient industry in Canada, would have enormous advantages in a comprehensive agreement with the United States.

For still others who oppose the agreement there is fear of personal dislocation, job loss, and so on. This fear will legitimately persist no matter how many arguments may be made that Canada and Canadians as a whole will benefit. Adjustment will be very much a part of the implementation of this agreement. It seems to me that the Government has fallen far short in satisfying those constituencies that the necessary adjustments will be made in a timely fashion.

I have my own preference, Madam Speaker, I will not call it a bias, born of my experience as a Minister of State for Economic and Regional Development in the previous Liberal Government, my role as Minister of Science and Technology, and my own personal contacts with GATT and with our major trading partners at the international level. I believe and I would like to think that my preference which has always been for a comprehensive bilateral agreement with the United States is not born of bias but is born and essentially arises from the appraisal of a number of very salient facts. I am not going to repeat them, because many of them have been repeated *ad nauseam* in the House, and in other places.

We all know the extent of Canada's dependence on international trade. We all know the extent of Canada's dependence on the United States market. Much as many of us may deplore that fact, and we tried to take Canada way from that dependence when I was Minister, that is a hard fact, and also that the United States market is the largest and most significant market for finished goods in the world. I know many who will argue that we should enhance our trade with the newly industrialized countries, the Third World, China, and India. I agree with that, and I see no incompatibility between that posture and a comprehensive agreement with the United States.

I would point out for those who wax enthusiastic about the Peoples' Republic of China that the Gross National Product per head in China, in the range of $600 per year, gives it a total capacity to consume foreign goods of something in the neighbourhood of Canada's, and perhaps a slightly less domestic market. One must always bear that in mind. Sometimes people get carried away with the fact that we are looking at one billion souls. The fact is that it is their purchasing capacity that counts in terms of international trade.

I also have to point out that we have seen the growth of trading blocks. Much has been said about that. It is very significant, the Macdonald Commission told us, and it is an incontrovertible fact that Canada does not have unfettered access to a market of 100 million people, as do members of the free trade area in Europe, the Economic Community, Japan, and the United States.

Finally, another very salient fact has been the growth of U.S. protectionism. We fought it as best we could during the years when we had the stewardship of the Government and of the country. We were relatively successful sometimes, but not successful at others because the Americans have a wide range of non-tariff barriers, regulatory proceedings, and others which prevent Canadian firms from having unfettered access to the United States. It is absolutely obligatory that the access we have for the products we now sell be secured. Another thrust, of course, is to ensure that that market is enhanced to the extent it can be.

Finally, any arrangement that is entered into with the United States must be compatible with GATT and acceptable to our trading partners. The only arrangement which is acceptable to the GATT and acceptable to our trading partners is a free trade area under Article 24. It could be a custom's union, or it could go further. However, essentially it has to meet the criteria of the GATT. I would like to say a word in that context about the sectoral approach.

I have always been, as I suppose we all should be, a great advocate of the sectoral approach. There is nothing like carving out those niches in someone else's market, penetrating them, and exploiting them. That is what we attempted to do. That is the best of all possible worlds. Unfortunately, in the areas we were interested in penetrating in the U.S. market during our negotiations and meetings with Mr. Brock who was then the U.S. trade ambassador, it became quickly apparent that the Americans were not interested in such sectoral agreements. Going beyond that, as Members of this House probably know, although some may not, sectoral agreements are totally incompatible with the GATT and require waivers from two-thirds of the GATT members in order to enter into them.

These are not areas, and this is not an approach which enhances international trade. It restricts international trade. Hence, that is why the GATT itself sanctions a comprehensive free trade area, which cannot be prejudicial to third parties, which cannot restrict trade, but in the long term is intended to expand and enhance international trade.

Returning to the criteria and assessing this agreement, I pointed out that there were a number of important thrusts. First, the importance of securing access to the U.S. market. Why is this such an issue? Why can this not be resolved through the GATT?

[*Translation*]

So I would have this to say to my colleagues. Although tariffs may have been noticeably reduced since the Second World War, members of the GATT, including Canada and the United States, have obviously introduced clever new mechanisms in order to protect their national products against foreign competition. As you know, madam Speaker, this is what we call non tariff barriers and there is a whole range of these barriers as far as the United States are concerned and also other countries, even Canada. These non tariff barriers, although not very visible, are quite real and indeed reach incredible proportions. In fact, hundreds of them have been pointed out in studies conducted by the GATT on this matter. One glaring example of this, and I will come back on it later on, is a non tariff barrier that exists in the United States, that is the preference being given national products by all levels of Government in the United States as far as public procurement is concerned.

Also, madam Speaker, as we know full well here in Canada, there are the so-called trade remedies being used by Americans, antidumping laws, countervailing duties and other special measures aimed at protecting their national products against foreign competition. The list of Canadian products that have been hit by these measures is long: chemical products, canned clams, salt, cut flowers, potatoes, fish, pork, steel, wood shingles, and of course the most famous case of all, softwood lumber. So there is the problem!

• (1940)

[*English*]

Can we resolve this kind of non-tariff barrier through the agreement? The sad part is that I do not think we have. I do not think that the agreement provides the kind of security of access that we desired and that we anticipated.

The binational dispute settlement mechanism, that is, the provisions of Chapter 19, is a very far cry from a dramatic breakthrough. It is really, in essence, a substitute for the U.S. court system. They do not become relevant, as I presume Members know, until a dispute, whether it be softwood lumber, shingles or whatever, has travelled the same route as it does now, namely, the U.S. Commerce Department and the International Trade Commission.

Going back to our own experience as a Government, the issue was not a distrust of U.S. courts; it was trying to create a surprise-free environment which would inhibit the introduction of these actions destined to harass Canadian industry. The experts can argue that with the creation of this binational dispute settlement mechanism, which will apply to the domestic law of the United States, the process may be shortened.

In most cases that we will be concerned with regarding disputes between our two countries, one would hope that it never reaches that level, because it is the creation of that uncertainty through the International Trade Commission and the Commerce Department that has been the problem. The softwood lumber dispute settled in 1983 never went to the court system; it was settled at the level of the International Trade Commission.

Was there an alternative? I would argue that there was. If this agreement is adopted, I would hope that the process will be examined and that efforts will be made to find a mechanism to create a surprise-free environment.

Let me offer an example. The Hon. Gerald Regan, when he was Minister for International Trade in the previous Government, had proposed such a mechanism and had discussed it with some of his U.S. colleagues. We were told that the Americans would not surrender sovereignty over a dispute mechanism, that they would insist upon the application of their laws or insist upon the ultimate authority of Congress. I believe that the Canadian Parliament should have the same authority.

The mechanism that was suggested was that up front there would be a binational panel of this kind, without travelling the full administrative route in the United States, which would render a binding decision subject only to it being overturned by

either an Act of the U.S. Congress or an Act of the Canadian Parliament. The likelihood of that kind of action being taken by the Congress or by the Canadian Parliament is of course very remote, so one would have effectively established a level of certainty far exceeding what one finds in this agreement.

A lesser proposal, not quite as dramatic, is simply that a blue ribbon panel be set up *ab initio* to deal with the particular complaint of a U.S. domestic industry, and in that fashion a determination would be made by a blue ribbon panel. Then, should the complainant really want to take on that panel and proceed through the administrative mechanisms in the courts of the United States, the complainant would be free to do so. It was felt that over a period of time the stature of such a panel would dominate and, by convention, would probably become effectively the panel of first and last resort on these disputes.

I do believe, if we look at Chapter 18, the creation of a Canada-U.S. Trade Commission, that this lays some groundwork at the cabinet level which I think over a period of time could be developed into an effective agency for the resolution of most international disputes.

There are other areas that are seldom discussed, such as the frequent application of Section 337 of the 1930 U.S. trade law, which is used to harass, especially new wave industries who claim patent protection, and they are basically through a simple petition exercise involved in U.S. court proceedings. This is something which I understand was addressed during the negotiations but was not resolved in Canada's favour. We have here, indeed, the *status quo*. In any new wave industry, if any of us should develop a product which we feel must have access to the United States market, which effectively all new wave products must have, then the question is: Why would I put my plant in Montreal as opposed to Burlington? Would I not be better off trying to export back to a market of 25 million people and stay in the market of 250 million?

I say again that security of access was not achieved. The situation remains effectively where it is. What about enhanced access, government procurement? Again, I think that we all have reason to be profoundly disappointed. We now have achieved, according to the calculations, an increase cutting into that $700 billion of government procurement of approximately one-half of 1 per cent. Big deal. We have moved to $4 billion. It is a little movement, but certainly a far cry from the expectations that Canadian exporters had with respect to achieving greater inroads into U.S. government procurement at all levels. You may recall that government procurement by America was one of the specific examples that I cited a moment ago.

What about the other side? What about this issue of sovereignty that we hear so much about? Are social programs and subsidy codes and so on going to be affected? I think that one thing that the people who criticize this agreement must recognize—and most refuse to do so—is that the GATT already provides a very high degree of encroachment on Canadian sovereignty. Canadians are not free to subsidize as they like. We may have done it in certain instances, but we are not getting away with it in many instances. That will get worse and worse.

To use the sovereignty argument one has to recognize that every treaty of any kind, in any area, is an encroachment on sovereignty. It is a surrendering of sovereignty to an international forum.

I would remind you, Madam Speaker, and others of this House, especially critics of this accord—because no one knows what the total impact may be—that this agreement is terminable on six months' notice. It seems to me that that is a complete answer to the sovereignty question. If Canadians feel at a given moment in time that yes, indeed, their social programs are going to be affected, are going to be homogenized, are going to be swallowed up by the whale, surely there would be enough national will in Canada to say "Enough is enough, we will terminate the agreement".

I might add as a footnote that I wish that Meech Lake were terminable in such fashion. The free trade agreement is there for six months, but Meech Lake, I fear, is there forever.

I also hear a lot of people lecture Canadian business on the fact that it does not really know what is good for it. I would not presume to do that. The business community has looked at this agreement and by and large has decided that it is in its best interests. I am forced to rely upon its opinion. It seems to me that it is somewhat presumptuous to tell the Canadian business community that this agreement is really bad for it and that we know better in this place.

What of the threat to cultural industries? I come back to the question of sovereignty. One argument to which I have never received a satisfactory response when I always argued for a comprehensive agreement was this: Does one as a Canadian seriously think that in terms of cultural industries the Italians, the French, the Japanese, the West Germans, and the British are going to step forward and protect the Canadian publishing sector or the Canadian communications sector or the Canadian theatrical sector? It can only be done in one way, and that is by a bilateral negotiation with the United States. It cannot be escaped, because the others have totally different interests. I do not think that the Japanese are especially concerned with their publishing industry in terms of American intrusion.

I understand that I am running out of time. Let me just say that I am satisfied, from my own experience and my own studies, that the GATT is not an alternative. I should say that in cleaning out my office—because, as I have said, I will not be running in the next election—I came upon a speech which I gave to the National Liberal Leadership Convention in 1984. In one paragraph of it I said: "Those who are involved with me in my campaign are tired of the old refrain that the world is a hostile, competitive environment, that we must peer beyond our borders wary and trembling in collective insecurity". I say that the adoption of this agreement will be very much in keeping with that thought, although I have serious reservations about it, as I have pointed out. Much improvement is needed,

and I like to look at this as a beginning of a process, not the end of a process. The agreement must be improved, but for the reasons which I have outlined, I intend to vote for Bill C-130.

• (1950)

Some Hon. Members: Hear, hear!

Mr. McDermid: Madam Speaker, I think everyone in the House would agree that the Hon. Member delivered a very thoughtful talk. I think it was enjoyed and listened to by all who were in the Chamber and, I might add, by those who were close to the Chamber as well.

The Hon. Member said that he is not running in the next election. We have sat in this House together for nine or ten years now. I think it is fair to say that he will be missed. I hope that he will come back and play the piano for us the odd time. It is Canada's loss.

The Hon. Member is absolutely right when he says that this is the beginning, that we did not solve all the problems, and that there is much negotiating to be done in the future. He was an economic Minister on the Treasury benches of a Government. What advice would he give to the Government and the negotiators who will, over the next five to seven years, be trying to define a subsidy? When does a subsidy becomes an unfair trade practice and when a regional development program is just that and not an unfair trade practice? What kind of advice would he give to the Government's negotiators for that period of negotiation?

Mr. Johnston: Madam Speaker, the issue of where a subsidy begins and where it ends is an extremely complicated issue. GATT, of course, already has rules, and I am one of those people who happens to believe that a benefit that may come from this agreement is that there will be some trail-blazing in establishing criteria which is much easier done one on one between Canada and the United States, criteria which then may be extended to our trading partners as a whole.

I cannot deal with all the regional subsidies. It would be a bit complicated to deal with them in a few minutes. It is my own view that national programs which are available without discrimination on a national treatment basis are programs for which Canada should fight strongly.

In terms of regional development, I think Canada should say "if you have national treatment and you are the subsidiary of a United States firm and want to locate in Cape Breton, you will get the Cape Breton development tax credit along with everyone else". The object of these programs is not to discriminate against the United States; it is to promote industrial development and jobs in the regions. That is the kind of effort that should be made, and the United States will have similar objectives as different areas of the country become impoverished from time to time and market forces are not capable of dealing with them. They have them now.

We in Montreal used to read every day that it pays to locate in New York State, and indeed it did. This is not something that is unique to Canada. It is a problem both countries will have to deal with, but I would like to think it would be dealt with on that kind of basis in order to satisfy the GATT partners as well.

Mr. Malone: Madam Speaker, I want to echo the words of my colleague and add to them our best wishes to the Hon. Member for Saint-Henri—Westmount (Mr. Johnston) when he leaves this House. I would like to ask the Hon. Member three questions. First, if this deal were to fail, what would be the ability of a new Government to negotiate a new deal? Does he see that as being possible or realistic?

Second, if this deal were to fail, does he believe that after such a failure there would be any possibility of opening up sector-by-sector negotiations? Third, could he comment on what he would presume to be the expectancy of the Auto Pact if this agreement agreed upon between Canada and the United States were to fail to become ratified?

Mr. Johnston: Madam Speaker, I think the question is highly hypothetical. How do we know what the reaction will be on either side of the border if the agreement should fail? I think the reasons for its failure would be important, but implicit in the Hon. Member's question is that there would be hostility and lack of trust, that we would essentially revert to where we were, that the protectionist forces might increase, and that Canada would not have the benefit of the so-called side-swipe provision which is in the agreement. I suppose that is a possibility.

Another possibility is that there could be a change of administrations on both sides of the border and another look would be taken at an agreement in a different form. It is a hypothetical question. My own preference would be that it not fail, but that there be a very strong commitment on both sides to improve it in some of the areas I have touched upon.

That ties in with a third question as well, what would be the impact on the Auto Pact if the agreement were to fail. Of course, the Auto Pact is terminable on one year's notice. Again, the question presumes an underlying hostility. I think the real issue is that in business and commerce, by and large, as the Hon. Member knows, if an agreement is operating to the advantage of both parties, it is unlikely to be terminated. On the other hand, if it is operating only to the advantage of one party, then it is very likely to be terminated, irrespective of this particular agreement.

That was the point I made earlier in regard to the sovereignty argument. If this agreement operates dramatically to the benefit of the United States and to the detriment of Canada, a future Canadian Government will be in a position to terminate it and to receive a mandate from the Canadian people to do so.

The Hon. Member asked if we would have any chance of getting sector by sector agreements if the agreement were to fail. I said earlier that I basically favour sector by sector agreements. Who would not favour sector by sector agreements? I suppose it is what one would call cherry picking, if

one could get away with it, but it has to be done on a reciprocal basis.

When we sought agreements on urban transport, steel, informatics and agricultural implements, the four areas that we last tried to do sector by sector agreements on, we were quickly told by the United States administration that it was not interested. I am not so sure that the failure of this agreement would have any impact one way or the other. I think the difficulty is that sector by sector is a non-starter, would be frowned upon by GATT, and very likely would not be approved by the requisite two-thirds of the membership.

• (2000)

[*Translation*]

The Acting Speaker (Mrs. Champagne): The period provided for questions and comments has now expired. Resuming debate. The Secretary of State (Mr. Bouchard).

Hon. Lucien Bouchard (Secretary of State of Canada): Madam Speaker, this occasion fills me with awe and respect, since it is the first time I have had an opportunity to rise in the House to speak in debate. I shall, if I may, address my initial remarks to my constituents in the riding of Lac-Saint-Jean, to those who made it possible for me to enter these precincts and who have placed their trust in me. I want to give them the assurance that I will do everything I can to deserve that trust and will always be available to listen to what they have to say.

I am of course delighted that my maiden speech will be in support of a bill that is vital to Canada's future, to our economic development and to the national reconciliation to which this Government has dedicated so much of its energies.

A great deal has been said since the beginning of the debate on the Canada-U.S. Free Trade Agreement, which has given rise to some remarks that were often bitter and spread a great deal of confusion in the minds of our opponents.

We are faced with two points of view. One is apocalyptic, and it is therefore necessary to try and put a more accurate perspective on this debate.

The Canada-U.S. Free Trade Agreement is merely an agreement that enshrines an irreversible reality. The facts are stubborn, that we know, and basically, it has been long accepted that our economies are interdependent. Actually, this agreement reflects a world-wide and unescapable trend towards putting an end to tariff barriers between trading nations.

At a time when the Common Market, with a population of 350 million people, is a reality that is increasingly making itself felt, our North American economy must also learn to express its maturity and get rid of artificial barriers on the road to progress.

I referred to Europe, Madam Speaker. We have all heard the arguments that raised the spectre of Canadian sovereignty being undermined as a result of the agreement. We must realize that Europe went through this a long time ago and since then has taken some realistic steps, going beyond the stage of an economic market to a commitment to a continental political entity. We must not forget that in Europe there are several political institutions, including the European Parliament and the Council of Europe, and that we in Canada must become part of the international market, the international club of trading nations, mindful of the fact that a nation that does not have a market of 100 million people is doomed to failure.

We are a big country, we have almost unlimited resources, but we are few in number. One of the difficulties with our country is that we have the will to succeed, we have all it takes, everything needed for what we desire, but we are limited by our numbers. With our population of 26 million, we cannot isolate ourselves, living in a world where interdependence is the rule.

This means that the dynamics of events, history, everything that drives the economy, the whole outlook for this country require an agreement with the large trading partner next to us.

Trade between Canada and the United States has increased steadily since 1935, when we first reduced tariffs. Today, we know how important trade with our southern neighbours is.

In Europe, when I was Ambassador in France, I often told the French people and Europeans with whom I spoke, to impress upon them the importance of our trade with the United States, that in some years the Province of Ontario alone sold the United States as much as all of Japan, if not more. I assure you that compared to the situation in Europe, this makes people realize how dangerous it is for us and for our country not to ensure secure access for such an important trade. Basically, people who tell us about the dangers for sovereignty should themselves recognize that the best way to assure Canadian sovereignty is secure access to the American market. We cannot live every day at the mercy of the U.S. Congress, when our trade is so important. Remember that when President Nixon slapped a levy on all Canadian imports a few years ago we immediately had an economic crisis on our hands. We cannot accept to live with this threat. We must set our sovereignty on a firm base. We must for ever protect our economic security. We must sign the agreement.

Today's new reality is that Canada-U.S. trade is no longer a one-way street. People like Campeau, Bombardier, Seagram and Molson control thousands of jobs south of the border. Canadians and Americans have gradually become partners on the same market of 250 million consumers.

What Canada needs to do now in this context is to make sure that we stand fast against the wave of protectionism in the United States and maintain this vital market for our economy by signing a firm agreement with our American partner.

Madam Speaker, I come from Quebec. I represent a riding there and our people have reached a strong consensus concerning the free trade issue. For very sound reasons, politicians as

well as businessmen, industry, and large and small companies see eye to eye on the need for the Free Trade Agreement.

The Quebec economy simply cannot do without the American market where, I would remind the House, the province sells in excess of 75 per cent of its products, and that works out to roughly $16 billion a year.

Our major companies and our service industries, not to mention hundreds of small- and medium-sized businesses, have long since lived up to the challenge of competitors and they report massive exports to the United States. Our people are not afraid of free trade. They have been asking for it for a long time now because they know that tariff elimination spells lower production costs, higher productivity and guaranteed access to a huge consumer market.

When talking about such a sensitive sector as the forest industry we must keep in mind that Quebec exports to the United States total $3 billion. This is where we can see that for such an important sector—particularly in my riding where a lot of people depend on forestry products—untold benefits will flow from the implementation of the FTA. In recent years Quebec, like other Canadian provinces, was hard hit by American protectionism, especially in connection with softwood. Signing an agreement with the United States will put our producers beyond the reach of these coutervailing trade measures.

Our petrochemical industry, which is also facing high tariffs, will benefit from the elimination of U.S. trade barriers which, in turn, will promote the processing of our products to a larger degree within our boundaries.

For Quebec's outlying regions which have suffered for a long time from being far away from markets, the free trade agreement offers an unprecedented opportunity for economic renewal. The Government has already clearly determined that regional development policies will be implemented so that our regions can benefit from the new climate created by the free trade agreement.

National reconciliation that this Government has tirelessly championed will not be brought about merely by a constitutional agreement, it will also require an increase in a better distribution of collective wealth. This, in turn, will not be brought about by protectionism but rather through openness, a greater awareness of our capabilities and a willingness to tackle difficulties.

This is the way our businesses have set out to capture the American market. The way, Hydro-Quebec, with our huge hydro resource base as well as an expertise which is second to none, has gained faithful customers among New England States and is selling them its power surpluses, so much so that at this time, Hydro-Quebec has already signed for the coming years power delivery contracts totalling more than $32 billion. Now that the Quebec Government wishes to launch Phase II of the James Bay development, the free trade agreement with the United States confirms and clarifies our access to the American market for this energy resource as well as for other energy sources originating in Canada.

At the same time, with this deal, Quebec electricty becomes much more attractive to U.S. suppliers of energy. Under the provisions of the agreement giving our partners access to energy supplies, it will be easier to finance such ventures as Phase II of the James Bay project.

For Quebec, as for all provinces with energy resources, the free trade agreement will mean new investments in the energy sector and its related industries.

As a Quebecker, I am particularly sensitive to the new horizons this agreement opens for Quebec. The creative enthousiasm of our young people and the calm self-confidence of our older entrepreneurs who have already started to gain access to the U.S. market will now be visible throughout the North American continent.

Of course, opponents of our initiative have implied that, for all practical purposes, this agreement would put an end to the provinces sovereignty over their natural resources. Far from the truth!

In no way will the provinces lose their natural resources because of the free trade deal. The provinces will continue to own, manage and preserve, as is the case now, the various resources located within their boundaries.

Naturally, exporting provinces will have to abide by this Agreement. Nevertheless, they will gain enormous benefits as far as investment, guaranteed access to the market and jobs are concerned. The provincial Governments involved in no way attacked those special provisions in the Canada-United States agreement.

In the area of energy, as in other areas of the trade agreement, Canadian sovereignty never was put into question, nor were the traditional rights of Canadian provinces to manage their resources.

Canadian sovereignty, Madam Speaker, has been at the heart of the free trade debate. And no doubt that aspect of the debate gave rise to the most evident signs of demagogy and assumed outrage.

However, nothing that makes this country politically, socially and culturally different from the United States is affected by the agreement's provisions. Our cultural industries—the publishing industry, the film industry, TV, music and broadcasting are specifically excluded from the free trade agreement.

The century-old commitment of the Canadian Federal entity to fight regional economic disparities also is outside the scope of the Canada-U.S. agreement.

This means that the negotiation of regional development agreements will go on between the Canadian Government and provinces. This involves the essence of this country, its perception of equality, its social justice goals.

Over the years, Canada has built up one of the most advanced social system in the world. This to its mind is the sign of a society committed to reducing inequalities, a society where compassion is a major factor.

The American society, for reasons of its own which are not for us to discuss here, chose another road. It would be highly naive to be ignorant of what our Canadian values are, to believe the signing of a trade agreement with the United States implies that Canada would adhere to the Americans social standards.

Our social programs are here to stay. And I challenge anyone among our friends opposite or our friends anywhere to show that the free trade agreement will be the end of any social program.

No provision in the treaty requires Canada to harmonize its economical or social policies with those in United States.

Since 1935, Canada and the United States have been gradually reducing their mutual tariffs by 72 per cent. In the meantime, our social policy has evolved in a way that is quite different from that in the United States. Why should the total elimination of tariffs force us to do away with it?

By the same token, the reduction of tariff barriers did not impede Canada from promoting bilingualism and multiculturalism.

Our programs in such areas as Medicare, Old Age Security pensions, family allowances and unemployment insurance have never been on the table.

Moreover, American fishermen who felt that the unemployment insurance benefits paid to their Canadian counterparts were concealed subsidies saw their claims turned down by the US Department of Commerce.

The additional wealth resulting from the free trade agreement remains in fact the best assurance for the maintenance and development of our social programs. The economic stagnation and protectionism suggested by free trade oponents would be the best way to jeopardize our social gains.

Our Canadian identity cannot flourish in isolation, Mr. Speaker; it cannot be the result of artificial barriers. It will result from a world oriented stronger economy, to the advantage of regional development.

I strongly urge all Quebecers and other Canadians to be suspicious of all the prophets of doom and gloom who suggest that Canada will be swallowed by its huge neighbour. The Free Trade Agreement is a major step towards the achievement of the Canadian national goal. It is also the affirmation of our country's global role. Our relations with our neighbour to the South should increasingly become more responsible and adult. Fear and unwillingness to face facts would lead us nowhere. The United States are our natural partner. We cannot overlook the benefits which we could and should gain from this free trade agreement.

The surest sign canadian maturity is the support already given to the Free Trade Agreement, a support which proves Canadians are no longer afraid of competition, that they have gotten rid of their inferiority complex towards the United States and that they are determined to get their share of the North American economy.

Mr. Speaker, more than a trade issue this will have an impact on the very future of this country, something which could motivate people into correcting shortcomings and help Canada achieve the place it deserves among nations.

• (2010)

[*English*]

Mr. James: Madam Speaker, I want to congratulate the Hon. Member for Lac-Saint-Jean (Mr. Bouchard) on his maiden speech and especially on his thoughts on this very important agreement. I want to bring to his attention the area of petro-chemicals which he mentioned and ask his thoughts on it. I would like to refer to a recent speech made by Thomas d'Aquino, the President and Chief Executive Officer of the Business Council on National Issues. He talks about myths and reality. He said:

> Here the myth becomes even more fantastic, especially when we count the many precise ways in which access to the United States market is either improved or made more secure by the Agreement. Take the case, for example, of where access is improved. Virtually all tariffs on trade will be removed over a 10-year period. Precise rules of origin will help clarify uncertainties at border crossings. Customer user fees will be abandoned by the United States by 1994. Except where the Agreement provides otherwise, the right of national treatment will ensure that the United States will not discriminate against Canadian producers. Steps are taken to reduce or inhibit the establishment of non-tariff barriers such as discriminatory product standards and product approval requirements. Tariffs and quotas on all agricultural goods, except for quotas in support of supply management schemes, will be removed.
>
> Access to government procurement markets will be expanded. Rules of origin offer more protection against offshore parts producers thereby giving increased reciprocal access to Canadian and American producers. A significant number of service industries will benefit because of the provisions dealing with the right of establishment and the principle of national treatment. Temporary entry for Canadian business people and service personnel is facilitated.

I know that the Province of Quebec is interested in furthering its petrochemical industry. With regard to tariff removal in particular, Polysar said:

> It is Polysar's considered opinion that the recently negotiated free trade agreement with the U.S. will provide significant benefits and opportunities for all Canadians.
>
> In our case we believe the removal of chemical tariffs over the next five years is a key element. Recently we have been considering reopening a plant to produce styrene that has been shut down since 1981, and the removal of tariffs could have an immediate impact on that project. The elimination of the 7.4 per cent duty on styrene would improve the Company's profit margin on the commodity by 2.5 cents for every pound sold. If the plant is reopened, the 100,000 ton of styrene would all be exported, largely to the U.S., leading to an improvement in profits of $5 to $10 annually.

What have the key executives and workers in the petrochemical industry in the Province of Quebec said to the

Member about the opportunities there to expand the petrochemical industry in which I know that province is so very interested?

• (2020)

Mr. Bouchard (Lac-Saint-Jean): Madam Speaker, of course, the free trade agreement would provide us with a marvelous opportunity to improve Quebec's chances in the petrochemical industry. I can draw a parallel between this sector and the aluminum sector.

I was elected in a riding where raw aluminum is very important. We have raw aluminum plants in Alma, and there is another large one in Arvida, as well as in La Baie. The paradox is that while raw aluminum goes freely into the United States now, when we try to transform it in the secondary industry, we cannot do so without being exposed to tariffs. This is very bad because regions like mine can only be the exporters of natural resources, like electricity. This agreement will allow us to create secondary industries which are very important and will revitalize our region. It will create new jobs in the small enterprises for our young people. The youth of our region will not leave to live in big cities. While it is a good thing for them to leave sometimes, it is bad for the future when most young people leave their families and the region.

This is also a social project in that it will create jobs and new and great opportunities for young Canadians to build a new society.

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Madam Speaker, since this third reading debate is the last opportunity for us in the House of Commons to discuss the so-called free trade arrangement, I want to take the opportunity to deal with some of the critical arguments.

At the outset let us make it absolutely clear that what we are discussing in this Parliament is this very specific arrangement between Canada and the United States, signed by the President and the Prime Minister (Mr. Mulroney) on January 2, 1988. That is what we are discussing. We are discussing whether we are for or against that specific arrangement and nothing else. What we must do is to add up the good points and the bad points in that arrangement and decide whether it is good for Canada or bad for Canada.

I say that because many people believe or make the mistake of discussing theoretical free trade, textbook free trade, or classical free trade. As a matter of fact, they are confusing this arrangement with the Common Market, with the European Free Trade Association, with the Auto Pact, and with GATT. All these things that I just mentioned are, in a sense, a type of free trade. What is evident is that there are many types of free trade arrangements. It is also obvious that one can be in favour of some types of free trade and totally opposed to other types of free trade arrangements. Of course, it depends on the details of each one.

A very excellent example of this is in Europe. In the centre of Europe there is the European Economic Community, better known as the Common Market. That comprises 12 countries. However, there are also in Europe seven countries that are known as the outer seven. They also believe in free trade but do not want anything to do with the Common Market. The fact that they are opposed to joining the Common Market does not mean they are against free trade. They have set up their own association known as the European Free Trade Association. Those countries include Switzerland, Austria, Finland, Sweden, Norway and, I believe, Portugal. Britain was originally a member of that group as well.

They have agreed to a type of free trade arrangement that is different from the Common Market. The European Free Trade Association has an agreement whereby they have eliminated the tariffs on all manufactured products but do not deal at all with agricultural products. They do not deal with resources or with joint economic policy. Since the Common Market deals with agriculture, with resources, and deals with a common economic policy, they did not want to join.

I simply make that point because I want to demonstrate very clearly that one can be against one type of free trade agreement and totally for another type, depending on the conditions.

In this debate, the Member who just spoke, the Secretary of State (Mr. Bouchard), made a common mistake. He said that because the Common Market is a good thing for some European countries, and they have agreed to that kind of free trade arrangement and it has not hurt them, consequently we should agree to this bilateral free trade arrangement with the United States.

There is no similarity between the type of arrangement that exists in Europe among the Common Market countries and this arrangement. First, in the European arrangement there are 12 countries, a great number of which, including Britain, France, Germany, Italy and Spain, are more or less the same size. Many of the countries can balance each other off economically.

The other major difference besides being a multilateral arrangement with countries more or less the same size is that in most cases they do not threaten each other from a cultural point of view because they have different languages and culture. There is the English language, French language, German language, Italian language, Spanish, Dutch and so on. There is quite a difference between that type of arrangement and a bilateral arrangement between a country of 250 million and a country of 25 million people where two-thirds of the population speak English and all of the United States speaks English. The threat to sovereignty is much more pronounced in this bilateral arrangement with the United States than it is in any way at all with the Common Market. Despite that, I repeat that a number of countries in Europe refused to join the Common Market because such things as agriculture were included.

The Liberal Party, which opposes this specific agreement with the United States, has taken a stand and still stands for freer trade. It was under the Liberal Government that Canada joined GATT in 1948. We were one of the first countries to join and set up the GATT arrangement, which is a type of free trade arrangement. The preamble to GATT states: "These are arrangements directed to the substantial reduction of tariffs and other barriers to trade, and to the elimination of discriminatory treatment in international agreement".

The Member who spoke before me asked why we should be afraid of this agreement if we are a member of GATT. Again, GATT is a multilateral arrangement with many countries so that they can balance each other off. It is not a one on one situation where a large country like the United States can dominate the smaller country, in this case Canada. Not only is GATT a large multilateral arrangement, it is an arrangement that includes many cultures, many languages and many types of economy.

The Liberal Party supported freer trade since the end of the Second World War. Canada joined GATT under the Liberal Party. In addition, it was under the Liberal Party that tariffs between Canada and the United States were brought down from an average tariff of 30 per cent in the late 1940s to an average tariff of 5 per cent right now, before this agreement is in place. Not only was the general tariff brought down from 30 per cent to 5 per cent, we have a situation now where 80 per cent of all trade between Canada and the United States is without tariff at all. That was done without this special so-called proposed free trade agreement. That was done under the negotiations relating to GATT and sector negotiations.

Much can be done and has been done to bring about freer trade without selling out our sovereignty, our independence, and our identity.

Let me also point out that in 1987, the year before this agreement was signed, Canada had a $20 billion trade surplus with the United States. There is a situation, without this agreement, in which there is no tariff on 80 per cent of the goods and services between the United States and Canada. The average tariff has been brought down from 30 per cent to 5 per cent, and we had a trade balance of $20 billion. Yet the Conservatives are on their knees begging for an arrangement with the United States.

I mentioned that the GATT was, in itself, a type of free trade agreement. I found it amusing this morning as I listened to the Minister for International Trade (Mr. Crosbie) who, in his bumptious and show-boating sort of way, listed off a number of former Liberal cabinet Ministers who supported this agreement. He referred to the Hon. Donald Macdonald and the Hon. Gerald Regan. He did not refer, of course, to the Hon. Eric Kierans or to the Hon. Mitchell Sharp, also former Liberal Ministers who were very active in the trade and economic area and who are very much opposed to this agreement. We just listened to the Secretary of State, a new Minister from Quebec. He and others try to give the impression that all of Quebec is in favour of the agreement, that there is a great consensus in Quebec, including the Quebec Government, in favour of this agreement. That is not so. The business associations are favourable to the agreement, La Chambre de Commerce, Le Conseil du patronat, and those who have economic power are in favour, but L'Union des producteurs agricoles, the trade unions in Quebec, the associations of social groups and so on, are opposed. It will be interesting to see what will happen in Quebec at election time. The point is that there is a great division not only in Quebec but throughout the whole country with respect to this agreement.

• (2030)

Having sat on two parliamentary committees, studying this proposed agreement, I have come to the conclusion that, generally, those who support the agreement are the business groups, the chambers of commerce, the boards of trade, the manufacturing associations, and so on, those with economic power. Those who are opposed, and there are a lot who are opposed, are the trade unions, the women's groups, some of the academics, the National Association of Poor People, and the churches. In other words, those who put a higher priority on economics seem to favour the agreement, although I think they are being short-sighted, and those who oppose the agreement are those who put a high priority on social, political and cultural matters including sovereignty, independence and identity. There are exceptions to that assessment, but generally that is the case.

The Minister for International Trade this morning suggested that all free trade agreements are the same. Members of the Government are using various agreements interchangeably. They seem to indicate that if the Common Market is good, if the Australian-New Zealand Agreement is good for those countries, then this must be good for us. I have already dealt with that. It is not at all true.

Members of the Government also have the tendency to suggest, and they do suggest, that if one is against this agreement that they have negotiated, one is a protectionist. The Secretary of State just said that if we are against that agreement, we are protectionists. That is absolute nonsense. To be against this agreement does not mean you are a protectionist any more than that the Austrians, the Swedes and the Finns, who are opposed to the Common Market, are protectionists. They have their own kind of free trade arrangement which is more suitable to them. We feel there is a better way of dealing with the United States than this agreement. Because we are against the agreement does not mean we are protectionists.

In some respects, the agreement falls short of what a true free trade agreement, a classical free trade agreement, should be, because it does not ensure access to the United States. For example, the most serious trade barrier between Canada and the United States is not tariffs. I already mentioned that 80 per cent of all goods and services between Canada and the

United States pass without tariff. The most serious trade barrier or harassment between Canada and the United States is countervail and anti-dumping. This agreement does nothing about those two things.

As Canadians, we are all familiar with the shakes and shingles cases, the softwood lumber case, the East Coast fish case, the potash case, and the steel case. Those cases are all cases where the United States added a countervailing duty to the Canadian product going into the United States and thereby raised a barrier, in a sense, against our goods going into the United States. Since 1979 there have been 300 countervail cases launched against Canadian business in the United States and in 70 per cent of those 300 cases, there was a decision to impose countervail duties against the Canadian firms. That is a serious trade barrier to the United States, and this agreement does nothing about that. In that respect, it falls short of a classical free trade agreement.

On the other hand, the agreement goes much beyond what a trade agreement usually contains. A classical free trade agreement eliminates the barriers to trade between one country and the other country. It eliminates the tariff and non-tariff barriers, or lowers the tariff and non-tariff barriers, from one country to the other country so one can sell one's goods in the other country without these barriers. But this agreement includes, for example, the non-discriminatory access of Americans to Canadian energy. What does that have to do with the trade agreement? What does that have to do with trade barriers? It has nothing to do with them. We are eliminating the tariff against American energy coming into Canada and they are doing the same for us.

Why are we giving them non-discriminatory access to our energy supplies? It is obvious that the United States is running out of energy. It is running out of coal, gas and oil. It does not have the same hydro power we have. They are looking 50 years, 60 years, 100 years down the road. They see what Canada has and they want access to our resources. So the Americans said to this Conservative Government—which went on its knees to the United States begging for this agreement when we really did not need it—we will eliminate the tariffs on the balance of the 20 per cent of goods that still have a tariff. We will do nothing about countervail and anti-dumping, but to do that we want access to your energy. And they got it. Not only did the Americans get that, but I would like to talk about some other things in this agreement that do not belong in a free trade agreement.

I already mentioned energy. There is also the national treatment of American firms in Canada. Of course, it is *vice versa* in the United States, but there are 250 million of them and only 25 million of us. This means we have to treat American firms in Canada in exactly the same way we treat Canadian firms. I submit that this sort of thing does not belong in an agreement like this.

In addition, we have eliminated the screening of all foreign investment in this country by Americans. They can come in and buy out our companies, they can invest where they like and can take over Canadian companies, whether or not these companies are essential for our sovereignty and independence, and they can completely own the country as far as this agreement is concerned. That is in the agreement. We have agreed to eliminate the screening of investment takeovers.

I mentioned that one of the main differences between the European Free Trade Association and the Common Market is agriculture. Those who are not in the Common Market did not agree because agriculture is a very sensitive and touchy area. Between Canada and the United States it is also sensitive and touchy. We have a situation where we have a very short growing season. We have high costs associated with our cold weather. We will now be competing with the southern United States which can produce agricultural products over a much longer growing season at a much cheaper rate.

• (2040)

Cultural industries are involved in this free trade agreement even though it is said that they are not. There is an exception which brings them in through the back door. For the first time service industries are included in a free trade agreement. There is no other free trade agreement that covers service industries. Yet here we are in this bilateral ten to one population situation risking our service industries. Financial services are included, which is not usual. There are also restrictions on our Crown corporations and the right to create new Crown corporations, which is not usual in a free trade agreement.

Finally, this agreement eliminates the safeguards under the Auto Pact, which is not a free trade arrangement but which is a managed trade arrangement between the United States and Canada and which has worked very well in favour of Canada.

I have listed for you, Madam Speaker, 10 matters which are in this trade agreement which have no business being in a trade agreement. If this were a strictly free trade agreement, a commercial arrangement, as some of the government Members have stated that it is, then it would have been restricted to the elimination of barriers to trade between the two countries. It is not limited to barriers to trade between the two countries but sells out our ability to control our own country, our own economic policy, our own energy policy, and our own regional development policy as well as many other matters.

By entering into this agreement with the United States we are tying ourselves very strongly and intimately to the American free market system. As a result of doing that we will submit ourselves to strong competitive pressures that will lead to the harmonization of many of our programs which are not mentioned specifically in the agreement. That is what we mean when we say that our social programs are at risk under this agreement, as well as our regional development programs and our environmental programs.

If there are companies in Canada competing with American companies which have the right to sell into Canada without any tariff, then they will have to be competitive with those

American companies. The first thing that will happen after this thing gets under way is that there will be a Canadian firm saying: "Look, I have to compete with these American companies. They have a lower price than I have because they do not have the same social costs. They do not have medicare or marketing boards. They do not have this social program. They do not have the same environmental programs. Therefore, if we are to compete you will have to cut back on those programs so I can compete with the American companies, or I will move to the United States". This is a threat that we heard in committee. It is something which is very easy to do. I think that is why a great many of our Canadian businesses favour this agreement. Capital moves very easily, especially when one is setting up a new firm or when one is modernizing, when one has to do something about an outdated plant or factory.

What does one do if one cannot compete properly in Canada? One moves one's Canadian firm south of the border and then sells into Canada. Warehouse and sales personnel could be left up here in order to sell into Canada.

Madam Speaker, I see that my time has expired. I wish to say this in closing. If this agreement is implemented, as is the plan of the Government to do, it will be the beginning of the end of Canada as we have known it.

The Acting Speaker (Mrs. Champagne): Are there questions or comments? The Chair recognizes the Hon. Member for Guelph.

Mr. Winegard: Madam Speaker, what the Hon. Member has said is reminiscent of what was said in 1965 about the Auto Pact. At that time people said that the Auto Pact would destroy the country. All those people who wanted to be real protectionists ran for cover and said that the Auto Pact would be the destruction of the country. They said that because companies here in Canada would not be able to compete all automobile production would move south of the border. That has not happened. There is still a good deal of it going on here—a great deal more than before.

Which way does the Hon. Member really want it? He has told us tonight that Canadian firms would have difficulty competing under this new regime and that they will want to get rid of our social programs or move to the south.

Mr. James: He doesn't believe that.

Mr. Winegard: I do not think that he believes that either. I have also heard members of the Party of the Hon. Member say: "You know what will happen? All those big multinational corporations are going to move away". Which way do they want it? Members of his Party also say: "They will come up here. All those big multinational corporations will come up here to buy out all our Canadian industry".

Members of the Hon. Member's Party fear that everyone will come up here to buy us out. They also fear that all the multinationals will move south because it will be cheaper there. I say to my hon. colleague, as I have said to him before on more than one occasion, he really cannot have it both ways. Which way does he want it? Will the Hon. Member tell the Canadian people now one way or the other what he thinks will happen so that 20 years from now when the country is enjoying great prosperity, when all the protectionists have run for cover and forgotten that they ever made such statements we will know what the Hon. Member thought?

Mr. Allmand: Madam Speaker, it is obvious that the Hon. Member has not read the Auto Pact. It was the Liberal Party that brought in the Auto Pact in 1965. At no time did Liberals say that the Auto Pact threatened Canada.

The point I was trying to make at the beginning of my remarks is that the Auto Pact is not similar in any way whatsoever to this bilateral comprehensive agreement with the United States. The Auto Pact obliges the three American automobile companies—there were four at the time—to invest in jobs and in manufacturing in Canada. Under the agreement they are obliged to invest as much in the manufacturing of automobiles and automobile parts in Canada as they sell in Canada. The purpose of the agreement is to make sure that they do not return all the manufacturing to the United States. As I have said, people who categorize such agreements refer to it as a managed trade agreement, not a free trade agreement.

At no time did Liberals say that it threatened our country. As a matter of fact, we said that it did not do that. The results speak for themselves. There has been a great increase in automobile production in Canada since the Auto Pact was signed in 1965. The agreement obliges the American firms to manufacture in Canada. The agreement before us withdraws the safeguards to that. Under the Auto Pact if American production in Canada drops below a certain level then the tariffs apply, whereas they do not apply as long as the Americans produce over that limit in Canada.

With respect to the harmonization and the Hon. Member saying that we are trying to play it both ways, we are not trying to play it both ways. I submit, and I submit very strongly, that by tying ourselves, a country of 25 million, into the market economy of the United States, which is a more open market economy than is ours, there will be strong competitive pressures. I am not saying that we will kill immediately all our industry. We believe more than the United States in the creation of Crown corporations and in the intervention of the Government to make things work. I said that this system threatens our manufacturing industry and puts it at risk. In the long run it will either be pressuring for lower taxes and lower social programs in order to compete with American firms. If that is not obtained then the way will be open to go to the United States, manufacture just over the border and sell back into Canada because there will be no tariffs.

I wish to quote a statement made by the former head of worldwide loans for the Dresden Bank in Germany. He said: "I know that it is not a friendly argument, but it seems to be the truth. If large European firms are given the option of

creating a manufacturing plant in either Canada or the United States, they will almost by definition choose the United States. That is because of such factors as transportation costs, taxation rates, market size and labour laws". This was not said by a Liberal, or by Warren Allmand, the Hon. Member from NDG. This is what an economist from Germany has said. He has stated if they cannot get the competitive factors in Canada which are favourable to them, then they will move to the United States. They would do that more likely in a situation where they are building a new plant, or modernizing an old plant. Obviously, if they have a plant in existence now they will let that continue and not move it. However, the pressures are there. They are dangerous for Canada and for our independence and sovereignty.

• (2050)

Mr. Reimer: If I may, I would like to ask the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) a couple of questions. The Member was speaking about the fact that since shortly after World War II the average tariff between Canada and the United States was approximately 30 per cent, and now it is approximately 5 per cent on average. The Hon. Member was saying how we had moved from 30 per cent down to 5 per cent before we got into the trade negotiation and now the agreement before us. Nowhere did he say, during that phasing from 30 per cent down to 5 per cent that there was any loss of sovereignty, or that Canada was in any way restricted in any of its policy choice. Why is it, when the tariff moved from 30 per cent down to 5 per cent, there was no loss whatsoever, but as soon as the tariff moved from 5 per cent down to zero, all of a sudden all the sovereignty is lost? Could the Hon. Member explain that?

My second question concerns social programs. I am sure the Hon. Member received the booklet entitled *Evaluating the Free Trade Deal* from the C.D. Howe Institute. On the question dealing with social programs the booklet states:

> First, 71 countries—including all the advanced industrial countries except Japan and Canada—are currently in regional trade-liberalizing arrangements. None has complained of lost policy independence. For example, the Netherlands maintains an expensive set of social policies, yet it has been in a free trade area with low-spending Belgium for 50 years. Sweden also has many high-cost social policies—indeed many more than does Canada—yet this little country of 8 million people trades tariff free with such economic heavyweights as West Germany and France. Throughout history, rich countries have traded profitably with poor countries, and high-spending countries have traded profitably with low-spending countries. The evidence from other countries is clear: *free trade is not the enemy of diversity in social policy*.

I ask the Hon. Member, where is the evidence? If the evidence of 71 countries involved in these arrangements proves to the contrary, where is the evidence?

Mr. Allmand: I will deal with the last question of the Hon. Member first. He is falling into the trap I mentioned at the beginning of my speech in which he compares countries in the Common Market and their arrangement, which is a multilateral arrangement between many countries balancing off each other, with this proposed agreement between Canada and the United States which is 250 million to 25 million with, for the most part, common language.

There is a considerable difference in the Common Market. As far as cultural matters are concerned, not only does Holland have its own language, but it is able to counterbalance. There is no overwhelming partner in that arrangement. If Germany and France decide to gang up on Holland—

Mr. McDermid: Germany is not overwhelming? What are you telling me?

Mr. Allmand: The Hon. Member has nothing to say when he is on his feet making a speech, yet he continuously shouts from his seat.

There is a serious difference between that arrangement where countries can balance each other off in their negotiations, this arrangement where there is a country which is the strongest economic power in the world, with basically the same language as Canada, except for Quebec and parts of other provinces, but the threat to our sovereignty and independence is much more serious.

Mr. McDermid: What bunk!

Mr. Allmand: The Hon. Member says that is bunk. Whenever someone says something opposed to the point of view of the Hon. Member, it is bunk. In that sense he belongs to the same school of thought as the Minister whom he represents, because that is all the Minister can do. When the Minister has no argument, he calls his opponents names.

I wish to point out to the Hon. Member who seriously asked me that question, the reason the people in the outer seven, Austria, Switzerland, Sweden, and Finland, did not join the Common Market, is that they did not think those arrangements were suitable for their countries. Yet they have set up a free trade arrangement which is different from the Common Market, and they are free traders in a different way.

While we oppose that free trade agreement that has been put forward with the United States, we point out that since the end of the Second World War, on a step by step basis dealing with tariffs only, and not dealing with access to energy, agriculture, cultural industries, service industries, financial services, and the restricted use of Crown corporations, without dealing with all those things, we were able to achieve this type of freer trade with the United States, and we would support that. We are not opposed to the lowering of tariffs with the United States. What we are opposed to are the many other things that are in this agreement.

The Acting Speaker (Mrs. Champagne): The period for questions and comments has now expired. Resuming debate with the Hon. the Solicitor General (Mr. Kelleher).

Hon. James Kelleher (Solicitor General of Canada): Madam Speaker, it gives me great pleasure to be able to speak today on one of the most important achievements of this

Government, the negotiation of a trade agreement that will secure and enhance Canada's trade with our largest trading partner.

As Canada's former Minister for International Trade, and as the Member representing the northern Ontario riding of Sault Ste. Marie, I am particularly pleased that Bill C-130 has now reached third reading stage in the House of Commons.

Today I would like to focus on why Canada must develop a more predictable trading relationship with our friends to the south, and why the trade agreement is a good deal for Canadians, particularly Canadians living in northern Ontario.

The need and the rationale for a new trade agreement with the United States quickly became clear to me in September, 1984, when I assumed my responsibilities as Minister for International Trade.

When our Government took office in the fall of 1984, Canadian exports in several key sectors were under fire in the United States. Our forestry, mining, fishing, and manufacturing exports to the United States were being targeted regularly by American trade actions. Yet there was no mechanism in place to allow us to protect our interests effectively. Our Prime Minister (Mr. Mulroney) demonstrated both leadership and a national vision when he put on our political agenda the negotiation of a free trade agreement.

In today's world the *status quo* would not provide the jobs required for Canadians in the 1990s. Our Prime Minister had campaigned in the 1984 election on the theme of "jobs, jobs, jobs". In northern Ontario we understood that clearly those new jobs could not be created without such a comprehensive trade agreement. Simply stated, the *status quo* was not working, and thousands of Canadian jobs were at stake.

Take for example an industry that is critically important to the well-being of Canada's manufacturing industry, and to my riding of Sault Ste. Marie, the steel industry. In 1984, the U.S. International Trade Commission recommended that protectionist quotas and/or tariffs be allowed and applied to certain products of steel. In the end, voluntary restraint agreements were proposed for all of the steel products exported from countries considered to be trading unfairly through dumping or subsidization. At the time there were strong voices in Congress arguing that Canadian steel exports should also be blocked.

The stakes in this game were high for the residents of Sault Ste. Marie. Algoma Steel is the primary employer in my riding, and Algoma exports approximately one-quarter of its production to the United States. Well over 2,000 jobs directly depend upon steel exports south of the border. Ultimately, we have succeeded in excluding the Canadian steel industry from being side-swiped by these protectionist measures that were aimed primarily at countries like Brazil and Japan. However, our steel producers continued to be targets of various rear-guard actions.

• (2100)

I quickly realized that, although Canada and the United States had an institutional mechanism to deal with the administration of the bridge that links our two countries in the Sault, there was no dispute resolution mechanism available to deal with our day-to-day trading relationship. Trade disputes were being dealt with on an *ad hoc* basis, with varying results.

It would have been irresponsible to continue to try to manage the largest two-way trading relationship in the world on an *ad hoc* hit-or-miss basis. This is one of the primary reasons that led to our decision to explore the opportunity of securing and enhancing our trade with the United States.

We carefully examined the facts and consulted with Canadians before embarking on negotiations with the Americans. Three of the most noteworthy facts are as follows: First, Canada has an internal market of 25 million people. This market is spread over 4,000 miles and is subject to various interprovincial barriers.

Our domestic market is relatively small when compared to the United States domestic market of over 240 million, or Japan's market of 130 million. Let us not forget that producers in the European Economic Community have access to a single market of 320 million consumers.

Second, given our relatively small domestic market, Canada must trade with other countries if we are to prosper as a nation. About a third of Canada's Gross National Product depends on access to foreign markets.

Among industrialized countries, only West Germany comes close to Canada's degree of dependence on access to foreign markets. However, West Germany has privileged access to a market of over 300 million consumers, whereas Canada's domestic market is less than one-tenth in size.

The importance of trade to Canada can perhaps best be understood in terms of jobs. Three million Canadians depend on trade for their jobs.

Third, the United States is by far Canada's largest trading partner. Over three-quarters of Canadian exports are sold to the United States, and approximately 2 million Canadian jobs depend on this trade. Last year Canada's two-way merchandise trade with the United States totalled approximately $175 billion.

The United States is Canada's most important trading partner for many reasons that relate to geography, history, and economics. Although the Trudeau Government's third policy option attempted to increase Canada's trade with Europe and decrease our trade with the United States during the 1970s, the relative importance of the U.S. market has continued to grow.

Given the fact that Canada must effectively manage its trading relationship with the United States if we are to prosper as a sovereign nation, our Government began a consultation

process with Canadians to determine the best option available to us.

Yes, Madam Speaker, there has been extensive consultations with Canadians. Although there are some who pretend that Canadians have not been consulted on this trade agreement, the facts indicate that the consultation process has been moving forward for almost four years. As a front row player, I am proud to have been part of this Government's extensive consultation process with the Canadian people. Never in the history of Canadian trade negotiations were so many people involved in examining Canada's trade options.

In November, 1984, my colleague, the Minister of Finance (Mr. Wilson) released our agenda for economic renewal. At that time, we clearly stated that:

> The Government will examine, as a matter of priority, and in close consultation with the provinces and the private sector, all avenues to secure and enhance market access. This will include a careful analysis of options for bilateral trade liberalization with the United States in the light of various private sector proposals, as well as preparations for and opportunities provided by multilateral trade negotiations.

In January, 1985, I released a discussion paper that was widely circulated throughout the country. The discussion paper set out four main options to deal with our trading relationship with the United States: one, maintain the *status quo*; two, negotiate sectoral or functional arrangements; three, negotiate a framework agreement; four, negotiate a comprehensive arrangement similar in scope to the agreement we are considering today.

Following the release of our discussion paper, I set out across the country and met with the provinces and many groups and individuals from the private sector, unions, the universities, and elsewhere.

However, we were not content in limiting the consultation process to my travels across the country. In 1985, Cabinet approved my proposal to set up both the International Trade Advisory Committee chaired by Walter Light, as well as 15 sectoral advisory committees. These committees were made up of men and women from virtually all major industries and regions in Canada. Many meetings were held to ensure that this trade agreement was based on the most complete information available, and to ensure that Canadians could provide ongoing input during the negotiating process.

I would like to take this opportunity to thank again all individuals who so generously volunteered their time and their energies to this successful grass roots consultation process.

I am very pleased that this consultation mechanism has not been dismantled following the successful conclusion of our negotiations with the Americans. These committees were recently restructured to ensure that there is also meaningful consultation for the second track of this Government's trade policy—the Uruguay Round of multilateral GATT negotiations.

The Prime Minister has stated on many occasions that "gone are the old days of confrontation"; that our Government will listen and consult before acting. These consultations on Canada-U.S. trade were consistent with our Prime Minister's new approach to consultation rather than confrontation.

Rather than continue discussing the many ways in which Canadians have been consulted over the past four years, I will now turn to the second main point that I wish to discuss tonight—why this trade agreement is a good deal for Canadians, and particularly Canadians living in northern Ontario.

I mentioned earlier that Canada as a whole ships about 75 per cent of its exports to the United States. The importance of secure access to the American market is particularly well understood by Ontario residents, because 90 per cent of Ontario's exports are shipped to the United States.

For example, the forestry, mining, and steel industries are three of the most important employers in northern Ontario. All three of these key industries require secure access to the United States and, therefore, will be among the big winners as a result of the dispute resolution provisions in the agreement.

The forestry industry employs about 150,000 people in Ontario, most of whom work in northern Ontario. Over 20 communities in northern Ontario rely on the forestry industry.

In the Algoma area alone, there are seven major sawmill and forest product plants that employ about 1,500 people. These plants export around 90 per cent of their product to the United States. In addition, St. Mary's Paper in the Sault employs 500 people and exports 95 per cent of its paper products to the U.S.

The primary producers in the forestry industry will benefit from the creation of a dispute settlement mechanism that gives Canadians rights where before they had none. The fact that Canadian firms can now appeal adverse determinations by American trade tribunals to an impartial binational body will greatly assist our producers of lumber, pulp, paper, and newsprint.

Likewise, the producers of high value-added forestry products such as some papers, particle board, and plywood, will benefit from the elimination of existing tariffs because their products will become more competitive in their primary market.

Producers of converted products such as windows, doors, and kitchen cabinets also stand to benefit from free trade access to the United States. Most of Ontario's $5 billion mining industry is located in northern Ontario. Over 20,000 people in over a dozen communities work in the mining industry in the North. Since 75 per cent of its production is exported to the United States, it is easy to understand why the mining industry has responded favourably to the trade agreement.

• (2110)

In addition to the benefits flowing from the dispute resolution mechanism, tariff reductions will provide major benefits to the mining industry. Since American tariffs on metals and minerals now escalate when value is added to the raw resource, the removal of these tariffs will stimulate exports at the higher value-added sectors in the mining industry such as smelting and refining.

I would like to conclude with a brief discussion of the steel industry. With the recent share acquisition by Dofasco, Algoma Steel is part of the largest Canadian steel producer and is also one of the top five steel producers in North America. The trade agreement enjoys broad support in the steel industry, and rightly so. Algoma exports 25 per cent of its production to the United States and will greatly benefit from the dispute resolution provisions.

It is interesting to note that although both opposition Parties have vowed to tear up this agreement, no one has offered a viable alternative to our Government's two-track trade strategy. It is ironic that both the opposition Parties have indicated that after tearing up the trade agreement, they will attempt to negotiate a series of more limited agreements that are confined to specific sectors, although the eligible sectors have not been fully identified! Unfortunately, the so-called sectoral approach was attempted earlier this decade by the Liberals and failed. Furthermore, three years ago, the Macdonald Royal Commission on economic union and development prospects carefully considered the sectoral approach and concluded that it was open to "several serious objections."

Likewise, although the sectoral approach was one of the options considered in our 1985 discussion paper, my cross Canada consultations quickly led me to conclude that the sectoral approach was unworkable. I therefore find it highly ironic that both opposition Parties are now attempting to offer the sectoral negotiating approach as a viable alternative to this trade agreement. The sectoral approach was tried less than five years ago and it got nowhere. There is absolutely nothing to indicate that this discredited approach would fare any better today.

The comprehensive trade agreement we have negotiated with the United States is the product of extensive consultations with Canadians from every walk of life. As a result of this grass roots consultation process, this trade agreement will provide major benefits to all regions of the Canadian economy. In particular, northern Ontario will be the big winner because its forestry, mining and steel industries stand to gain significantly. I therefore look forward to voting for Bill C-130 later this week.

Mr. James: Madam Speaker, the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) spoke about the GATT and the Common Market. I would like to ask the Hon. Member for Sault Ste. Marie (Mr. Kelleher), the former Minister for International Trade, to comment on that.

When speaking about the trade agreement, the Member opposite talked about the things we keep hearing about. He did not talk about anything very new, but there are a couple of new things on the horizon. Last week, President Reagan signed the omnibus trade Bill and the competition Act in the United States. A month ago in London, the EEC External Affairs Commissioner, Willy de Clercq, said, and I quote:

> —the concept that will be imposed on importing nations after the EC opens its internal market in 1992 is one of "over-all reciprocity." He asserted that this was consistent with the international trade rules under GATT (General Agreement on Tariffs and Trade). But most nations see the Europeans extending the protectionism they now practice in agriculture to such areas as financial services, merger policies, government procurement, local content rules and so on.

We have a major Bill in the U.S. and the expressed opinion of the Commissioner for External Affairs for the European Economic Community talking about protectionism. The Japanese, Latin Americans, and Southeast Asians are looking at this sort of movement and are not likely to change their barriers to trade. Yet the Hon. Member for Notre-Dame-de-Grâce—Lachine East undoubtedly supports his Leader who says that he will tear up the agreement.

From the Minister's experience, what would he see happening if we allowed ourselves to tear up an important agreement with the United States? What kind of signal would that send out to these other important trading blocks that have already expressed some pretty important protectionist sentiments or have already passed some in Bill form?

Mr. Kelleher: Madam Speaker, I can certainly advise the Hon. Member that if one looks at the trade statistics over the years, one will see that 10 or 15 years ago, we exported as much as 20 per cent of our product into the European Community. Today, following the creation of the European Economic Community, we export only 7 per cent or 8 per cent.

I know what happened to Canada when Norway and Sweden came in as associated members. We were denied access to some of our trade in the pulp and paper industry. I know what happened to Canadian trade when Portugal and Spain became members of the European Economic Community. Again, our trade suffered as a result.

It is absolutely vital for us to protect our market in the United States where approximately 75 per cent of our exports go. One of the things the critics have overlooked in condemning our Bill and in telling us that they will tear it up is the very important, careful, methodical studies that have been done by recognized experts on what will happen if we do not have this trade agreement. There is no such thing as the *status quo*. We cannot stand still. We either go ahead with this agreement or we will be subjected to continued protectionist pressures from the United States. We saw all kinds of that before we negotiated and concluded this agreement, and there is no reason to suspect that if we do not sign this agreement, those pressures will not continue. One only need look at the continuing trade

deficit in the United States to realize that those pressures will become unbearable on an administration and will reflect themselves on protectionist measures against Canada. The moment that happens, Canada will lose jobs. We cannot allow that to happen. We care about jobs. The other two Parties obviously do not care about jobs. That is why we are the Government and they are not.

Mr. Darling: Madam Speaker, I listened with great interest to the Minister's comments. He pointed out how important this agreement was to northern Ontario and listed the effects it would have on the forestry and mining sectors. I wonder what his comments would be with respect to the second most important industry in Canada today, one which has a great effect on northern Ontario and down into my own riding as well, and that is the tourist industry. I am of the impression that this free trade agreement will greatly enhance the tourist industry and will make it much more viable and even better than it is.

We are all aware, and I know the Minister is as well, that the one province that will gain the most from this, the Province of Ontario, is one of the two provinces opposed to it. Yet, if my memory serves me correctly, the Ontario Government sent trade and industry people to Europe and to the Pacific Rim to point out that it would be to their advantage to come to Ontario to establish industries because they would then have a springboard to the great American market of 250 million people. If that isn't talking out of both sides of their mouth at the same time, I would like to know what is. I would appreciate the Minister's comments on that.

• (2120)

One very prominent speaker, who I will admit was in favour of the free trade agreement, said that prior to the last Ontario general election the campaign was sort of blah and no one was excited. The back-room boys told Premier Peterson that he should get on to something really sexy which the people would jump for, and that was free trade. He was rather hesitant at the time so they said: "You don't have to worry, Mr. Premier; go out against free trade because there is no way in God's green earth that the free trade agreement will ever come to pass". As a result, that is what the Ontario Government did.

I think Premier Peterson is finding out that that is backfiring now because a lot of his friends and those who helped him to be elected are putting pressure on him to take it easy as far as the free trade agreement is concerned. I would appreciate the Minister's comments on that.

Mr. Kelleher: Madam Speaker, I certainly agree with the Hon. Member and, if I did not, he would certainly tell me about it. However, in this particular case he is absolutely correct. How a province which exports 90 per cent of its exports to one country could possibly be opposed to a trade agreement with that country, when this agreement is going to enhance trade and secure jobs for that province, is beyond me.

The Province of Ontario, more than any other province, knows the benefits of free trade because some 20 years ago we negotiated the Auto Pact which, in effect, is a free trade agreement. No other province in this country benefits more from the Auto Pact than the Province of Ontario and, I may say, the riding of the Leader of the NDP. General Motors has invested $2 billion in that riding because of the Auto Pact which has created thousands of jobs there. I have not yet heard the Hon. Member for Oshawa (Mr. Broadbent) stand up in this House and condemn that agreement.

I cannot understand why the Province of Ontario or the opposition Parties are against an agreement which is going to provide more secure jobs for the people of not only Ontario but the whole country. That is beyond me.

Mr. Jim Manly (Cowichan—Malahat—The Islands): Madam Speaker, I appreciate the opportunity to speak in the third reading debate on Bill C-130 which implements the Canada-U.S Free Trade Agreement. I cannot stress enough the importance of this debate and of this Bill as we lead up to the next election, because the trade agreement and Bill C-130 which implements it foreclose on the possibilities for the Canada of the future which we could create after the next election.

Bill C-130 is a radical Bill in the sense that it goes to the roots of what Canada is all about. It is my position and the position of the New Democratic Party that it is destroying those roots. It is radically evil in that way. The trade deal is the Government's way of recognizing new economic forces in our world, forces which we must all recognize. These forces strengthen the power of multinational corporations at the same time as diminishing the power of nation states.

Mr. McDermid: Why is small business supporting it?

Mr. Manly: Pay attention and you will find out. Bill C-130 not only recognizes these forces but submits to them and places Canada at their service. The rise of multinational corporations and the loss of sovereignty by nations come at the very time when ordinary people throughout many nations in our world were taking control of their own lives by assuming control of their nations. How frustrating this is. The struggle of hundreds of years by common people to control their own lives and their own economic destiny by having a form of social democracy is now being eroded by multinational corporations. Practices such as multiple sourcing, transfer pricing, and electronic currency flows mean that when these nations attempt to regulate their own economies multinational corporations can get around those regulations.

The first nations that felt these new forces were, of course, the developing nations. Immediately after fighting for and winning their independence from European colonial powers, they became the playthings of the new colonialism. Instead of their economies taking off as they had hoped, they found that

their economies were faltering and falling along with commodity prices and that commodity prices were being manipulated by the large corporations which were buying and importing them.

This has now been compounded by the debt crisis. The debt crisis has meant that in many countries there is a virtual international monetary fund dictatorship as to the kinds of policies that these different countries can put into place. They have been forced to change the whole direction of their economies. They have been forced to open up their economies to much more rapid exploitation by foreign capital, and now it is our turn.

Canada, of course, has never been immune to external economic forces. Many of us are old enough to remember the depression of the 1930s. We all have some knowledge of the great period of unemployment we had in the seventies and eighties which continues in many parts of Canada today. We know what these economic forces are.

In the past Governments have traditionally taken action which would mitigate the worst effects of these economic forces. At the same time the new economic forces present in our world themselves limit the powers of countries to ease these effects.

In the face of these new forces and this new kind of reality, I want to consider what Canadians should be able to expect from their Government. What kind of policy should a Government bring in which would help Canadian people deal with the new forces facing them? What kind of policies should they be able to expect from a right wing Government such as we have today? What kind of policy should they be able to expect from a more progressive Government?

First, let us consider a right wing Government. The first thing they would expect is that the Government would not simply surrender to those forces but would maintain the national integrity of financial institutions such as banks, that it would maintain the national integrity of our economic institutions, that it would husband our resources and take care of our energy supply because these resources, and particularly energy, are the key to the future economy of our country. We would expect that even a right wing Government would ensure that the social programs which have been put in place over the past 60 years to protect Canadians in time of difficulty would be protected.

We would expect that even a right wing Government would keep the Canadian level of control and ownership in Canadian business rather than having that level disappear. We would expect that even a right wing Government would safeguard our culture, and we would expect that it would work in international fora for trade liberalization which also has safeguards to ensure that Canadian workers are not the victims of trade liberalization.

• (2130)

In other words, Canadians should have been able to expect the sort of programs that the Progressive Conservatives promised in the 1983 election but have not delivered. They are the kind of promises that were made when the Prime Minister (Mr. Mulroney), the Secretary of State for External Affairs (Mr. Clark), and the Minister of Finance (Mr. Wilson) all indicated that they were opposed to any kind of free trade agreement with the United States, when they were running for the leadership of the Progressive Conservative Party.

Mr. McDermid: Not any kind.

Mr. Manly: They were opposed to a free trade agreement with the United States. When they were running for the leadership of the Progressive Conservative Party, they declared that such a policy was simplistic. They declared that the Canadian people had rejected it in 1911 and rejected it again in 1983. They appealed to the view that Canadians did not want their economy to be totally integrated with that of the United States. The appealed to the view that Canadians had a pride in their own ability to deal with economic problems. While they made those kinds of commitments, they have not followed through on them.

A good example is when the Government, in 1985, came out with its very brave Baie Comeau policy with respect to book publishing. It said that if a Canadian book publisher or distributor was taken over by a foreign firm, the foreign buyer would have to find a Canadian majority owner or control within two years. According to the trade agreement, now the Canadian Government has the onus put upon it to ensure that there will be fair market price paid to the foreign buyer of this Canadian outfit. It does not say how the fair market price will be determined. The Canadian Government becomes the buyer of last resort.

In other words, the whole pressure of enforcing that policy is put on the Canadian Government and the financial pressure is thrown back on the Canadian taxpayer. It is another way in which the Government has betrayed its commitment to protect Canadian culture.

These are some of the minimum expectations we would have even from a right wing Government if that Government cared about Canada. Given the reality of economic forces in Canada in 1988, what could we expect?

I believe that all the positive measures I mentioned earlier that we would expect from a decent Conservative Government we would also be able to expect from a more progressive left wing Government.

In addition, however, we should be able to expect that the Government would be involved in a democratic planning process for the rational use of our resources, our skills, and for the rational use of government power in order to stop the leaks in our economy, to promote a greater self-sufficiency, to prevent unnecessary outflows, and to develop our international

strengths, to develop our competitive edge. That would mean the intelligent use of our natural resources of energy, our human skills, and potential. It would mean the intelligent and planned use of public ownership and a recognition of the value of the public sector in and of itself, not just for any incidental contribution it might be able to make to the bottom line of the GNP. In this way, the value of health, education, highways, sewage treatment, parks, recreation and cultural activities in and of themselves would be recognized.

We would expect such a Government to work internationally to raise the standards for working people all over the world, because we cannot live in a fortress Canada any more than we can live in a fortress North America. Perhaps one of the fundamental flaws of the trade agreement is the idea that we can somehow live in a fortress North America. We must work with people all over the world so that the living standards of all peoples are raised. In that regard, I think we must push very actively for a clause in GATT that would tie trade liberalization with the developing countries, to improvements in the wages and working conditions in those countries.

We would expect further development of regional programs and development of decent programs of income redistribution, fair taxes, skill training, and labour adjustment. These are the types of programs we should have been able to expect from the Government, given the kinds of forces that are facing the Canadian economy and economies all over the world. However, that is not what the Conservatives delivered. While they made some of these commitments in 1984, they have not followed through with them.

Instead, Canadians received what the Conservatives did not promise or campaign on. They got a trade agreement with the United States. Rather than trying to protect Canada and Canadians from the effect of economic forces, the Government surrendered to them. We saw that as we were leading up to the agreement, with the gutting of the national energy policy and the dismantling of the Foreign Investment Review Agency. We saw it with programs of privatization and deregulation, both of which meet the demands of large business and further help to harmonize our economy with that of the United States.

We saw it in the supine way in which the Government refused to fight the countervail tariff on softwood. First the Government said that it would fight. Then it said that it would negotiate. Then it was going to fight again. Then it was going to negotiate. It simply caved in and there was a 15 per cent tax imposed upon ourselves.

We saw the surrender with the Government's acceptance of the American pharmaceutical industry's demands that we get rid of the kind of legislation that allowed Canada to produce low cost generic drugs that were of great benefit to many Canadians. We saw the Government push through legislation that resulted in higher cost drugs for Canadians, so that it would be in closer harmony with what they have in the United States.

Mr. McDermid: With the world.

Mr. Manly: Instead of Canada leading the world in terms of a program which has decent drug prices, we are now right back, lock-step with the United States pharmaceutical corporations.

Mr. McDermid: Ask the European ones what they think of it too.

Mr. Manly: I am sure that drug companies in multinational corporations from Europe would be just as happy as American companies to fall in with this. There is no debate there.

We have seen the examples of surrender in the trade agreement. The Government did not get what it said it would achieve in the agreement. It did not get the assured access it was seeking. It did not get a proper dispute settlement mechanism.

However, it gave the United States interests a great deal of what they wanted. They got national treatment with respect to American ownership of Canadian banks. They got no review of United States takeovers of Canadian companies under $150 million, whereas there used to be a review of everything over $5 million. We lost the possibility of any kind of preferential pricing for energy or other resources, which meant that we lost a possibility for developing a competitive edge.

We gave Americans open access to the Canadian market for U.S. services. Free trade in services might also benefit some large Canadian corporations that want to do business in the United States. When I asked Donald Macdonald about this, he mentioned the Reichmann's as an example of one company that would profit. We have given the Americans access to Canadian resources. There is a period of five years to seven years when the United States and Canada will try to define what constitutes unfair subsidies. This will be a time when there will be further pressure on Canadian programs, for example, regional programs. In other words, we are buying a pig in a poke.

• (2140)

Mr. McDermid: The Americans have more than we have.

Mr. Manly: The Americans might have more than we have, but the American programs are protected by the clause that says that security interests are outside the scope of this agreement.

Mr. McDermid: Well, they do it in all kinds of ways. Don't lay that one on us.

Mr. Manly: In addition to what we have given directly, we know the agreement will have an effect on Canadian culture, although, on the one hand, it says that Canadian cultural industries are exempt. The second part of the agreement says that the Americans can take action of the equivalent commercial effect. In other words, what is given with part of the agreement is taken away with another part.

Mr. McDermid: Not true.

Mr. Manly: It is going to have an impact on our social programs, on our regional programs, because of tax harmonization. It is going to have an impact, and it already has, upon labour standards and wages. I have heard of workers who have been involved in wage negotiations and the argument they have been given is that if they want to protect their jobs, they had better have wages that are comparable to those in the United States.

We are going to be competing with a number of states down in the southern United States which have right to work laws and minimal wages as low as $1.35. We are going to see a result of this agreement in increased militarization of our economy because national security is exempt from the agreement. The failure of Canada to get exemptions from the U.S. omnibus trade Bill is something that has to be of great concern to all Members in this House. It was of concern to all members of the Standing Committee on External Affairs and International Trade last fall. They said that if those exemptions were not given, we should not go ahead with this agreement.

I see my time is up. I simply want to emphasize the fact that the Canadian people, including some of those who support the agreement, but definitely those who oppose it, want to see an election on this issue before this agreement is implemented. Therefore, I would move:

> That the amendment be amended by deleting the period and adding the following therefor:
>
> "In the context of an imminent general election".

Mr. Nickerson: That is not in order. That is not acceptable, Mr. Speaker.

The Acting Speaker (Mr. Schellenberg): I will wait for the amendment to arrive at the chair before a ruling is made. Questions and comments.

Mr. McDermid: I have listened to my hon. friend, and have for some time, because he sat on the trade committee and listened to the testimony of those people who are going to be most directly involved with the trade agreement, the people who create employment and make the economy tick. It is not the politicians; it is the industries, the small businesses, and so on. I listened to this old canard the New Democratic Party keeps dragging out about the mass movement of industry to the southern United States because there are no minimum salaries down there and no trade unions. What I cannot understand is that if it is so great down there, why have the industries not moved already? Why have they not moved *en masse* to the southern United States? I will tell the Member why. The productivity is probably the worst anywhere in the United States. The workforce is not a well educated workforce and it is an unproductive workforce.

I watched three of the governors from those states the Member talks about on television the other day. They are almost bankrupt.

Ms. McDonald: And they have free trade. How can it be they are bankrupt with free trade?

Mr. McDermid: Listen to the Member. Her finest speech is from the seat of her pants. She is marvellous.

Ms. McDonald: Explain it. You say they are nearly bankrupt but they have free trade with the United States.

Mr. McDermid: States in the United States have free trade with the United States? How does that work?

Ms. McDonald: They have free trade with all of them already.

Mr. McDermid: What is the Member talking about? Of course they have free trade with United States. They are part of the United States. I am talking about the Governor of Louisiana, the Governor of Alabama, and the Governor of Mississippi, I believe, who were on television. They are having a terrible financial time. No one is investing down there. The evidence they gave is that no one is investing down there. Three of them are banding together to go to Japan to invite foreign investment into their states because they cannot get people to invest. They cannot get people to invest there because the productivity is no good.

Why is foreign investment coming to Canada? Why are they investing in Canada? It is because of a stable financial situation, a stable Government, and a good outlook for the future. They have now got themselves access to an American market.

Mr. Thacker: We are good workers.

Mr. McDermid: Exactly. That is the key to the whole thing. I heard my hon. friend knock Mr. Reichmann. Mr. Reichmann had a choice. He could have established himself in the United States but he established himself in Canada. Why? He said it was because Americans work hard but Canadians work smarter. We do. We have an excellent educated workforce. We have productivity that is growing. The Member should take a look at what our steel industry is doing. It can compete with any steel industry in the world. Our auto industry produces a car less expensive today than the United States. What I am saying is that the Hon. Member and all his socialist friends stand up here and knock the multinationals, yet he loves big Crown corporations; the bigger, the better. The NDP wants to nationalize the banks and another oil company, yet they knock big multinationals. It is all right if the Government of Canada owns them and the NDP runs them. They love that.

Mr. Thacker: Would they nationalize General Motors?

Mr. McDermid: The Hon. Member sat in committee, as I did. He was a very faithful attendee. He heard testimony from small and medium-sized and large business groups. He heard from service industries which are actively involved. He heard from groups which will be the most affected by the free trade agreement. With very, very few exceptions—and the exemptions, we found out, were a fringe group of perhaps three or four members—they supported the free trade agreement. Did any of that testimony not sink in to the Hon. Member?

Mr. Manly: Madam Speaker, the Hon. Member has asked a number of questions and made a number of comments. I would like to begin by replying to his comment about the southern United States. Certainly, it has been the experience of British Columbia where we have the large firm MacMillan Bloedel, which is now, of course, owned by its own multinational—

Mr. McDermid: Is it Canadian or American?

Mr. Manly: In the long run, it does not matter that much once one reaches that level. I think J. V. Klein, former head of MacMillan Bloedel, pointed out that capital did not have any kind of nationalism, that it was free to move across borders. That is exactly what it did. It took the profits that were earned by the people of British Columbia, with the resources of British Columbia, and moved down to Alabama. Other companies moved down to Georgia and so on, and they invested down there. We went through a very, very difficult time. Our forest industry is still going through a very difficult time because too many of those companies have a cut and cut out attitude with respect to our resources and because we have a Government that is stupid enough to let them get away with it.

• (2150)

As for the fact that the Governments down there are bankrupt, well, that is an inevitable tendency when there are Governments that take almost exactly the same attitude as this Government takes. That is to say: "We are open for business. We want to make a deal. We will make a deal. It does not matter what the price is". That price may be paid 20 years down the line. Down in Louisiana 20 or 30 years ago there were probably some politicians who thought at that time that they were pretty smart because of the deals they were able to make with some of these corporations. They have since found out that they were not getting anything in return. It was give, give, give, while the corporations could only take, take, take. That is exactly the attitude of this Government.

Mr. McDermid: Give us an example.

Mr. Manly: The Hon. Member wants to point to the fact that the Canadian Government has been stable in the last number of years, that we have an educated workforce, and that we have resources. These are certainly reasons why people will want to come and invest in Canada. However, the point is that once we enter into this trade agreement and we no longer have the kind of sovereign power to manage our own resources—

Mr. McDermid: Show me in the agreement where it is taken away.

Mr. Manly: We say that Americans will have national treatment when it comes to ownership of banks. They can come in here and purchase our companies. We cannot have preferential pricing any longer. All that sort of thing takes away our right to manage our own economy. When we lose those rights, we lose the rights to protect the interests of Canadians.

Mr. McDermid: That is not true.

Mr. Manly: Of course it is true. It is right here in the trade agreement. The Hon. Member knows that it is in the trade agreement.

Mr. McDermid: I do not know it is in there because it is not there.

Mr. Manly: We favour Crown corporations as opposed to multinationals. Certainly multinational corporations make some very important contributions to our world. I do not deny that. What I am trying to say, and what is important for the Hon. Member and everyone in Canada and in the world to recognize, is that multinationals are developing a power unto themselves, a power which is not subject to the sovereign control of the people.

What I am trying to emphasize is that after a period of several hundred years in which the people of our world—particularly the people that make up the bulk of the Canadian population—have struggled for popular control of their nations, they now find that getting control of their nations does not mean that much because effective control is being sapped from within by the power of multinational corporations which are not answerable to the people. If we are talking about Crown corporations, what we have to do is ensure that they are answerable. Certainly, members of my Party do not dispute the fact that too many Crown corporations have not been answerable to the people of Canada. There is no question about that.

The Acting Speaker (Mrs. Champagne): The time allotted for questions and comments has now expired.

The Chair has been looking at the amendment to the amendment presented by the Hon. Member for Cowichan—Malahat—The Islands. The Chair has some serious reservations about the relevancy of the amendment to the amendment already before the House. I would like to reserve my decision on this amendment until tomorrow and allow debate to continue at this time.

Mr. Boudria: Madam Speaker, I rise on a point of order. It is now 9.55 p.m. Of course I do not know which Hon. Member the Chair now intends to recognize. However, may I make a suggestion which would perhaps be agreeable to all Hon. Members of the House? It is that instead of having a five-minute speech now, which no doubt would not be satisfactory

to whoever it is the Chair wishes to recognize, that we call it ten o'clock.

Mr. McDermid: Madam Speaker, he is one of the fellows who wanted the debate. He is one of the fellows who complained. They now want to quit at five minutes to ten. I would ask the Chair to recognize my colleague, the Hon. Member for Crowfoot (Mr. Malone).

Mr. Boudria: That was very nice. I was trying to help one of your guys, stupid.

The Acting Speaker (Mrs. Champagne): The Chair is willing to call it ten o'clock but, obviously, there is not unanimous consent. The Chair recognizes the Hon. Member for Crowfoot on debate.

Mr. Arnold Malone (Crowfoot): Madam Speaker, I want to assure the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) that this will be five delightful minutes. I am sure that he is quite pleased that he has had the opportunity both to be here tonight and, I am sure, to stay.

It is important that we take a look at the recent history of Canada's economic place in the world. The fact of the matter is that when our Party came to government in 1984 at that time as a nation in a position of rate of growth *vis-à-vis* the rest of the world Canada was in thirteenth place, just behind Luxembourg. Today, we are ahead of Japan in terms of rate of growth. We are ahead of the United States. We are ahead of West Germany. There is no one in front of us. We have a faster rate of growth than any other nation on earth.

Also important to recognize is that we have cut by almost 50 per cent the disastrous rate of unemployment which was facing our country at the time that we inherited the Government after 16 years of Liberal rule.

It is also a fact that we came into office on the promise of jobs. While we have created more than a million and a half jobs, we are not content. We are not satisfied. We know that we will not reach the potential of our nation, the potential of this land with the greatest base of resources of any nation on earth, until we have secured markets. It is physically impossible for 25 million people to be a market unto itself. We live in a world today in which, to quote the Hon. Member for Cowichan—Malahat—The Islands (Mr. Manly), there are new economic forces taking place. While he did not say it, one of the most important of the economic forces taking place is trading blocks. That is why today, with 92 nations belonging to trading blocks, there are 14 trading blocks around the world.

Members of the Opposition say to the Canadian people: "Remain isolationist and alone with a little secure market of 25 million people. Pretend for some reason that you can be secure". We could not—and we never did—live with such an insular attitude about trade when the Japanese and the Americans, as well as the Europeans and other nations, are reaching into larger and larger markets of efficiency. It is because of that efficiency that they are able to penetrate into markets that otherwise would not be open to them. In 1984 when coming into government we were faced with a situation in which, while our economy was relatively good *vis-à-vis* the rest of the world, there were in the United States some 400 pieces of legislation in Washington or in state capitals aimed at protectionism, most of which would have had a negative impact on Canada.

Mr. Manly: How about the omnibus trade Bill?

Mr. Malone: What about the omnibus trade Bill, the Hon. Member asks. What he does not know is that we now have protection that allows us to penetrate a market. Without a trade agreement the only thing we would have left would be to take the whipping that the American protectionist attitude would have delivered to this country.

Here we are, then, a full 30 per cent of our wealth—

Mr. Boudria: Time!

Mr. Malone: —as individual citizens of our country is dependent on trade.

I see, Madam Speaker, that two things have happened. The Hon. Member for Glengarry—Prescott—Russell has stayed and the day is over. May I call it ten o'clock?

The Acting Speaker (Mrs. Champagne): There will be 15 minutes remaining in which the Hon. Member may complete his intervention tomorrow.

It being 10 p.m., pursuant to Order made Monday, June 20, 1988, this House stands adjourned until tomorrow morning at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 10 p.m.

HOUSE OF COMMONS

Tuesday, August 30, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to seven petitions numbered as follows: 332-5252, 332-5254, 332-5279, 332-5280 and 332-5283 to 332-5285 inclusively.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

JUSTICE AND SOLICITOR GENERAL

PRESENTATION OF SIXTH REPORT OF STANDING COMMITTEE

Mr. David Daubney (Ottawa West): Mr. Speaker, I have the honour to table, in both official languages, the Sixth Report of the Standing Committee on Justice and Solicitor General.

[*English*]

This 300-page report entitled *Taking Responsibility* is the first comprehensive review by a parliamentary committee of the important issues of sentencing, conditional release, and related aspects of the correctional system. If the key recommendations of the 97 recommendations submitted in our report are accepted, public confidence in the criminal justice system will, in the committee's view, be significantly improved.

[*Editor's Note: See today's Votes and Proceedings.*]

PUBLIC SERVICE EMPLOYMENT ACT

MEASURE TO AMEND

Hon. Doug Lewis (for the Deputy Prime Minister and President of the Privy Council) moved for leave to introduce Bill C-157, an Act to amend the Public Service Employment Act and the Auditor General Act in consequence thereof.

Mr. Speaker: Shall the Hon. Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

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

* * *

CANADA ELECTIONS ACT

MEASURE TO AMEND

Mr. Rod Murphy (Churchill) moved for leave to introduce Bill C-319, an Act to amend the Canada Elections Act.

Mr. Speaker: Shall the Hon. Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Murphy: Mr. Speaker, it is a great honour to have the opportunity to introduce an amendment to the Canada Elections Act relating to a more precise definition of election expenses. As Your Honour knows, when the Standing Committee of the House on Elections, Privileges and Procedures reported to the House on March 3 of this year it recommended:

> "—that the Act be amended as quickly as possible in those sections dealing with expenses so that it precisely defines those election expenses which should be the subject of spending controls and rebates."

We have attempted to get the Government to introduce an amendment to this effect over the last five months. We have not succeeded and as a result of that I have the specific proposal before me which was given to the Government four months ago. I believe it is the type of legislation we need to restore credibility to our Elections Act.

• (1110)

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

Petitions

PETITIONS

PROTECTION OF RIGHTS OF THE UNBORN

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I have the duty to present a petition signed by 97 constituents of my riding. Pursuant to Standing Order 106, the petition has been certified as correct in form and content.

My constituents petition the honourable House of Commons and Parliament assembled and say that at the present time there is no law in Canada protecting the rights of the unborn child from conception to birth. The undersigned, your petitioners, humbly pray and call upon Parliament to formulate and legislate a law to protect life from conception, which law will seek to save the life of both mother and child. As in duty bound, your petitioners will ever humbly pray.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have the honour to present two petitions from residents of Winnipeg and towns and villages in Manitoba including Anola and Dugald. One set of petitioners say that the Conservative Government had no mandate from the people to conclude a free trade agreement with the United States. The other group says that the proposed trade agreement not only denies Canadians the secure access to the U.S. market which was the key objective in these negotiations but threatens the loss of hundreds of thousands of jobs.

Therefore, your petitioners humbly pray and call upon Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement during a national general election.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I ask that the questions be allowed to stand.

Mr. Speaker: Shall the questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed from Monday, August 29, consideration of the motion of Mr. Crosbie that Bill C-130, an Act to implement the Free Trade Agreement between Canada and the United States of America, be read the third time and passed; and the amendment of Mr. Axworthy:

> That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:
>
> "Bill C-130, An Act to implement the Free Trade Agreement between Canada and the United States of America, be not now read a third time but be referred back to the Legislative Committee for the purpose of reconsidering Clause 8."

Mr. Speaker: Last night the Hon. Member for Cowichan—Malahat—The Islands (Mr. Manly) introduced a subamendment, an amendment to the amendment submitted by the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). Just so that Hon. Members will understand, the amendment by the Hon. Member for Winnipeg—Fort Garry, moved on behalf of the Official Opposition, basically seeks to amend the free trade legislation by referring a certain clause in the Bill back to committee. That amendment, of course, is in order.

The amendment sought by the Hon. Member for Cowichan—Malahat—The Islands was to add to the motion of the Member for Winnipeg—Fort Garry the further words "in the context of an imminent general election". Last night Madam Speaker indicated that she was having some difficulty as to whether that was procedurally in order.

I want to assure Hon. Members that I have given this careful consideration because of the great importance of this particular legislation and this debate.

However, I have given some indication that the Table is having some trouble with the amendment. I have to rule it out of order because, as least in my view, it does not do what a subamendment must do, that is, amend the main amendment, that is the amendment of the Hon. Member for Winnipeg—Fort Garry. It is more a general statement which may well be true when taken in the abstract, but I find that it is not procedurally acceptable.

I point out to Hon. Members of the New Democratic Party that debate will continue and there will, of course, be opportunity to put forward another amendment which, I am sure, after discussion with the Table, might be more acceptable to the Chair. I thank Hon. Members for their understanding.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, yesterday when I commenced to debate at about five minutes to ten o'clock I had had the opportunity to mention that Canada's economy was growing, that our unemployment rates had been falling, and that while the successes of our achievements over

the past four years have been remarkably excellent in that regard, our political Party was in no way content with the rate of growth that we have or with the level of unemployment. To enhance the economic opportunities for our country, it is clear to all who know the nature of the Canadian economy that our foreign exports have to be secured.

The truth of the matter is that one-third of the individual wealth of Canadians comes from trade. It is also a fact that almost 80 per cent of that which we export is exported to the United States. It is also a fact that our exports to that market were being significantly threatened by the fact that there was a mood of protectionism which was bubbling up into a legislative process which had, in the legislatures of the states and the capital in Washington, nearly 400 bills aimed at protectionism, the impact of which would be, in the largest majority, negative for Canada.

Those who are affiliated with the New Democratic Party, either here in the House of Commons or by their satellite influence such as Bob White, the Vice-President of the New Democratic Party, take the view that this agreement is somehow a threat to our sovereignty, our culture, and our identity. We must bear in mind that Canada became more of a sovereign nation since the war ended in 1945.

• (1120)

Our cultural programs and social programs, particularly pension plans, workmen's compensation, unemployment insurance and medical programs were there at a time when tariffs were coming down. If we consider 1944 as the peak of tariff protection between Canada and the United States, from 1944 to 1988, 75 per cent of tariffs have been reduced. How can the NDP argue that all these programs that we have developed while there has been a 75 per cent reduction in tariffs will disappear when the next 25 per cent are removed? It is simply illogical.

The NDP talk about these threats against our sovereignty. If they believe that some kind of trade relationship with another country will destroy our capacity to market our goods in the world, or preserve our identity as Canadians, then let them find such an example in the 92 other nations that also belong to trade blocs or trade arrangements. If they believe that such a threat exists, I dare members of the NDP to go to New Zealand and tell New Zealanders that they are just like an Aussie, that they behave and think like Australians because they have a trade relationship with them. If there is anything a New Zealander takes pride in, it is the fact that they are not Australian, even though they recognize the mutual advantage of trading with each other without the encumbrance of tariff barriers.

The Liberal Party has stated that it does not want free trade and would tear up the free trade agreement if it ever became the government. My favourite comment is that by Donald Macdonald, a former Liberal Cabinet Minister, who said of the Right Hon. Leader of the Opposition (Mr. Turner): "That comment that he would tear up the agreement said more about the strength of his wrists than the strength of his judgment".

Canadians should know that Liberals in this country are not opposed to a trade deal with the United States. It is only the Liberals elected in this House, under the leadership of the Right Hon. Leader of the Opposition and his influence on the Senate, who are opposed. There are many Liberals who are on record as saying that this arrangement is important and good for Canada.

The Premier of Québec, Robert Bourassa, asked:

> "How could one seriously say that Canadian sovereignty is at stake when we want to protect Canadian markets in the United States?"

He went on to say:

> "What's at stake are dozens and dozens of billions of dollars of potential growth for Canada's resource-based economy. Canada is the only one of 24 developed countries which is not part of some sort of free trade area."

That is the opinion of Robert Bourassa, Premier of Québec. He is a Liberal who is certainly in favour of free trade.

Let me refer to Ray Curran, President of a Liberal constituency association. He said:

> "Liberal leader John Turner's position on free trade is totally irresponsible. You can't make agreements between two sovereign governments and then just rip them up."

Those are two Liberals who say this is a good agreement and the proper approach.

Milt Harris, a gentleman whom I know, is the former chairman of the Liberal National Executive Finance Committee. He is also president of a company called Harris Steel. He said:

> "I am going to vote for the Conservatives, and if they ask me, I will give them money."

That shows the depth of his feeling as a former Liberal about what he thinks of a Party that would speak out against a trade deal that secures not only our economy but jobs for Canadian young people and gives us a chance to expand and develop a nation that will allow us not only to penetrate North America but any market in the world. Milt Harris went on to say:

> "If we lose this agreement, it will have very dire consequences for Canada."

Let me now refer to a Member who is presently in the House of Commons and chose to leave the Liberal Party to sit as an independent. Don Johnston, a former Liberal Cabinet Minister, said:

> "Our position on free trade is indistinguishable from that of the NDP . . . why would anyone vote Liberal?"

Let me say that Don Johnston has it right. I asked that question 20 years ago: Why would anyone vote Liberal?

Mr. Langdon: Madam Speaker, I rise on a point of order. I think that as an experienced Member of the House, the Hon. Member should know that to refer to a Member by name is not correct. It should be a reference to his constituency. I

would expect that with his care for the rules of the House the Member would have followed that direction. I hope he would.

The Acting Speaker (Mrs. Champagne): The Hon. Member for Essex—Windsor (Mr. Langdon) is correct. I am sure the Hon. Member for Crowfoot (Mr. Malone) will be more careful.

Mr. Malone: Madam Speaker, if you check the record, I think you will find that the references I was making were references to quotes. Those are quite permissible in the House of Commons. The Hon. Member for Essex—Windsor (Mr. Langdon), of course, being a new Member, would not know that.

The Acting Speaker (Mrs. Champagne): The Hon. Member should know that he cannot do indirectly what he cannot do directly. The Hon. Member should be more careful.

Mr. Malone: Madam Speaker, there is a long list of Liberals who believe that the trade arrangement is an appropriate and good move for our country. They have come on the record because they think it is important that Canadians know that the little rump opposite, that is so desperate to try to gain its position on the Government side, is up against a case of folly and is acting to the disadvantage of the potential economic and job security of our nation.

Former Liberal Cabinet Minister, Marc Lalonde, said:

> "The liberalization of international trade is, more than ever, a top priority for Canada. The best strategy for Canada is to press ahead with a two-track approach: support for a new round of GATT negotiations and an early start of negotiations with the United States on a comprehensive free trade agreement."

That is what we have.

Another on that long list of Liberals who believe it is important that we secure our largest market in the world is Stuart Langford. He was not an executive assistant to Mackenzie King, Lester Pearson or Pierre Trudeau, he was a former executive assistant to the Right Hon. Leader of the Opposition. Stuart Langford said:

> "Turner's position on free trade was founded not on conviction but on perceived opportunity. His "handlers" convinced him that he had to be more aggressive than Ed Broadbent. Turner bought the idea and as a result made the stupid threat to "tear up the agreement" should he win the next election. Turner's tough talk won him three minutes of coverage on television news but it destroyed three years of work in the west."

That is another person associated with the Official Opposition and who has worked with the Party for years but takes exception in the extreme to the position the Liberals are taking. It is clear to many that jobs and economic opportunities exist if we secure a trading relationship with our major trading partner, the United States of America.

• (1130)

Ron Longstaffe, a Vancouver businessman and Liberal fund raiser stated:

> "It seems very unusual to elect a Member from Vancouver—Quadra to have him go to Ontario and speak out against free trade."

Ron Longstaffe, a Liberal fund raiser, does not buy this notion. Donald Macdonald, a former Liberal Cabinet Minister, called the free trade agreement a considerable achievement. He saw it in terms of a great treaty that was struck between our two countries. Noting that the New Democratic Party Leader, the Member for Oshawa (Mr. Broadbent), made the same promise, he said:

> Can you imagine Mr. Broadbent going down to Washington and saying "Mr. President, I just tore up our trade agreement"? He'd just say: "That's a coincidence, Mr. Broadbent, we just tore up the Auto Pact, too". What would the Member for Oshawa say then?

The list goes on. Paul Martin is a candidate for the Liberals in the next election. He says we have to be realistic and ripping it up is not a viable alternative. The same can be said for Premier Frank McKenna, the Premier of New Brunswick, or Gerald Regan, the former Premier of Nova Scotia and former Minister for International Trade.

I simply say, Madam Speaker, that the point has been made. Mr. Regan said:

> "Some people say that the pressure to compete with the U.S. under a free trade system will force us to dismantle our social programs . . . The answer, of course, is that it will not. Such claims are unmitigated nonsense and scare tactics . . . "

Those are the words uttered by a Liberal Cabinet Minister in the Government just previous to ours. He says that to talk about the dismantling of our social programs because of the trade agreement is unmitigated nonsense and scare tactics.

The first thing we all have to recognize in this debate about trade is the importance of trade to Canada. It comprises one-third of our wealth. One-third of everything we have comes from trade. It is also important to recognize that 80 per cent of our exports go to the United States. That is where it goes today.

In the beginning of this century we traded mostly with north European countries, particularly Great Britain. In the evolution of time, Britain has gone into the European Common Market. We are almost shut out from being able to sell to Great Britain. The amount we sell there is very minimal. We sell most of our export to the United States, nearly 80 per cent, yet we are faced with legislation upon legislation which are putting up walls and barriers, tariffs and non-tariff duties that will not allow Canadians to penetrate the U.S. market in a secure way. So we need an agreement not to dismantle all of the rules of trade, but to put rules of trade there, so there will be fairness and so that we can continue to export to a larger market and, because of that larger market, have the capacity, excellence and skills to penetrate markets in all parts of the world.

Mr. Blaikie: Mr. Speaker, I have just a few comments to make to which the Hon. Member perhaps could respond. He used a familiar argument, that tariffs have come down between 1944 and 1988, and this has not posed a threat to our culture or to a variety of other things that opponents of the free trade agreement now claim will be threatened. He posed

the rhetorical question: Why should these things be any more threatened by the elimination of the remaining tariffs than they were threatened by the elimination of 80 per cent of the tariffs that have been eliminated since 1944? I hope I have made the argument correctly on behalf of the Hon. Member.

I think we have an obligation to understand what the various sides are saying. What has been wrong with this debate is that sometimes deliberately, and we have to assume sometimes not deliberately, people have caricatured what the other side has had to say. The New Democratic Party has never maintained that it is the elimination of tariffs that is the threat to our culture or sovereignty. That is not a claim we have ever made, but we have made a claim about the effects of the entire agreement, which I hope the Hon. Member will admit is more than simply the elimination of tariffs.

If all we had before us was the elimination of tariffs, then we would have quite a different agreement. The fact is, in order to get the elimination of those remaining tariffs, which the Government views as desirable, and in order to get the dispute settlement mechanism, which the Government views as desirable, but which was not what the Government set out to get by the admission of even some supporters of the agreement, such as the Hon. Member for Saint-Henri—Westmount (Mr. Johnston), whom the Member just quoted, the Government proceeded to arrive at an agreement on a number of other matters which are quite separate from the traditional question of the value of eliminating tariffs, on questions having to do with foreign investment, energy, services and the cultural industries, and so on. All these were separate questions and were dealt with separately and were Canada's own business at the time of the coming down of the tariffs to which the Hon. Member referred.

Either the Member misunderstands our position or he has misrepresented it. The fact is that the claim with respect to the elimination of tariffs having all these effects is not a claim the NDP has ever made. It is a claim we make on the basis of the whole agreement. I see the Member is being coached by the Parliamentary Secretary.

Mr. Darling: And a good coach too.

Mr. Blaikie: I would have hoped the Member was conversant with the agreement and did not need to be coached by the Parliamentary Secretary. The Member mentioned the former Liberal Cabinet Minister, Mr. Macdonald, who was in charge of the Royal Commission on Economic Development, as a supporter of the agreement, but it also remains the case, for instance, that the Royal Commission headed by Mr. Macdonald did not even look at the question of services. Yet that is something we have in this agreement, and which was not recommended.

There are a lot of things I think should at least be acknowledged. If the Member wants to criticize our position, we have an obligation to respond. There is enough to legitimately disagree about. We do not have to invent things to disagree about. We have lots to disagree about. The claim the Member says we have made about tariffs is a claim we have not made.

Mr. Malone: Madam Speaker, the Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie) is quite right. We have enough we can disagree about without inventing things. That is why I did not invent anything. That is why it is important to point out the very elements of fear that the NDP and Liberals are now raising, and particularly I say that to the NDP because it was that Party which used exactly the same arguments some 23 or 24 years ago when it opposed the Auto Pact. The NDP told us all of the same things that would happen. The Auto Pact was going to somehow threaten Canada. Today we export two cars for every one we consume in Canada. The Auto Pact has put one-half a trillion dollars investment into southern Ontario in the 23 years of its existence. The Hon. Member for Winnipeg—Birds Hill said: "You missed the point. It is not just about tariffs. It is about something beyond that". He is right. It also deals with the non-tariff barriers.

• (1140)

Then he made a very specific point, the one which I want to come to now. He said: "It deals with things like services". It is clear to this House, to Canadians and to all who have studied this issue that members of the New Democratic Party are saying: "We are not going to have anything to do with this deal. We are going to stick with GATT. That is our model".

The Uruguay Round on the General Agreement on Tariffs and Trade is studying services. It is looking at the whole element of bringing barriers to services between countries down. Thus what the Hon. Member is saying is only inconsistent within himself. The New Democratic Party's view is to favour the GATT relationships around the world. GATT is the very agency that at this time is studying the removal of barriers on services, not between two countries on a bilateral basis but between many countries on a multilateral basis.

I say to members of the NDP: You cannot have it all ways. That Party is basically trying to proclaim that this agreement fits all the old arguments that its Members used more than 20 years ago when they opposed the Auto Pact, as well as when they opposed the Auto Pact amendments in the early 1970s. When this agreement was coming forward, they suddenly stood up in unison as a Party and with one arm straight in the air said: "Don't you dare touch the Auto Pact". They now use the same elements of argument to try to make Canadians believe that this relationship that will secure our markets, our economy and our jobs has the same evils that they imagined some 20 years ago. They were wrong then and they are wrong today.

Mr. Langdon: Madam Speaker, I would like to ask the Hon. Member for Crowfoot (Mr. Malone) if he is aware of who was the biggest opponent, the harshest critic of the Auto Pact in the House of Commons in 1965. I wonder if he knows that the harshest critic, the one with the most flowing rhetoric possible

was none other than the Leader of the Conservative Party, the Right Hon. John Diefenbaker, who attacked the Auto Pact day after day in the House of Commons.

On the contrary, with respect to our Party, our Party put its position with respect to the Auto Pact in terms of two things. First, we said that there should be commitments with respect to investment in the future and there should be commitments in the form of letters which the companies actually give to the Government as commitments. Second, we said that if there is to be a trade change like this, there has to be in place an assistance program for workers who will be affected, a lesson which the Conservatives have still not learned. That is why the Transitional Assistance Benefits Program was brought in. As soon as it was in place and as soon as the commitments to investment in the country were in place, as the Hon. Member should know, both the New Democratic Party and the labour unions involved, as well as the parts producers involved, became supporters of an agreement which, because it had safeguards, because it had support for workers who were affected, was at that stage a fair agreement, unlike this agreement.

Mr. Malone: Madam Speaker, if there is anything that I have heard in what the Hon. Member has just asked in the way of a question that would give me reason to suggest that there is a significant difference between us and how we see Canada, it is his requirement that there be commitments and safeguards.

Last night, when I was having a bite to eat, I wrote out on my napkin, a very fast scratching, the areas in which I believe Canada is the best in the world—certainly better than the United States. We produce better beef. Americans will not like to hear that but we do. We also do it cheaper. We produce better pork in Canada. We have a better labour force in Canada. We are far better in telecommunications and telecommunications research. We have by far better oil field technology, which is why producers in the North Sea and the Middle East come to Calgary and not to Houston.

While I could go on with this list I see that Madam Speaker is encouraging me to hurry. Let me just say that there are some other areas in which we are the best in the world. We do not need safeguards and guarantees. We need markets. Give us the markets and Canada will show the world that we are people who can produce and create jobs and wealth because we do not need safeguards. We need opportunity. That is what this agreement with the United States is all about.

The Acting Speaker (Mrs. Champagne): I am sorry to interrupt the Hon. Member. However, the period for questions and comments has now expired.

Mr. Kilgour: Madam Speaker, I rise on a point of order. I believe Your Honour was in the chair yesterday when a matter raised by the Parliamentary Secretary came up with respect to the Hon. Member for York South—Weston (Mr. Nunziata) and his use of unparliamentary language concerning the Prime Minister (Mr. Mulroney). There was reference to the "blues". I would ask Your Honour to look at page 18974 of *Hansard* where, about half way down the page, the Hon. Member for York South—Weston is reported clearly to have used unparliamentary language. The Hon. Member is not in the House. However, I would ask the Chair to make a direction that the remark either be struck from the record or that the Hon. Member be asked to withdraw it when he is in the House.

I do not know if Your Honour has a copy of *Hansard* but it is clearly indicated that he used an unparliamentary word.

The Acting Speaker (Mrs. Champagne): The Chair will have a look at *Hansard*, which I have not had time to do yet today. If there is any language which needs to be struck out or withdrawn, I am sure that the Hon. Member mentioned by the Hon. Member for Edmonton—Strathcona (Mr. Kilgour) will see what is reported in Hansard, do the honourable thing and withdraw later today.

Resuming debate with the Hon. Member for Davenport.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, the concluding words of the Hon. Member for Crowfoot (Mr. Malone) in his last intervention were brave words. They would be credible if we had achieved in Canada a ready common market across our own nation. If that were so we could believe his call to go out to conquer the world, so to speak. However, we have not even achieved that. Therefore, it seems to me that what he is really putting forward is just a little bit more of the same Progressive Conservative rhetoric.

In this debate it seems that what the Conservatives have chosen to do is to ignore the fact that the issue of trade involves more than just trade. Of equal importance is the fact that they have neglected the preoccupation among Canadians that is now emerging as a result of the measurements that we obtain from polls, namely, that what we have been debating here yesterday, today and in the preceding weeks is really a debate on values. What is taking place this morning on the floor of the House of Commons, and tomorrow when we vote, is a comparison on a set of values as they have driven us so far, and as they will determine the future of our nation, and the behaviour of Canadians.

• (1150)

Why do I say that it is more than trade? Why do I say that this debate reaches an importance of the size and with the implications and impact of the Meech Lake debate? It is because in the long term the implications are immense, far reaching, and well beyond trade. What we are debating here is economic union in North America. That is the substance of this deal, which has been given the wrong title. It is an economic union in North America that is being proposed here, not on January 1, 1989, perhaps not in the next five years, but in the long term. That is what it is. The Government should at least have the decency to tell Canadians that, and Canadians may then want to decide if that is what they want. However, it has to be put on the table, so to speak.

It does not stop with trade, because this has been the experience in other continents where similar measures have been implemented, for example, in the case of the European Common Market. Eventually it touches on competition laws, consumer regulations, standards and the setting of standards, and this has profound implications on the environment. It touches on jobs, the jobs that will disappear, the jobs that will be enhanced, and the policies that have to be put into place in order to provide social shock absorbers to manage the transition.

There are certain things that, on the Canadian side of the border, cannot be changed and have to be dealt with in a real manner. Those are questions related to climate, wages, and volumes. Other speakers have dealt with those questions. On the question of volume, I remember very clearly a couple of weeks ago the Hon. Member for Broadview—Greenwood (Ms. McDonald) stated that south of the border the production line could be extended on a Tuesday night and enough could be produced to satisfy the needs of the Canadian market, because they have that capacity. She put it very well and very effectively. On the question of climate, our growing season is what it is. We can only produce so much between spring and fall, compared to an economy where the climate permits production of much more. Therefore, there is the capacity for producers south of the border to do much better, unless we protect our own horticultural producers, as they have told us on a number of occasions. That is a reality from which we cannot hide.

On the question of wages, again we have developed a standard of living, and social security systems. We have produced something we are very proud of, namely, our hospital and medicare systems, and our minimum wages. They do not exist in the southern part of the United States. Therefore, we will not be able to deal with that type of competition effectively, no matter how brave the exhortations might be of the Hon. Member for Crowfoot, or the Parliamentary Secretary. Those exhortations will not help in the face of such a reality.

Mr. McDermid: How do we compete with them now, for heaven's sake?

Mr. Caccia: Those who claim that the European Common Market experience is one that we should imitate, as we were encouraged to do by Mrs. Thatcher when she spoke in this Chamber, do not realize that, when it comes to negotiations at the European Common Market table, the Brits are very reluctant to go any further into an agreement for further trade facilitations. The reasons why the British can retain their sovereignty, values and identity, is because there is a channel between them and the rest of the continent, a different language, and a different history over the last 10 centuries.

That brings me to the second theme that is central in this discussion. In a short manner, I will describe it as the battle of values. On the one hand there is the dollar sign, the market-place, versus quality of life. On the one hand there is the dollar sign, and what we want to be, our identity. On the one hand there is the dollar sign versus our sense of sovereignty and decision-making powers. On the one hand there is the dollar sign, and on the other hand there are the intangible values which would take a much longer time to elaborate on which make Canada what it is, and what makes a Canadian. In this battle of values there is a heavy emphasis on the one hand on the dollar, and on the other hand on intangible values of profound importance that have to be dealt with and put forward. This is why we are so keen to have an election called. We want to see this matter put to the people of Canada.

In this battle of values it is interesting to note that on the one hand editorialists—except for *The Toronto Star*—but most editorialists, most multinationalists, and probably most professionals are supporting the deal. In other words, those who are safe and secure and who can draw a financial benefit from this measure.

Mr. McDermid: Do not take any risks.

Mr. Caccia: I do not blame them. It is a question of values, and the Parliamentary Secretary is fully entitled to support them. However, on the other side of the population I sense that a growing number of farmers, particularly horticulturalists, and grape growers have already assessed what it will do to them. There is a growing number of food processors, and unions, because they represent the workers who will be affected in those factories whose future is at stake, which includes those in the large urban centres where shoes, textiles, and clothing are produced, and also a growing number of small businesses. There are also those, and I suspect that this number is substantial, who honestly believe that trade is not everything in life, that we can be driven and motivated by other values, not only the importance of the market-place and the size of a pay cheque.

On this side of the House others have put forward extremely well the alternative position. Because of time limitation I will only say that what we stand for, and what we do recognize, and what we recognized long before this so-called Progressive Conservative Party came into power, is the importance of international trade and that we must improve trade relations. We are fully on the same wavelength.

• (1200)

Where we disagree profoundly is how we do it. Do we do it within the confines of North America or do we do it world-wide? Do we want to improve, therefore, the trade agreements that affect 100 nations and be part of a large group of nations negotiating improvements as an alternative to a negotiation whereby, on a one-to-one basis, we negotiate with a partner that is 10 times larger and more powerful than us? That is where we profoundly disagree.

An Hon. Member: We are doing both.

Mr. Caccia: You are not doing both, because yesterday, in his speech, the Minister for International Trade (Mr. Crosbie) had to admit, at page 18946 of *Hansard*, that we have to get 95 other countries to agree. Well, they have not agreed, and on top of that we are implementing this measure on January 1, 1989, without waiting for the agreement and the concurrence of the international community. What a way of proceeding.

What we stand for is proceeding within and with the international community. We want to do it that way because, as I mentioned, the relation of forces in this type of trade deal as proposed by the Government puts us at a disadvantage. The American economy is 10 times larger than ours. When you hear talk about harmonization of laws or harmonization of standards, as in the case of pesticides, to quote a minute example, where we would be working toward equivalent guidelines, the bigger will not make an effort to adjust and harmonize with the smaller. That simply does not happen. It is the smaller that has to adjust and harmonize with the bigger. We do not want to see that happening, particularly when it comes to harmonization, as I mentioned earlier, of the environmental standards and regulations and laws, particularly incentives that might be given to industries in order to clean up their act, which could be interpreted as incentives to industry itself to produce more and better in competition with American firms. Again, that is a big item.

We want to retain our sovereignty and economic independence and not be isolated within the North American geography. This is why we think we have enormous arguments to put forward as an alternative approach to Canadians if an election is called. We will ask Canadians to judge. We will ask Canadians to make a choice in the full knowledge of what is at stake here. The values that I and many others have spoken about is an important factor which is not stressed often enough, that this agreement, this Bill, is more than just trade in the long term. It will affect our energy and our security. We are giving up long-term security, no matter how funny the Member for Crowfoot finds this.

Mr. Malone: Ridiculous.

Mr. Caccia: There is more at stake than just trade, because we will give up our political decision-making powers. We will also be giving up the edge that we have on energy by virtue of the fact that we will have to give up the two energy pricing policies that we have used, and quite successfully for very good reasons.

In the process, we will be less like us and more like them, as John Trent put it so well in a speech at the University of Trent, when he said:

> "We have declared it is not just what is on the table that counts but the probable after-effects of a trade deal, when Canadian corporations pressure the Government to lower corporate taxes, to lower social benefits and public health payments, and minimum salaries and union rights so that they can compete on a level playing field with the American counterparts."

This is what John Trent said on November 3, 1987, when he appeared before the committee.

What is this level playing field that has been bandied around so cleverly by several people, by several speakers, during this debate? The question being asked is: "A level playing field or an empty field" by a well known columnist, Leonard Shifrin, who wrote in the *Toronto Star* last October:

> "On day one of a free-trade arrangement, certainly no objections would be registered to Canada's pension programs, its medicare system, maternity benefits, or whatever. Even years down the road, no objections should be expected—as long as Canadian companies are being beaten in the marketplace. It will be only if we are winning that our "trade distorting" social practices will be diagnosed as the reason . . . One by one the measures that have defined our national community would be stripped bare as Canada's playing field was emptied of the offending provisions and made level with the U.S. plain . . . "

This is put well and effectively. To add to those two analyses, as I have said, by a university academician and a writer and columnist, you have the input by Margaret Atwood, which I thought was so punchy, so well put, when she appeared before the Standing Committee on External Affairs and International Trade last September. It may not have been read in detail, as the Parliamentary Secretary says. He may be quite right. You do not have to read it unless you are the Minister for International Trade responsible for negotiating it. The average Canadian does not have to read it in detail. They can catch the sense and the direction and the values at stake here in order to express a comment. You do not have to know it all in detail. That is the responsibility of the Minister.

Margaret Atwood wrote, and I will conclude on that:

> "Canadian people, like people everywhere, have values other than money that are important to them. Their fears of losing these values are real fears, by which I mean that they are truly held and must be addressed. It is no use claiming that there is some mysterious gene of Canadianness welded into us at conception that will guarantee the retention of these values, even if all the social structures, educational underpinnings, and cultural manifestations of them disappear. What will be done, if anything, to give these values a fighting chance of surviving?
>
> . . . It is no use saying that these are emotional arguments as if that disqualifies them.
>
> Almost all of the arguments heard so far in this debate have been emotional arguments. Fear is an emotion, yes, and love of country is an emotion; but greed is an emotion too."

That is how Margaret Atwood concluded her remarks.

• (1210)

Mr. McDermid: Mr. Speaker, does the Hon. Member not agree with two statements that I will now put on the record? First:

> "The Canadian nation is not a weak and fragile plant doomed to disappearance merely because we trade more freely and securely with our American neighbour. Free trade will reduce regional divisions and enhance Canadian confidence."

The second statement is:

> "We cannot choose to cut back significantly our trading integration with the United States without risking severe economic dislocation, cessation of economic growth, and a resultant political instability. In the longer term, successful competition in a North American context will lead to a greater ability to compete abroad and diversify our markets."

Those two comments came from a commission which the Hon. Member's Government set up back when he was a Minister. They are from the Macdonald Commission on the Economy of Canada Report which highly recommended that we get into the trade negotiations with the United States. Very clear and concise statements were in the report on Canada's economy over a three-year period. If the Hon. Member does not agree with those statements, can he tell me why?

Mr. Caccia: Madam Speaker, I thank the Parliamentary Secretary for having revealed the source of the statements, otherwise I would not have recognized them.

Mr. Kempling: He would not have read that either.

Mr. Caccia: Those statements remind me of other parts in the same report which I would like to quote in reply to the Parliamentary Secretary because I find them rather peculiar, to say the least, when the same Macdonald Commission reported in an attempt to forecast what would happen:

> "Until these barriers are gone—"

And by these barriers the reference is made to trade barriers of course,

> "—the exhilaration that can come from a true sense of maturity will remain beyond our nation's reach."

That statement is in the same league as the ones which the Parliamentary Secretary quoted. It is rhetoric of some sort. That was the reason the Government was spooked by fear of U.S. retaliation, went to Washington, asked for access to the U.S. market and did not get it. Not only that, but the Government provoked a round of legislative initiatives, including the U.S. omnibus bill, which has made the situation for Canada tougher than it was before.

On the question of maturity and exhilaration, it is interesting and worth while to put on record what Mavor Moore wrote over the weekend as reported in *The Globe and Mail*. He analysed the situation so beautifully it would be a pity to miss it. I hope the Parliamentary Secretary can understand and appreciate the refinement of Mavor Moore's thought. He wrote:

> "Maturity may or may not be assisted by free trade; history gives no assurance either way. The one sure key to maturity is knowing who you are, and universal experience advises us not to lose it inadvertently, or to sell it at any price."

My answer to the Parliamentary Secretary is that I do not want to sell it at any price, nor would I like to see Canada's independence sold at any price—

Mr. McDermid: It was not.

Mr. Caccia: —nor Canada's identity sold at any price.

Mr. McDermid: It was not.

Mr. Caccia: —nor Canada's sovereignty sold at any price.

Mr. McDermid: It was not.

Mr. Caccia: Therefore, for all these reasons we will put to the Canadian people the importance of defeating this Government in order to defeat this measure.

Mr. Hockin: Madam Speaker, I would like to ask the Hon. Member a question that pertains to the thrust of his remarks, particularly his comments about independence and sovereignty.

Does the Hon. Member not understand that the American ability to sideswipe Canada when the Americans take trade remedy actions against other countries has been removed through this agreement? We now have protected ourselves against sideswipes.

Second, does the Hon. Member not agree that the binational panel which deals with trade remedies puts us in a situation of equality with the superpower? Does the Hon. Member not agree, with the United States being ten times bigger than Canada, that right now when we have a dispute we have to go cap in hand and ask the Americans to be nice to us or fight in their court system? Does the Hon. Member not agree that the binational panel institutionalizes equality for Canada with the United States and that this is an enormous step forward for sovereignty?

Finally, all the studies indicate that securing access to and having liberalized trade with the United States will produce more jobs and more wealth for Canada. Does that not allow us to fund our cultural and other groups that help us to promote our culture in the sense of our cultural well-being?

Mr. Caccia: Madam Speaker, in reply to the Hon. Minister of State for whom I have the highest regard, if what he said were correct, why was it necessary yesterday morning in this House for the Minister for International Trade to say, as reported at page 18946 of *Hansard* the following:

> "We want to achieve a clear set of rules for countervail that prevents the kind of politicized decision-making we saw in the U.S. in the softwood lumber case."

That is still to be achieved. It is not yet in the bag. That is not yet resolved. We have not achieved equality with the superpower in this. We still have to obtain it. Both of us have seven years to develop the question of resolving our own disputes and defining the question of subsidies. Subsidy has been left in limbo. I am sorry for the Minister of State for Finance (Mr. Hockin) because he is making a statement of hopeful anticipation, perhaps, which even his own colleague, the Minister for International Trade was prompted yesterday to put in terms of things still to happen, not that have happened, otherwise the Minister for International Trade would not have gone on by saying:

> If the Americans suggest, sometime in the next five to seven years, some kind of distorted approach to those issues, we will simply say no. We will not agree to their suggestions. That is all we have to do, just say no.

What will happen when we say no to the future seven years from now? Will we pull out of the deal after having put into motion phenomenal machinery of integration of the two systems and harmonization of regulations? That will be pretty hard to do at that late stage. There are many unresolved questions, Madam Speaker, otherwise the Minister for International Trade yesterday would not have raised them himself in his own speech.

Mr. Kilgour: Madam Speaker, the Hon. Member knows there is a six-month termination period for the agreement. It is not a question that we cannot get out of very quickly. Does the Hon. Member not realize that this agreement enshrines the Auto Pact to the extent that if one wants to terminate the Auto Pact, which has been so important to the Member's province—we are all delighted about that—the entire international trade agreement will have to be cancelled? As the Hon. Member knows right now support for the Auto Pact in Congress is getting less and less. I put it to the Member that a great many families in his province will have more security of employment in the auto and parts sector from this agreement than they will if the agreement does not go ahead. I would appreciate his comments.

Mr. Caccia: Madam Speaker, that is a very thoughtful question. The Hon. Member raises it in his fine style for which I have the greatest admiration. I have to remind him that the Auto Pact was not in question in prompting this Government to run to Washington to obtain a trade deal of any sort. The Auto Pact is established. It is a sectoral trade agreement as the Hon. Member certainly knows. It was not in question so there was nothing endangering the future functioning of that measure which, by the way, was a fine Liberal initiative in the 1960s.

• (1220)

The Acting Speaker (Mrs. Champagne): Resuming debate.

Hon. Thomas Siddon (Minister of Fisheries and Oceans): Madam Speaker, I am really delighted, in fact I feel privileged to have the opportunity to speak on the final day of this historic debate on a matter of such great import to our nation. I am proud to be part of a government led by a Prime Minister who had the vision and courage to engage in these historic negotiations almost three years ago in the autumn of 1985 in order to secure for Canadians a long-term legacy which far exceeds that of mere access to U.S. markets and the economic benefits that will flow therefrom.

This free trade agreement represents an opportunity for Canada to step into the 21st century. It offers Canadians a chance to ask themselves whether we are grown up enough, whether we are self-confident enough now to take advantage of world markets. Are we ready to not merely rely on our natural resources and continue as so-called hewers of wood and drawers of water, but to turn those natural resources and our human resources to a much greater economic and social advantage for all future generations of Canadians. To turn those resources to our advantage, we will draw heavily on the products of our ingenuity, the talents of our young people, and show how proud we are as a strong and confident nation. We will display that message to the world as we engage competitively in world markets.

What we are dealing with here in the final hours of this debate is a basic choice between those rooted in fear, those who want to live in the past and who will invent every kind of phoney excuse to obstruct this great national objective, and those who project the confidence and enthusiasm our young people feel for the evolving world of technology, the needs of the developing world, and the reality that it will become a major force in the world economy in future.

Mr. Langdon: Tell us about the fish.

Mr. Siddon: I will get to fish momentarily. First I want to say how proud I am of the initiative the Prime Minister (Mr. Mulroney) took in creating this opportunity for Canadians. It grew out of this Government's commitment to expand our horizons, expand our productivity, expand our use of technology in turning our natural resources into a great future for our children.

As you know, the Macdonald Commission did extensive analysis of this issue, consulted widely with Canadians over two years, and recommended that we proceed in this direction. Over the three years of negotiations which culminated early last October with an initial agreement, the leaders of Canadian industry, business, trade unions, and all of the important groups in Canadian society, played a role and contributed to the evolution of this historic agreement. The heart and soul of this agreement, what it is all about, is competitiveness in world markets. Rather than continuing to shelter and isolate our industries, we will offer them the great opportunity of access to a much larger market. As a result, as the developing world becomes more prosperous and at the same time more dependent on our knowledge and our ability to trade, it will improve our ability to be price competitive in the international marketplace.

If we cannot sell our products, whether it be a natural resource or high technology, an intellectual product or professional service, on a price competitive basis in the largest economy available and open to Canada, that is the economy of the U.S., we will never sell those things in any other part of the world. Those who say that we can somehow ignore our major trading partner and not seek to gain increased and more secure access to that market are living in the 1800s. If we cannot compete, if our industries cannot produce products at a competitive price, which means at the same price or more cheaply than American industry, we can never sell to the Far East, the European Community or Australia.

We have to learn to be internationally competitive. That will create a great opportunity for Canada because, unlike the U.S. whose resource base is running down, unlike countries like Japan, Israel and Taiwan which have very few natural resources, we have all the resources in the world, to use a figure of speech. We have the young, well educated, talented people we need. We have the productive energy of a well educated, well trained work force in all sectors. The only thing lacking is the ability to meet the challenge of being price competitive in international markets. Those who advocate that we take another course, forgetting the U.S. market which takes 78 per cent of our exports, but rather turning to the Far East or Europe or elsewhere, have to realize that if it is tough to compete in the U.S., it is going to be much tougher competing against the Far East or the European Community which has its own free trade agreement.

Those who are so pessimistic, those Canadians who resist this initiative are essentially telling other Canadians that we have another option. We can import the products of countries which use sweat shop labour or which pay their workers 50 cents or less an hour. That is their preferred course of action. Yet they are the very same people who over the years insisted that we use embargoes and quotas to prevent the import of products from the developing world and those other countries which can produce much more cheaply than we can.

The fundamental point here is how do we become more competitive and gain more access to the U.S. market in order to learn how to compete in the world. There is no country anywhere else in the world that has a greater opportunity than Canada and a greater quantity of resources and educational institutions and human creative talent than Canada has to take advantage of this opportunity.

If we are to be competitive, we have to eliminate tariffs which protect our industry and the other tariffs which deny us access on a competitive basis to the American market. That is why the second most important ingredient of this agreement is to eliminate tariffs at a much faster rate than that projected under the schedule laid out under the General Agreement on Tariffs and Trade. We are therefore committed in this agreement to removing all tariffs on trade and exchanges between Canada and the U.S. at the end of 10 years from the beginning of the agreement. The point is simply that tariffs are taxes on our producers. Whether those be tariffs and taxes against the imported products that go into our manufacturing base or the products our consumers inevitably bring in in any event, or whether they are tariffs against our own manufacturing sector imposed by American interests to shelter their industry from ours, those tariffs, which are taxes, are regressive.

• (1230)

It is a fact of history that the tariffs erected by the American industrial sectors against our manufactured products have been higher and higher in relation to the greater degree of processing involved in the resources we export to the United States. The Opposition has always appealed to government, as I did when I was a Member on the other side of the House, to get more value out of our natural resources and end the dependency of being hewers of wood and drawers of water and shipping out all our resources.

It is, therefore, very hypocritical and inexplicable that they would resist this initiative which would reduce and eliminate the tariffs against our value-added production in order that young Canadians can escape from the bondage of shipping out our raw materials; natural gas rather than plastic bumpers for automobiles, two-by-fours or whole logs rather than packaged or modular homes, unprocessed fish instead of finished TV dinners and microwavable, low-calorie meals with all the vegetables and other products we can put into that package.

This attitude we are hearing from our opponents, which has very little substance, is all caught up in emotion and rhetoric. It is denying the Canadian people and the children of our future the opportunity to escape from the bondage of being hewers of wood and drawers of water, to become truly productive, and to maximize the value we extract from our natural resources, keeping those additional dollars right here in Canada where they belong.

With regard to the fisheries industries alone, I have travelled extensively across Canada. I have travelled in the north to Baffin Island, Pangnirtung, White Horse, and Yellowknife. I have spoken there on free trade. I have travelled to small fishing communities on the wharves of Wool Bay in Great Slave Lake and to Buctouche, New Brunswick, and all around the Atlantic Coast in the past few weeks. I have been through many fish plants and have talked to many workers. I have talked to many businessmen, many community leaders, and many in the service industry.

They have told me not to let the opponents in the House of Commons and the Senate deny Canadians this great opportunity to become a powerful, dominant nation in the world in which our young people can look to the future with confidence and optimism that they will have a satisfying career at the same time as making their contributions to the coffers of government in order that we can maintain and enhance our social programs and ensure that as a strong, confident nation we defend and project our sovereignty to the world.

All this nonsense about the fifty-first state and giving away our resources is totally contradicted in the essence of this agreement. This agreement is all about sovereignty. Any nation that lacks confidence in its own culture and its own social programs to the extent that it has to shelter and protect them behind the barriers of protectionism and isolation from the world reality is a nation which is poor and weak in spirit. A strong culture will survive in the world.

The British culture is strong and flourishing in the world, as is the U.S. culture, the French culture, and many other prominent cultures. Canadians are fortunate to be a reflection, through our multicultural heritage and policies, of all of those strong values. We are unlike any nation in the world. We do not need the narrow-minded attitudes of the Opposition or some members of the Senate to protect Canadians and our sovereignty, our culture, and our social programs from this great opportunity to enhance that sovereignty and increase the integrity of those social programs by becoming a productive, leading edge, technology-intensive nation which takes advantage of its resources and shows its goodness to the entire world instead of hiding behind the steel walls of protectionism. This is the challenge we offer to our young people, the challenge to eliminate this uncertainty which has arisen from the protectionist attitude emerging in the United States.

The United States does not particularly care about little Canada. After all, we are one-tenth of their domestic market. However, we in British Columbia care about big California which is as large to us as the entire Canadian market. We care about the history which has forced us to ship our natural resources to central Canada or the Far East and bring the finished products back.

We want access to California. We want access to the states of the northwest; Washington, Oregon, and Idaho. We want that access on a fair and competitive basis because we are confident that given that opportunity we can sell 10 times more into that market than they can sell into ours. We are confident in the ability of our industrial leadership, our well organized union work forces, and our scientific institutions to compete aggressively and have access to that market 10 times larger than our own.

The Americans really care about the Far East. They care about dumping and the sweat shop labour about which I often hear our colleagues talking. They know that Canada, as part of a great continental alliance, is an important neighbour. We stand to gain vastly more than the Americans as a result of this free trade agreement. That is why the Government is so committed to it.

We would not have had to deal with the harassment of the countervail action and the anti-dumping action against our Atlantic fish exports in the United States, at great cost and uncertainty to the fishing industry, had this free trade agreement been in place.

Mr. Langdon: You certainly would.

Mr. Siddon: We would not have had to deal with the threatened 30 per cent countervail duty against our lumber exports had this free trade agreement been in place.

Mr. Langdon: That is not so.

Mr. Siddon: The Hon. Member sits in his seat kibitzing. He can speak when he has his turn. We would probably not have had to deal with the GATT case on the export restrictions on our west coast fish products if this free trade agreement had been in place.

Mr. Langdon: Tell the truth.

Mr. Siddon: I will tell the House why. We and our industries have been harassed by these protectionist measures coming from certain sectors of the U.S. industrial economy and driven by political force and weight right through the Congress and up to the presidential level in the administration because there was no protection, no remedy other than to go into the U.S. system and use U.S. lawyers to fight our case.

Mr. Langdon: It still exists.

Mr. Siddon: I think the Hon. Member opposite is concerned that I might be telling the people of Canada something that is true.

Mr. Langdon: No, untrue.

Mr. Siddon: The fact is that we have, for the first time in history, an unprecedented agreement with the United States of America which gives Canada something no other nation in the world has, that is, a trade dispute system which treats Canada as an equal to our immediate neighbour, the United States of America. In that process tribunals will be the point of referral of any of these disputes.

Mr. Langdon: No, no, no.

Mr. Siddon: Yes, the point of referral before important and detrimental initiatives can be taken to further tax and frustrate the productivity of our industries. We will, for the first time in history, and unique among nations, be able to refer such controversies to this balanced, non-partisan group of tribunals, this trade dispute panel, in order to head off this kind of problem.

Mr. Langdon: Not true.

Mr. Siddon: That is a great achievement of the Minister for International Trade (Mr. Crosbie) and the Government of Canada which will bring untold benefits to the Canadian economy.

In the time I have remaining I want to illustrate the reality of this as shown in the solution which was found to the softwood lumber countervail case. For many months, in fact extending back three or four years, our industry was harassed by the threat of a major countervail duty being levied against our exports of softwood lumber. That industry, which is British Columbia's first industry, contributes 45 per cent of our Gross National Product in terms of our exports to the United States. That industry was in such a state of uncertainty that the investment decisions were not being made, the technology was not being put into our plants, and we were not going out and seeking other markets because of the uncertainty of that countervail action.

• (1240)

The point I wish to make is simply that when the former Minister for International Trade, now the President of the Treasury Board (Miss Carney), concluded an agreement with the Americans in January, 1987, it stabilized our forest industry. The industry put massive new investment into its plants. The stocks of the principal forest industries of British Columbia went up and employment reached unprecedented levels, with 30,000 new jobs being created in the forest industry in British Columbia last year.

If it was good for the automotive industry in Ontario, if it was good for the constituency of the Leader of the New Democratic Party, it ought to be good for western Canada. It ought to be good for British Columbia.

History will represent this free trade agreement as the most important achievement and turning point in the progress of this nation in this entire century.

Ms. McDonald: Madam Speaker, I have seldom heard such overblown rhetoric and departure from the substance of the text. I have seldom heard such PR, wishful thinking and such an attempt to mislead Canadians.

However, the Minister did say one thing that I believe is correct and which the Minister of Communications and Culture (Miss MacDonald) has not had the nerve to say. It is to concede that culture was indeed on the table and negotiated away. The Minister has basically described the kind of situation our workers in cultural industries, including artists, writers, composers, film makers and so on, will face. He said they can compete in the world. Of course, they can compete if they want to make a film in Canada in which they change the street signs and licence plates to make it look like the United States or sometimes another place to sell the film somewhere else. If they want to sell Harlequin romances, they can do that in the world. However, if they want to make something distinctly Canadian for which we need a structure of support because we are a small country, those cultural supports will be gone in this trade deal. The Minister was frank enough to admit that.

Mr. McDermid: That is nonsense and you know it.

Ms. McDonald: Look at his remarks in the "blues". He said that artists can compete in the world. Of course they can compete.

I want to ask the Minister a specific question concerning his remarks early in his speech. He suggested that those of us who have a different vision for Canada, who are working very hard to defeat this trade deal, are somehow motivated by fear and it is only his side that has confidence.

Before the election the Prime Minister (Mr. Mulroney) and the Minister of Finance (Mr. Wilson) were against the trade deal. Did he ever correct the Prime Minister or the Minister of Finance and say they are operating out of fear and do not have confidence in Canada? Why did he not make that kind of speech in favour of free trade before the last election? Why did the Hon. Minister not oppose his own Party Leader, the Prime Minister of Canada, and tell him that he did not have the right way of organizing the Canadian economy? Why was he not in favour of this before the election?

Does it not come down to the issue of trust. The Government, which is now using free trade and wants to sell out Canada, never stood for that in an election campaign. It is like the sacred trust. The Government tells us that social programs are not in the deal. They are in the deal and I will speak about that shortly. In the last election the same Government described social programs as a sacred trust. Immediately after the election the Government deindexed the family allowance and tried to deindex the old age pension. Fortunately, seniors rose up against the Government, as Canadians will rise up against it in the next election to defeat the trade deal.

Mr. Siddon: Madam Speaker, I appreciate the questions although not necessarily the comments by the Hon. Member for Broadview—Greenwood (Ms. McDonald) because they were so silly.

We talk about our sovereignty and cultural programs. The Hon. Member knows that there are clear provisions in the agreement to ensure that special provisions in legislation to protect our cultural industries are maintained.

I was saying that as a proud and confident Canadian I have no hesitancy in going out to share my culture with the world and turn it into something which we can all celebrate, which can bring economic benefit throughout the world. Canada, instead of being a small-minded, closed nation which protects every little thing from world reality, takes what we are so proud of and sells it. That is exactly the reason for this free trade agreement. We can become whole Canadians, not just petty negative backward looking Canadians as some would advocate.

Ms. McDonald: Why did you not say that in the last election campaign?

Mr. Siddon: The Hon. Member has been here long enough to know that as we research and study issues of national dimension, as we receive reports such as that which came from the Macdonald Commission, and as we do our homework and analyse the realities which I projected in my speech, we will learn about the benefits of an agreement of this historic dimension. This agreement can enhance our ability to add value to our natural resources, to market our professional skills, to market our social and cultural programs which the world should have and emulate. We can only do that by being in the real world, not shutting ourselves off from it.

Indeed, I, the Prime Minister and all Members of the Government are confident because when we travel this country we see smiling faces and optimistic people who tell us to put this through because they want it for their children. That is why we are engaged in this historic exercise that we will conclude shortly.

Mr. Foster: Madam Speaker, I was very impressed by the Minister's comment that the softwood lumber deal had stabilized the softwood lumber industry. It certainly stabilized the softwood lumber industry for about three plants in northern Ontario which immediately shut down when the deal went through in January, 1986, and laid off over 400 workers.

He would be interested to know that in his own province the Pas Lumber Company was almost put out of business when the Government of that province transferred the export tax of 15 per cent to a stumpage charge. The stumpage charge for the Pas Lumber Company in Prince George went from $6.3 million a year to $19 million a year. Now the British Columbia Government is trying to reduce that stumpage charge and the United States is opposing it. That deal, which was bad at the outset, has been entrenched in the free trade deal. Now we have to run to Washington every time we want to do something about our stumpage charges.

When the Minister talks about stabilizing the industry, he also knows that he is almost stabilizing some parts of the softwood lumber industry out of business. Last week, I talked to the manager of G. W. Martin Company in Sault Ste. Marie. It is a very large operation, employing 700 people. Since 1986, the appreciation of the Canadian dollar has cost it an extra $1 million more than what it was making in January, 1986. The export tax is costing it $750,000. It is at a point where it is not making any profit at all.

If this deal is so smart, why did the Government not index it to the exchange rate between Canada and the United States? The G. W. Martin operation in Sault Ste. Marie is actually losing almost 30 per cent from what it was making in 1986 as a result of the softwood lumber deal and the export tax of 15 per cent. I can assure the Hon. Minister that it is not stabilizing the industry in northern Ontario, it is destabilizing the industry. If there is a downturn in the U.S. housing market, things will be a total disaster.

Fortunately, the Ontario Government was smart enough not to put on a new stumpage charge because it would cost the industry three times as much, as it did in British Columbia. They are maintaining an export charge which, in itself, with the appreciation of the dollar, is a disaster for that industry in northern Ontario.

Mr. Siddon: My hon. friend stated in the closing part of his remarks that there is a downturn in the U.S. housing market. I do not think that has anything to do with the free trade agreement. It has a lot to do with the state of the U.S. economy.

In 1987, the forest industries of Canada had unprecedented profits. Rather than putting a 30 per cent countervail duty in the U.S. Treasury, we kept 15 per cent in Canada and put it back into the ground in the form of reforestation.

I am told that the three companies in northern Ontario that he spoke of were on the verge of serious financial difficulties because they had not kept pace with the evolving trend of technology in the industry. This leads to the basic point and principle of this agreement.

• (1250)

If industries fail to modernize and find ways to diversify and add value to their product, they will, of course, be faced with failure. The very heart and soul of this agreement is that it encourages value added processing. It encourages a situation where we bring in the best technology, and maximize productivity. Instead of exporting chips, particle board or two by fours, we are able to export a wide range of finished products to the world. That is happening in British Columbia right now. I have seen major investment in my own riding in British Columbia in world-class technology to process finished products from our wood fibre. The same is happening in the fishing industry—

Mr. Langdon: Time.

Mr. Siddon: —if the Hon. Member will allow me to complete.

Mr. Langdon: On your own time.

Mr. Siddon: In the fishing industry, a full two-thirds of all of our fish that come out of our seas go to the United States market. In the last two or three years we have seen tremendous increases in the processing before export of those fish.

Ms. McDonald: Time.

Mr. Siddon: As a result of the policies of this Government—

Mr. Manly: You sold out the B.C. fishery.

Mr. Siddon: —and the additional processing of—

Ms. McDonald: Time.

Mr. Langdon: Point of order.

Mr. Siddon: —the fishery of Canada, the exports to the United States, is worth almost $20,000—

Mr. Langdon: Point of order.

The Acting Speaker (Mrs. Champagne): Point of order, the Hon. Member for Essex—Windsor.

Mr. Langdon: I think the Member is well over his time.

Mr. McDermid: They cannot stand the truth so they call it time.

Some Hon. Members: Oh, oh!

The Acting Speaker (Mrs. Champagne): I can assure the Hon. Member for Essex—Windsor (Mr. Langdon) and the Hon. Member for Broadview—Greenwood (Mr. McDonald) that I can count. The question and comment period started at exactly 12.42. For three minutes the Hon. Member has been asking for the time to be expired. I can assure the Hon. Member that there were 30 seconds left in the time for questions and comments. I will give those 30 seconds to the Hon. Minister after which I will recognize the Hon. Member who will have her 20 minutes like everyone else.

Mr. Siddon: Thank you, Madam Speaker. The final point I want to make is that in my own area of the fishery, the average income to a Canadian fish plant worker or fisherman, from our exports to the United States, is almost $20,000.

Mr. Manly: You put 4,000 jobs at risk.

Mr. Siddon: If the Hon. Member would allow me to conclude. There has been a 10 per cent increased access by way of eliminating these export tariffs on value added products. Crabmeat, fishsticks and TV dinners will add 10 per cent of income in the back pockets of every one of those fish plant workers, an extra $2,000 a year, and that is an illustration of the benefit the agreement will bring to all industrial sectors of Canada.

The Acting Speaker (Mrs. Champagne): The period for questions and comments has now expired. Resuming debate.

Ms. Lynn McDonald (Broadview—Greenwood): Madam Speaker, the ancient Greeks saw nature as being comprised of four basic elements, the earth, the air, water and fire. As the environment critic today, I want to talk about the impact of the trade agreement on all four basic elements of our life. I want to begin with water.

John the Baptist baptised with water. Water is a symbol of life. For the ancient Greek, water was the primal substance out of which everything else was created. We know, especially this summer with the effects of the drought on western farmers and producers, just how important water is to us. We know that we do not have too much of it and we are wasting it very badly.

What do we have with this trade agreement but a Government that has given away on this most basic substance of life? I would like to refer to some expert testimony of Mr. Mel Clark, consultant to the Rosan Academy of Aquatic Science and a former GATT negotiator for Canada. He is someone very well versed in water in international trade. He stated that the free trade agreement will override domestic legislation. When there is a conflict between the two, it is imperative there be an explicit exclusion of fresh water in the trade agreement itself. As the agreement now stands, water has been included. Not only has water not been excluded, but it is included in the FTA, both implicitly and explicitly.

Let me explain, using the expert testimony before the Standing Committee on External Affairs and International Trade. In Article 408, export taxes apply to the export of any good. Article 409 applies to the export of a good. Article 201 states that the goods of a party means domestic products as these are understood in the General Agreement on Tariffs and Trade. Tariffs covering water have been included for many years in the schedules annexed to the GATT. GATT has adopted the harmonized system for classifying goods for customs and tariffs and it contains an item for water. It is beyond reasonable doubt that GATT understands water to be a good. Then there is explicit evidence where water is included in the tariffs schedules in the agreement.

Two conclusions emerge from the evidence. First, the FTA includes all natural water, regardless of how it is packaged or transported. It is not just limited to bottled water which has been the excuse used by the buffoon of a Minister who has tried to joke about this matter and to make light of it. It is a serious matter, indeed. Americans themselves understand that water has been included and, indeed, American Congressmen have made a big point that this is one of the advantages to the free trade agreement to them. Because their water problems are even more serious than ours, their drought more serious, their supplies of water much more badly affected, they are looking to the possibility of water imports in cases of shortages.

Mr. Clark raises one actually very scary possibility. In the event water sharing is required, how would the sharing be? Would it be on a ten to one basis, according to our population, or would it be on a nation to nation basis, a fifty-fifty sharing? I do not know, but it seems to me any kind of sharing on that basis, where we are forced, is certainly something we would not want to get into. We might want to share, particularly if we relate it to conservation measures. We might well want to share in the question of shortage with our neighbours, or with other people for that matter, but to be forced into it by a binding agreement is quite another matter completely.

Let us also be very clear that having a separate Bill or amendment to Canadian legislation does not cover the situation. It simply does not. It is the text of the agreement itself that will count. If there is any conflict between what is in the agreement, and water is in the agreement, and what we have in some Canadian law, it is the agreement that counts. It is not what some Minister, who will not be around after a while, says, and not what is in Canadian law. If I have an agreement with you, Madam Speaker, that I am going to sell you my house, but in a memo to myself I exempt the second storey of my house, you would take me to court. The text of the contract, in the case of any conflict between the parties, actually counts.

[*Translation*]

Madam Speaker, water is included in the Agreement, inasmuch as water is included in the GATT. It is considered property under the GATT. The chief negotiator in the sell-out of Canada to the Americans was Mr. Reisman. Who is Mr. Reisman? A man who favours water exports. He even put forward the James bay project, the idea of a huge canal, which would make the Bay a body of fresh water.

The Acting Speaker (Mrs. Champagne): I am sorry to have to interrupt the Member, but she will be given 14 minutes to speak when the debate resumes. It being 1 p.m., I do now leave the chair until 2 p.m. this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

S. O. 21

STATEMENTS PURSUANT TO S. O. 21

[*English*]

IMMIGRATION

SCHEDULED DEPORTATION ON BASIS OF MARITAL STATUS INFORMATION

Mr. Sergio Marchi (York West): Mr. Speaker, tomorrow morning the Minister of Employment and Immigration (Mrs. McDougall) is planning to deport a 45-year old Filipino seamstress, a landed immigrant named Sally Espineli, for providing incorrect information on her marital status.

However, her employer, the Manitoba Fashion Institute, like many others in the garment industry, regularly recruits and demands that its women workers be single, which in turn forces women to circumvent an employment criterion which clearly violates our Canadian human rights legislation since marital status is a prohibited ground of discrimination.

It is ironic that the Government stalled four months before trying to deport a convicted terrorist, yet it wasted no time in taking action against a single, helpless woman. The Minister should instead suspend deportation and allow the Human Rights Commission to complete its hearing into her case so that our immigration policy will not violate our own federal legislation on human rights and so that the Minister may also ease the unique hurdles facing immigrant women.

The Minister has spoken very passionately a number of times about the plight facing immigrant women. Here is a real human story which cries out for her sensitivity as the Minister of Immigration and as the Minister responsible for the status of women.

This policy discriminates against women. This Minister has a golden opportunity in wearing those two ministerial hats to do something clearly in favour of women, to stop the discrimination, and to stop forcing them to mislead in order to get a job in this country.

* * *

INDUSTRY

FEDERAL SUPPORT FOR ONTARIO GRAPE AND WINE INDUSTRIES

Mr. Rob Nicholson (Niagara Falls): Mr. Speaker, I am pleased to announce on behalf of the Minister of Agriculture (Mr. Wise) that, in co-operation with the Province of Ontario, the sum of $100 million will be provided to improve the competitiveness of the Ontario grape and wine industries.

The program will include assistance for grape removal, quality enhancement, and price support, as well as grape and wine market development. In addition, the federal portion will support the 1988 surplus grape program.

Research will be directed at determining alternate markets for grapes, as well as ensuring quality and productivity for improvements for wine and grapes. Details of the cost-share program will be worked out over the next few weeks with the province and, most important, with the producers themselves.

I join with my colleagues in the Niagara, Essex, and Kent areas of the province in making this important announcement that will assist the grape and wine industries to compete in terms of quality and price with products from Europe and the United States.

* * *

NORTHERN AFFAIRS

SALE OF NORTHWESTEL TO BELL CANADA

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I wish to register deep concern about the recent sale of NorthwesTel to Bell Canada.

There has been no guarantee that the 400 jobs will stay in the Yukon. Such a condition should have been a condition of sale. Yukoners do not deserve the vague promises that have been made by Bell Canada in this regard. We need firm commitments.

We also question whether or not our telephone rates will be increased. Bell Canada rates in Ontario for basic residential services are 63 per cent higher than those rates currently in the Yukon and northern British Columbia.

It is also disturbing that Bell Canada had to pay $200 million for NorthwesTel but cannot find the will or the dollars to settle with its striking Ontario employees who have been on strike for over two months. We wonder if this kind of management style will soon be seen in the Yukon. NorthwesTel has not had a strike in at least 10 years.

The Government could have facilitated the sale of NorthwesTel to northerners. Instead, this Yukon company will receive its marching orders from Montreal. Unfortunately, it appears that the privatization plans of the Government take precedence over any desire for northern participation.

* * *

SENIOR CITIZENS

OPENING OF SENIORS VILLAGE IN ALBERTA

Mr. Gordon Taylor (Bow River): Mr. Speaker, Alberta has another first, thanks to La Vida Communities Incorporated, a privately based company located in Calgary.

Last weekend I attended the official opening of the club house of a seniors village called Woodside on the Green. This unique project is designed to meet the special lifestyle needs of senior citizens over the age of 55. In addition to providing beautiful single-family homes it contains an array of convenience and safety features. It is beside the Bethany Care Centre.

Lifeline, which is a centrally monitored medical and security response system, is in every home. An 18-hole golf course is adjacent to the club house, while Calgary, Banff, Kananaskis, and Drumheller are within easy reach.

Seniors of Canada, come to Alberta and complete a lifetime of activity in a La Vida home where fullness of life at Heatheridge in Cochrane, or Woodside on the Green in Airdrie, can culminate your retirement with peace, happiness, and contentment among friends of your own age.

* * *

• (1405)

[*Translation*]

UNEMPLOYMENT INSURANCE

ALLEGED DISCRIMINATION AGAINST ELDERLY

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, I would like to support the thousands of older working men and women in Canada who, on hearing the statement by the Minister of State for Employment and Immigration and Member for Rimouski—Témiscouata (Mrs. Vézina), said that she refused to give them justice and eliminate discrimination against older workers who are penalized by not being entitled to unemployment insurance benefits.

Mr. Speaker, I would like to join the people of the Quebec City Region of *ARSAC* who say that they will remember the Conservative candidates in the next election as the ones who refused to defend their rights.

The Minister of State for Employment and Immigration is completely mistaken. She does not know what she is talking about! What the people of *ARSAC* were asking for is help for those who have taken early retirement, who lost their job under the former regulations, as a result of information provided by Conservative Members for the Quebec Region, which the Government refuses.

Mr. Speaker, I would like the Minister of State for Employment and Immigration to tell us why a retired person with a monthly income of $5,000 from an RRSP or an investment is entitled to full unemployment insurance benefits, whereas another older worker who has paid premiums is not entitled to unemployment insurance if he loses his job? That is the Conservatives' idea of justice!

* * *

THE ENVIRONMENT

DANGEROUS SUBSTANCES—REQUEST THAT COMPILATION OF PCB WAREHOUSE SITES INVENTORY BE PROCEEDED WITH

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, as we count the cost of the Saint-Basile-le-Grand tragedy and considering the serious irregularities that have come to light, we must admit that governments have to take their share of responsibility for this situation.

Mr. Speaker, how does one explain that this warehouse had not been inspected in the past 15 months? How does one explain that they continued to accept transformers and condensers until February 1986, thus exceeding the allowed limit by 30 per cent? How does one explain that they allowed storage of highly flammable solvents with barrels of oil containing PCBs? How does one explain that since 1983, they never systematically inspected the 3,800 barrels piled one on top of the other? How does one explain that in the past 15 months, no one checked the alarm system?

Mr. Speaker, these facts are troubling and an agonizing question remains: How many such storage sites are there in Quebec?

That is why I ask the federal Minister of the Environment (Mr. McMillan) to urge his Quebec counterpart to proceed immediately to make a complete inventory of all storage facilities containing PCBs, especially in Abitibi-Témiscamingue.

Mr. Speaker, the people have the right to know and Governments have the obligation to respond.

* * *

[*English*]

AIR CANADA

SALE OF SHARES

Mr. Les Benjamin (Regina West): Mr. Speaker, Air Canada's shares are for high-flyers only. The Government's Air Canada share issue is a hoax for average investors.

Investors who buy Air Canada's shares can expect to receive neither dividends nor interest on their investment. Air Canada has operated profitably on a commercial basis over the last 11 years, and it has never paid a penny's worth of dividends to its shareholders, the people of Canada.

Airlines in the private sector, whether in the United States or in Canada, are rarely if ever in a position to pay dividends because they have a high debt/equity ratio built into their financial structures.

The Government claims that small investors are the target of its share sale. However, I would advise average investors to avoid Air Canada like the plague, unless they have thousands of dollars to invest and nothing else to do with it but play the equity markets.

Large investors are interested in buying Air Canada shares for the purpose of making capital gains, or to reap the tax benefits arising out of capital losses.

The real reason for the share sale is to reduce Air Canada's debt/equity ratio to make the sale of the other 55 per cent of the company more attractive to the high-rollers on Bay Street.

Since many brokers consider airline stocks to be unsuitable for the average investor, buyers should beware.

* * *

PUBLIC SERVICE

WAGES OF DOCK WORKERS ON EAST AND WEST COASTS

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I know from time to time Members in the House hear complaints from the Deep East that it is sometimes discriminated against, and they often think that those complaints are in our wildest imaginations.

I want to bring to the attention of the House a very specific matter which has been irritating me, and giving me concern. I was hoping that it was going to be resolved so that I would not have to bring it to the floor of the House of Commons. It has to do with dock workers, both on the East Coast and on the West Coast. We have a beautiful system whereby there is a ship repair unit on the Atlantic, and a ship repair unit on the Pacific. A contract has been negotiated in which the Atlantic workers receive $3.50 less an hour than the same tradesmen in the same unit on the Pacific on the West Coast. This is not acceptable.

• (1410)

It is time that the Treasury Board got off their duff and moved to resolve this discrimination. There is no right to strike here, because these workers on both coasts, because of the importance of the job they do for national security, are designated workers. As a Government, we do believe in regional development. It is illogical to think that, with something within our administrative command, by Order in Council we could not remove this discrimination.

We talk about equal pay for equal work, and we talk about it only applying to women or visible minorities. Why can we not have it for our own trades people in the Public Service? The cost of living is more in the Halifax area than in Esquimalt. It used to be that comparative wage scales were different. The fact of the matter is that comparative wage scales in Atlantic Canada are even higher now than the comparative wage scales in the West.

My time is almost up. The fact of the matter is it is time to end the eastern workers being geographic scapegoats and second-class citizens, and to move to parity over a three-year period.

Some Hon. Members: Hear, hear!

* * *

TAX REFORM

AMOUNT OF GOVERNMENT REVENUE

Miss Aideen Nicholson (Trinity): Mr. Speaker, there was a song by the Beatles called *The Taxman*, which went like this:

"There's one for you, 19 for me . . .

Should 5 per cent appear too small,

Be thankful I don't take it all."

That might not be an inexact description of what the Government has done with so-called tax reform, bearing in mind where Canadians started in 1984, and where they are today.

The Minister of Finance (Mr. Wilson) has tried to dupe Canadians into thinking that their incomes have risen with the few extra dollars that they have received in take-home pay since July 1.

The Fraser Institute describes this as "trickery". That is a harsh word, and it is not commonly used by that institute.

The Fraser Institute's recent report points out that Canadians face so many hidden taxes embedded in our cost-of-living that we do not even notice when we pay them. That is something that has often been addressed by Members on this side of the House. There are so many indirect taxes; the excise taxes on tobacco, alcohol, gasoline, the manufacturer's sales tax, which this Government has increased enormously.

The Conservative tax grab is big and still growing.

* * *

FITNESS AND AMATEUR SPORT

VICKY KEITH APPLAUDED ON SWIMMING ALL FIVE GREAT LAKES

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I was just waking up this morning when I heard on the radio the impressive news that Vicky Keith, an Ontario swimming coach, had reached land in Toronto after swimming across Lake Ontario.

Some Hon. Members: Hear, hear!

Mr. Angus: She had just completed a series of crossings of each of the five Great Lakes—the first person ever to do so. She had also just broken the previous world record for long distance swimming using the butterfly stroke, a world record that she herself set. She is the first swimmer to cross either Lake Huron or that Great Lake, Lake Superior.

But I feel that the most important reason that her achievement should never be forgotten is because of her drive to raise money to build a new aquatic wing in a sports facility being built for disabled youngsters.

Ms. Keith, along with her parents and crew, devoted many months to training, planning, and waiting for good weather—not to mention warm water—for safe crossings. Personal lives were set aside as this crew of dedicated individuals worked to make an opportunity possible for everyone who will use the new aquatic centre.

Canada has developed a fine tradition of young athletes who have donated their time, effort, and determination to benefit those who are less fortunate, and Vicky Keith now joins their ranks.

I congratulate Ms. Keith, her parents, and the crew on a fine achievement, and I urge all Canadians to show their appreciation by donating to Ms. Keith's cause.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

BURSARIES

CONGRATULATIONS EXTENDED TO 2,500 BENEFICIARIES

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Mr. Speaker, I am sure that all Members of the House will want to join me and the rest of the country in congratulating the 2,500 winners under the 1988 Scholarship Program, whose names were announced by the Prime Minister (Mr. Mulroney) on August 17. Fifty-three young Canadian students have been in Ottawa for the past two days, representing the 2,500 winning students in Canada.

The purpose of the Scholarship Program is to increase the pool of highly qualified personnel in science and engineering, and one of the Program's requirements is that at least 50 per cent of the scholarships go to women. Mr. Speaker, I am delighted to say that this year, 53 per cent of the scholarships went to women. To be eligible for the Program, students must be enrolled in their first year of study for a bachelor's degree in natural sciences, engineering or related disciplines. Every year, 2,500 scholarships each worth $2,000 will be awarded. The scholarship may be renewed, depending on course results. The five-year program is worth $80 million.

On behalf of all Canadians, I wish the students every sucess in their studies.

• (1415)

EMPLOYMENT

IMPORTANCE OF PRERETIREMENT AND ADAPTATION PROGRAMS FOR WORKERS

Hon. Jean Lapierre (Shefford): Mr. Speaker, the somber sequence of plant shutdowns is continuing. A few weeks ago, I said that the Simonds Company in Granby was closing its doors, thus jeopardizing the jobs of 131 workers. There was also the closing of Avibec in Marieville, which affects 55 jobs, and recently, Lowney's in Sherbrooke closed down, affecting 350 jobs, which is the worst so far.

Mr. Speaker, I think these plant closings will make the Government realize there is an urgent need for reviving the early retirement program. In the case of Lowney, for instance, which is very similar to the situation at Simonds, the workers are fairly old, in their fifties and will have to either transfer to Smiths Falls or lose their jobs altogether.

Mr. Speaker, in August 1986, when the Minister of Employment and Immigration abolished the early retirement program, it was supposed to be replaced by another program within the next few months. It has now been two years. Meanwhile, families are living in poverty because people who have worked all their lives unfortunately cannot depend on the early retirement program. I therefore feel that these three plant closings should make the Government understand how urgently these early retirement programs and the adjustment programs are needed.

It isn't enough to say that people can manage their own affairs, Mr. Speaker. I think the Government has a duty to help those Canadians who have worked hard all their lives, and who now at the age of fifty or fifty-five are being laid off for reasons beyond their control. I cannot understand why, since August 1986, the Government has failed to wake up to this fact and meanwhile is letting people go out on the streets. Mr. Speaker, I earnestly urge the Government to wake up to reality and act sensibly and realize there are people across this country who are in dire straits.

* * *

[*English*]

NARCOTICS

TORONTO—USE OF PARKS BY DRUG DEALERS

Mr. John Oostrom (Willowdale): Mr. Speaker, drug pushers are beginning to take over our neighbourhood parks as witnessed by the amount of discarded syringes which are being found daily.

Metro police report that dealers use parks to conduct the majority of their drug transactions. This situation is intolerable. Our parks and streets must be made safe for our children and these vermin put behind bars. Each one of us has to contribute if the war on drugs is to be won.

Programs such as the one suggested by a few members of Toronto's City Council of giving drug addicts free syringes in order to attempt to control AIDS must be seriously questioned. Drug use cannot be condoned under any circumstance. Addicts must be urged to curtail their use of drugs and not be provided with better tools for their use.

I hope Toronto Council forgets this foolishness and instead supports Metro Chief Jack Marks' request for 100 more officers to help stem the flow of drugs.

ORAL QUESTION PERIOD

[*English*]

DANGEROUS SUBSTANCES

DESTRUCTION OF PCBS—ABSENCE OF REGULATIONS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is for the Minister of the Environment. He knows that as of last week PCB has become a household term across Canada and our international reputation, as well as our domestic reputation, hinge on how well we will solve this problem.

The Canadian Environmental Protection Act was proclaimed in June of this year. The Act covers storage, handling, and destruction of PCBs. On that day the Minister of the Environment announced that:

> "The Government will get tough on polluters . . . and take offenders to court . . ."

On the same day the appointment of senior investigation officers was announced in all regions of Canada, including Montreal. Thus Canadians were led to believe by the Minister that they would be protected from PCBs.

Can the Minister inform the House today and explain why there are no federal regulations regarding the destruction of PCBs?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, as a former Minister of the Environment the Hon. Member for Davenport should know that until the Canadian Environmental Protection Act was proclaimed on June 30 the federal Government, largely because of neglect by the Member's Party, lacked the legislative authority to act. We now can, including through the use of regulations.

Historically the management of PCBs has been shared by the federal and provincial governments. We have engaged in a Canada-wide program in that regard to ensure that the provinces and the federal Government are not acting at cross purposes.

I can assure the Hon. Member for Davenport, and through him I can assure the House, that unless national standards under CEPA are met by every province, and storage and incinerator facilities meet the highest standards of environmental protection, that territory at present occupied by the provinces, provided enforcement at the provincial level is not done, will be occupied by the federal authority. We intend to act.

• (1420)

PROTECTION OF PUBLIC—REQUEST FOR ANNOUNCEMENT OF REGULATIONS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, we have heard this rhetoric since 1985, and I am glad to hear the Minister reversing himself and all of a sudden becoming very bold on the floor of the House of Commons about federal jurisdiction, having reversed the thrust of the Bill in committee some six months ago. That is quite a reversal.

If the Minister has all of a sudden found courage and sounds like a lion on the floor of the House of Commons, when can we expect from him action on PCBs for the protection of Canadians, through CEPA, and announce the regulations for the destruction of PCBs? When will he stop hiding behind provincial Environment Ministers? When will he do that?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I am not hiding behind provincial Environment Ministers or anyone else. Under the authority of the Government of Canada, through myself, the Department of the Environment has arranged for every single PCB storage facility in the country under federal jurisdiction to be identified. We are ensuring that those sites meet the most rigorous national standards for storage.

Second, we have engaged in an exercise with the provinces to identify all PCB storage sites across the country under provincial jurisdiction. I can tell the Hon. Member that if in any one province any site does not meet national standards for PCB storage, then the federal Government will swoop in and occupy the territory.

Mr. Caccia: Mr. Speaker, the one who has swooped and swallowed himself in his rhetoric is the Minister of the Environment. He is reversing himself on the floor of the House of Commons, having taken a position 180 degrees diametrically opposite in committee on CEPA. Anyway, I wish him luck.

[*Translation*]

DESTRUCTION OF PCBS—CHEMICAL TRANSFORMATION TECHNOLOGY—GOVERNMENT POSITION

Hon. Chas. L. Caccia (Davenport): My question is directed to the Minister responsible for Science and Technology or to anyone answering today for that Department. It involves the new chemical transformation technology to destroy PCBs. I would like to ask the Minister why it took so long to launch the development of advanced technology for destroying PCBs? Would the $60 million cut in the Council's funding, initiated by the Minister of Finance in 1985, including the elimination of the Environment Secretariat, be the cause of that slowdown?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the clear implication of the Hon. Member's question is that the federal Government has done nothing in this area over the last three years. The fact is, number one, for the first time ever we have prepared a national inventory of PCB storage facilities across the country; number two, we pressed into service low-level PCB decontamination centres across the country in seven provinces. Only three do not have them. Third, we have laid the groundwork for PCB destruction plants in Alberta, Ontario, British Columbia, and Quebec. We now have one on stream in Alberta and one is about to come on stream in Quebec and in Ontario.

We have imposed, Sir, strict federal regulations under the Transportation of Dangerous Goods Act for all shipments of PCBs from one end of the country to the other. We have instituted strict regulations with respect to the importation of PCBs, the manufacture of PCBs, the sale of equipment using PCBs, and finally, Sir, with respect to the wilful release of PCBs into the environment. Now that we have the Environmental Protection Act in place we intend to bring the full force of the law down upon violators wherever they may be.

* * *

• (1425)

[*Translation*]

HEALTH

SAINT-BASILE-LE-GRAND TRAGEDY—LABORATORY ANALYSES—GOVERNMENT POSITION

Mrs. Lucie Pépin (Outremont): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. After the Saint-Basile-le-Grand tragedy, 3,000-odd people underwent health examinations in Charles Lemoyne Hospital, including blood and breast milk analyses. They are anxiously awaiting the results.

Apparently, hospital authorities are still looking for laboratories to detect traces of dioxin and furans in blood and breast milk. How come such analyses are not a priority with the Minister of National Health and Welfare? Parents are concerned about the health of their children, pregnant women and new mothers are concerned that breast milk may be contaminated. Can the Minister give us assurances that his Department has taken the necessary steps to have those analyses done within the shortest timeframe?

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, the short answer to the Member's question is yes. With respect to the health protection branch and the LCDC, we are giving whatever help is requested. We are testing as well.

The Member made a valid point about the time lapse for information once a test has been conducted and about the toxicological work that has to be done. We are developing information. We have notified the Province of Quebec and will make that available to every one of the people affected as well. I have been told that that should be available by tomorrow night or the day after.

[*Translation*]

ANALYSES OF BLOOD AND BREAST MILK—GOVERNMENT POSITION

Mrs. Lucie Pépin (Outremont): Mr. Speaker, my supplementary is directed to the same Minister. Will the Minister confirm whether it is true that the Food Research Division in his Department is today busy analyzing blood and breast milk samples or whether, as one medical officer told us, this is not a priority with the Department of National Health and Welfare, and samples are sitting on the shelves.

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Quite frankly, Mr. Speaker, that is not correct. I do not know to whom the Hon. Member is referring. I have checked with my Department to ensure that we are giving every co-operation in that respect.

I also phoned the Minister of Health in Quebec and assured her of every assistance that we are willing to give and that if they want any further assistance we would be ready to give that as well.

* * *

DANGEROUS SUBSTANCES

SECURITY OF PCB STORAGE SITES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is for the Minister of the Environment. Yesterday the Minister of Labour, who was filling in for the Minister, told the House that as a result of the new law that is now in place Canadians no longer need to have any concern about potential disasters of the kind which took place in the past week in Quebec with PCBs. Just after he said that an expert in the Minister's own Department said the following: "We don't know a hell of a lot about these sites and we can't do a damn thing about it" if we find that they are unsafe.

My question to the Minister is straightforward. Who is correct in this situation, the Minister of Labour who said that we should rest assured, or the expert in the Minister's Department who says he can do nothing about it?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I do not think the Minister of Labour intended to imply, and certainly I did not infer from his answer, that because of CEPA we would have a Linus blanket that would prevent pollution from occurring or accidents from taking place. There was no such exaggerated claim.

The fact is that we have now a stronger law than we have ever had. CEPA will equip the federal authority with a much stronger instrument to deal with PCB-type contamination and pollution than ever before. However, there was no implication from the Minister, from me, or from anyone in my Department that accidents will not occur.

The federal Government is totally committed to identifying PCB storage sites right across the country under federal jurisdiction and under provincial jurisdiction, to now ensuring that they meet the most rigorous national standards for storage.

To the extent that national standards in that connection are not met in a given province, I assure the House and the Leader of the NDP that the federal Government will take all necessary steps under its authority, which is now much broader than before under CEPA, to make sure that the job is done.

Mr. Broadbent: Mr. Speaker, the Minister knows that, despite the verbiage he has just put on the floor of the House, the correct conclusion is that the expert was right yesterday and not the Minister of Labour. The Minister knows that the regulations are not in place which would give the federal Government the authority to act. When the Minister of Labour said what he did to the House yesterday he was leading all the people of Canada astray because the authority to act is not now in place, and the Minister should concede that.

• (1430)

AGENDA FOR DESTRUCTION OF PCBS REQUESTED

Hon. Edward Broadbent (Oshawa): I want to ask the Minister a supplementary question with regard to an answer he gave just a minute ago. He said that, notwithstanding the Government's tardiness in terms of preparing regulations, the regulations it would have out soon would be pertinent to the storage of PCBs. He said nothing about the authority of the federal Government in the June Bill to destroy PCBs.

He knows, and experts in his Department no doubt have told him, that technology exists now to destroy all the PCBs in Canada within six months if we had the will to do it. Why does the federal Government not give us an agenda for the destruction of all PCBs, and give us that agenda now?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the agenda is, first, to identify all storage sites for PCBs across the country. Second, it is to ensure that each storage site meets the highest standard for environmental safety. Third, it is to work with the provinces to ensure that with dispatch, to the maximum extent possible, given the technology, the PCBs in those storage facilities are incinerated. Finally, we are going to do all we can as a federal Government to ensure the technology is available and in place and used.

I might add, in conclusion, that I will be convening a meeting of the Council of Resource and Environmental Ministers to ensure that those four points I have identified are carried through.

CONTENT OF PROPOSED REGULATIONS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the country has been waiting some three years for the Government to live up to its promise on this. The Minister just now made reference for the first time in the House this afternoon to the destruction, as I understand him, the incineration of the PCBs. Is he now guaranteeing to the House that the regulations will include a requirement not simply for the storage of PCBs but for their destruction? Will the federal Government lay out a timetable so the people of Canada, at long last, can rest assured that definite, concrete action will be taken?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I can assure the Leader of the New Democratic Party and, through him, the House and the country that we have a phase-out strategy in the advanced stage of preparation. I am in a position to present it to my provincial colleagues. That is the first priority, to phase out PCBs in use in the market-place.

In tandem with that, we will have a strategy, again well advanced, to identify the storage sites and arrange for their immediate or very soon incineration.

* * *

RAILWAYS

NEWFOUNDLAND RAILWAY CLOSURE—SITUATION OF WORKERS

Mr. George Baker (Gander—Twillingate): Mr. Speaker, there are 1,000 employees of Canadian National in Newfoundland who are presently facing an uncertain future because of the actions of the Government. There are 600 employees of Terra Transport who are presently negotiating their future because the railway will close in a couple of weeks. There are 400 employees of Terra Nova Telecommunications, a Crown corporation that was sold just last week to its only competitor, Newfoundland Telephone.

First, the 600 employees of the railway only have 30 days left on the job.

My question is directed to the Minister for International Trade who signed this agreement and made the announcement on behalf of the Government of Canada. Where have all those glorious promises gone? They evaporated into thin air. Why will the trainmen, the people who work the train, including the engineers, no longer have any job security? They are told to go to the mainland to work the spare board. Why is it that 150 permanent part-time workers, some of whom have been with the company for 25 years, are not even covered by the agreement? Will the Minister step in to stop this railroading of rail workers in Newfoundland and at least extend the lay-off deadline?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, as we have come to expect, there is some element of exaggeration in what the Hon. Member says. The Newfoundland Railway had 642 employees. If I have the figures correct, I believe 155 are eligible to go on early retirement; 140 I believe are continuing on with CN. That leaves 347 who had to be provided for. Collective negotiations are now under way. They will get all the benefits in their collective agreements. In addition, they will get generous other benefits that will look after them, that will pay them salaries in many cases until they are 65 and then a pension afterwards, or other jobs will be provided.

The negotiations are under way now. They resume on September 7. The union representative has said that he is expecting and hoping to conclude negotiations with satisfaction for all parties after this next round of talks. Let us be serious. The situation is well in hand.

Mr. Baker: Mr. Speaker, the Minister did not include the remaining employees. He is an expert at side-tracking.

Hon. John C. Crosbie (Minister for International Trade): The hon. gentleman is an expert in blowing, whistling and puffing, as we have come to realize, and in shunting.

With respect to the 400 employees of Terra Nova Tel, they have been given a guarantee that their jobs will continue. Their pension rights are continuing. Gander will continue as a central part of the operation. Additional money will be spent for capital purposes and there will be a reduction of rates for the subscribers of Terra Nova Tel as a result of the take-over by Newfoundland Telephone. Guarantees have been given to CN in writing. I am prepared to repeat them here on the floor of the House.

As the hon. gentleman knows, the people of Gander and central Newfoundland are well satisfied with this transaction. His attempt to raise further alarms does the people he represents a distinct disservice.

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CROWN CORPORATIONS

SALE OF TERRA NOVA TELECOMMUNICATIONS—EFFECT ON EMPLOYEES

Mr. George Baker (Gander—Twillingate): Mr. Baker, I want to ask the Minister about the remaining 400 employees of Terra Nova Telecommunications, which Crown corporation was sold last week. By the way, the consultant who represented the successful bidder is a prominent former Tory MP from Newfoundland, and the consultant hired to sell the Crown corporation on behalf of the Government is a prominent Tory fund raiser nationally. In fact he even raised money for the Minister for International Trade and even hired a *Playboy* centerfold, Miss Shannon Tweed, to spice things up.

Some Hon. Members: Oh, oh!

Mr. Speaker: The Hon. Minister.

Mr. Crosbie: Mr. Speaker, the Hon. Member—

Mr. Speaker: Perhaps the Hon. Member has not completed his question.

Mr. Baker: I will put the question, Mr. Speaker. Instead of Miss Tweed, perhaps Miss Piggy would have been more appropriate.

Can the Minister give a guarantee that there will be no layoffs in Newfoundland from this Terra Nova Telecommunications-Newfoundland Tel merger? Can he give that guarantee and, to prove it, will he at least table the documents?

* * *

BROADCASTING

REQUEST THAT LEGISLATION BE WITHDRAWN

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, the Canadian Association of Broadcasters, the Canadian Conference on the Arts, ACTRA, the Canadian Film and Television Association, the Association of Canadian Film and Television Producers, CTV and Global Networks, the President of the CBC and the Chairman of the CRTC all have one thing in common. They oppose the Government's new broadcasting legislation.

Why is the Minister persisting with this legislation? She told the committee this morning that the Bill would go directly to the House and we would start debating it on Wednesday, September 14. She said the Bill would go through.

In view of the fact that the Prime Minister has said we will have an election announced on or about September 17, how does she intend to meet this impossible timetable? Why does she not withdraw the Bill?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, I must thank the Hon. Member for his co-operation in committee this morning. I think he was behaving like a perfectly proper committee member, helping to get this legislation through. I thank him for the suggestions and, in fact, the amendments that he put forward.

A year ago this time, which I remember so well, Members of the New Democratic Party and the Opposition in general were asking why the Minister did not move forward more quickly with this legislation. They were asking why we did not have new broadcasting legislation because we had been working at it for two years. They were asking why it was not introduced and passed.

I must say that it took the committee a while longer to finish their work. When they tabled their final report in May of this year I took those recommendations, incorporated a great many of them into the Bill, and I have brought it forward. I may say that this Bill remains a priority with the Government.

Mr. Waddell: Mr. Speaker, I thought for a moment the Minister was going to call me a gentleman.

• (1440)

MINISTER'S POSITION

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, one reason that many groups are opposed to the Minister's Bill is her refusal to accept all-Party amendments to avoid the North-Americanization of broadcasting, for example, licensing and regulating, say, the American super channels. In light of the free trade deal would the Minister not agree we need stronger, not weaker, Canadianization provisions? And is the real reason the Minister will not accept these recommendations of all these groups in the all-Party committee is that she cannot because of that very trade deal?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, I must say that the exaggeration of the Hon. Member really boggles the mind. I may just point out the fact that this Bill supports the Canadianization of the CBC to 95 per cent Canadianization in its programming. This Bill brings in a performance incentive to encourage the private broadcasters to do more and better Canadian programming than they have in the past. This Bill talks about broadcasting which must be predominately Canadian, and I would like to assure the Hon. Member that the CRTC, through its licensing of distributing agents and services, has to deal with all programs it receives. That is the way in which licensing is carried out in this country, by the regulatory body which has been set up by this Parliament to do that very thing.

* * *

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF MR. ALAIN DECAUX, LA FRANCOPHONIE MINISTER DELEGATE

Mr. Speaker: Order, please! I am privileged to draw to the Hon. Members' attention the presence in the gallery of Mr. Alain Decaux, Minister Delegate responsible for La Francophonie.

Some Hon. Members: Hear, hear!

[*English*]

THE MINISTRY

AIR FLIGHT TO THAILAND BY MINISTER'S SPOUSE

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is directed to the Deputy Prime Minister. I want to ask him whether the Prime Minister is aware that the wife and daughter of the Minister for International Trade took a free one week trip to Thailand last month provided by Thai Airlines, and whether this is acceptable behaviour of the Ministry.

Some Hon. Members: Oh, oh!

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, in my 23 years of political life this is the first occasion on which any person in political life has tried to attack my wife or my daughter or to insinuate they behaved in some improper way.

In July, at the invitation of the Thai International Airways and/or the Government of Thailand, I was invited to go on an inaugural flight from Toronto to Bangkok. I decided not to go, having other responsibilities. My wife was invited and my daughter. They went. They went in the company of a Minister from the Government of the Province of Quebec. A Minister from the Government of Ontario went. The Mayor of Metropolitan Toronto went. Other persons in the private sector went. There was no impropriety whatsoever in them going at the invitation of the Thai Government.

I am very surprised that the Hon. Member would bring this up in this way, without any advance notice to me he was going to drag my family up on the floor of the House of Commons. It is not the first time he has done that. If that is his standard of behaviour, so be it.

Some Hon. Members: Hear, hear!

Mr. Kaplan: I am not suggesting that the conflict of interest guidelines—

Some Hon. Members: Cheap! Cheap!

Mr. Kaplan: I am not suggesting that the conflict of interest guidelines apply to a wife and daughter—

Some Hon. Members: Sit down!

Mr. Kaplan: —but I was suggesting in my question that they apply to the Minister.

An Hon. Member: Shame!

Mr. Kaplan: But the day after he refers to the Leader of the Opposition as a Nazi, a criminal, and a liar, I do not think I have anything to apologize for to him.

BENEFIT QUERY

Hon. Bob Kaplan (York Centre): I would like to ask the Deputy Prime Minister, apart from the Minister's own defence, whether the Government considers this proper or whether the conflict of interest guidelines mean what they say when they refer to the ability of office holders to accept hospitality and benefits, provided they are of nominal value? Is this a benefit of nominal value?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, now we see the reason for this. This trip took place in July. There was a story in the Toronto *Globe and Mail* in the last week of July about this inaugural flight, giving the names of many of the people who were on it. The hon. gentleman now says he is asking this question because I spoke in this House yesterday and said certain things, he alleges, about his Leader. I did not call his Leader a Nazi, by the way. I said he uttered untruths. But that is irrelevant.

The Hon. Member, if I can call him that, now says he is bringing this up because I made a speech in this House yesterday. Well, he can bring up what he likes, he will never stop me from speaking my mind in this House.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Hon. Member for Winnipeg North Centre.

Mr. McDermid: Are you in that much trouble in your riding, Kaplan?

Mr. Siddon: Why do you not join the rat pack?

Mr. Speaker: The Hon. Member for Winnipeg North Centre has the floor.

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IMMIGRATION

SCHEDULED DEPORTATION ON BASIS OF MARITAL STATUS INFORMATION

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, my question is directed to the Minister responsible for immigration. As I am sure she is aware, the first garment worker to complain about being discriminated against in terms of entry into this country on the basis of marital status is due to be deported by her Government tomorrow. The Commission of Human Rights has written to the Minister directly to ask her to intervene so that this woman can stay in Canada until the Human Rights Commission is able to announce its findings as to whether or not this person was discriminated against. I wonder if the Minister would take this opportunity to announce her decision in this matter.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I am not in a position to announce any decision. There has been a formal application to the Human Rights Commission. An investigation is being conducted. I am certainly taking a strong personal interest in the outcome of this—

Mr. Axworthy: Do not deport her, then. Why are you deporting her?

Mrs. McDougall: —and we will be watching it in our office.

URGENCY OF SITUATION

Mr. Cyril Keeper (Winnipeg North Centre): I hope, Mr. Speaker, the Minister is aware of the urgency of this situation. The woman is due to be deported tomorrow.

Mr. Axworthy: People with compassion do things like that.

Mr. Keeper: Can the Minister hear what I am asking? All right. The woman is due to be deported tomorrow and the Human Rights Commission has made a special appeal to allow this woman to stay in Canada until her human rights complaint is carried through. It has found it has reasonable grounds to believe that the Department of Immigration has discriminated against this woman on the basis of marital status. Will the Minister recognize the urgency of the situation and make a decision now so that the woman can stay in Canada until her human rights have been respected?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, the Federal Court has some involvement in this, too. I would point out to the Hon. Member that I have already said we are investigating this matter. If he would like me to, I will say I am actively investigating this matter. But I do not need any lessons in human rights from the Hon. Member.

Mr. Keeper: What are you waiting for?

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EXTERNAL AFFAIRS

BURUNDI—TRIBAL WARFARE

Mr. Barry Turner (Ottawa—Carleton): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. As someone who has spent many years in Africa I am saddened and appalled at the barbaric and totally uncivilized slaughter the world has recently witnessed in Burundi. It amounts in fact to modern tribal warfare. Will Canada continue to maintain normal relations with Burundi? If not, what action does the Government intend to take to condemn this wanton slaughter of innocent men, women, and children?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I think everyone in this House is shocked by the massacres in Burundi. It is part of a tragedy that appears to be ongoing. What all of us want to try to do is to find some effective way in which we might contribute to an atmosphere of peace and justice in that country.

• (1450)

Officials of my Department have met the Ambassador from Burundi. A representative of the Government of Canada was in the country last week, has just returned to Rwanda and is reporting to us. We are meeting today with representatives of the Hutu population in the region. We will work through the Francophonie and other organizations to try to change the practices that have so shocked the world.

I have noted that the European Community has suggested that it would be helpful to have an independent commission of inquiry. That was rejected initially by the Government of Burundi. We hope that it will reconsider that reaction.

We think that the first step should be to get facts as to how we might resolve the problem and then countries like Canada should certainly be exercising all our influence to try to achieve an atmosphere of peace and justice that would endure.

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IMMIGRATION

SCHEDULED DEPORTATION ON BASIS OF MARITAL STATUS INFORMATION

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the Minister of Employment and Immigration who also happens to be the Minister responsible for the status of women.

The Minister has just told the House that she will be investigating the deportation order served on a 45-year old Filipino seamstress, a landed immigrant, because she provided incorrect information on her marital status. That deportation order is to take effect tomorrow morning at nine o'clock. With all due respect I suggest that simply investigating is not an answer to this case.

Since the employer of this woman, the Manitoba Fashion Institute, like many others in the garment industry, regularly recruits foreign women workers with the condition that they must be single, which in turn forces them to circumvent an employment criterion which clearly violates our federal human rights legislation, will the Minister immediately suspend the deportation order and investigate the Espineli case, a case which involves problems faced by so many other immigrant women, so that we can be sure that our immigration policy is not going to continue to contradict and violate our federal human rights legislation on the books of our own Government?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, the law on the books of the Government is not new.

I did not say that I will be investigating—I am investigating. We are looking very seriously at this matter.

I recognize that women immigrants or potential immigrants have particular problems in a range of fields which are long-standing, problems which we are also investigating. I take my responsibilities both for women within the immigration system and on the human rights side very seriously.

MINISTER'S POSITION

Mr. Sergio Marchi (York West): Mr. Speaker, it is very ironic that the Government procrastinated for 10 months before starting deportation proceedings with regard to a convicted terrorist but swoops in, to use her colleague's words, on a 45-year old helpless woman with a case file that has national repercussions.

Since the Canadian Human Rights Commission is investigating this case, and since the Commissioner has said that it will have to bring this woman back at Canadian taxpayers' expense if she is deported, why does the Minister not do the appropriate thing, stay the deportation order and allow the Commission to make a determination not on this one case file but on the many case files of so many immigrant women about whom the Minister has so passionately spoken? Here is a human rights story that cries out for her sensitivity as a woman and as a Minister.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, as a woman, as a Minister and as a member of this Government I am not only aware of my responsibilities but I am very aware of the human conditions that we deal with every day, not just the ones that the Hon. Member chooses to raise from time to time. We deal with them every single day. We deal with them humanely and well. We also have some regard for the system which involves the Federal Court and the Immigration Appeal Board. We are actively investigating this file.

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CHILD CARE

TORONTO—DAY CARE NEEDS

Mr. Neil Young (Beaches): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. Day Care Connection, a child care organization in my constituency, received some 4,000 calls last year alone from families needing day care. That is over 10 calls a day, 365 days of the year.

Last week the Mayor of Toronto said that child care in Toronto is in a state of crisis. He is right.

I want to ask the Minister whether or not he is aware that in Metropolitan Toronto newly planned subsidized child care spaces have had to be cut back as a result of the Government's planned legislation on child care. Will the Minister not agree that there is something seriously flawed with that legislation and that he should go back to the drawing-board?

Hon. Jake Epp (Minister of National Health and Welfare): No, Mr. Speaker, I will not. If the Hon. Member were to take a look he would see that 200,000 spaces will be created over the next seven years. Those are only subsidized spaces, not to mention the other spaces that are being created.

Additionally, I would suggest to him that he should indicate to his Party's Member on the committee that there should be some co-operation to get the legislation passed so that the money can start flowing.

REQUEST THAT MINISTER REDRAFT LEGISLATION

Mr. Neil Young (Beaches): Mr. Speaker, the Minister must realize that rather than being part of the solution that legislation is adding to the problem. If the Minister is not prepared to listen to Members of Parliament will he at least listen to Canadian families? Will he listen to the Mayor of Toronto? Will he listen to Canada's children? Will he go back to the drawing-board to improve this legislation?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I have listened to Canadian parents. I have listened to the parliamentary committee and its recommendations. The legislation has been following those recommendations very closely. The legislation has been approved in principle in this House. I suggest that what is being done now is that $6.4 billion is being targeted for child care over seven years, whereas at the present time the federal Government is spending $160 million. That is a 100 per cent increase in the last four years that this Government has been in office.

The Hon. Member's Party should start to support such legislation. It should start to support that kind of money. It should not say with respect to the 200,000 spaces that the NDP program of 200,000 spaces is more than the Government's.

Members of that Party should get off the rhetoric which says that on the one hand they are trying to be financially responsible while on the other by the year 2000 they will have an $11 billion bill which will somehow come out of thin air and that taxpayers support it. Less than 10 per cent of Canadians support the program of that Party which is why it was rejected by the Government, as well as for other reasons.

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HEALTH

REPORTED CONTAMINATION OF MEAT USED IN HAMBURGERS

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is addressed to the Minister of State for Agriculture. In view of recent press reports that a disease called hamburger disease, or HUS, is causing severe health problems and deaths in senior citizens and young people, and that it is caused by meat contaminated by the E coli bacteria, can the Minister tell the House whether any special precautions are being taken in Canadian meat packing plants that are inspected by the federal Government to ensure that this contamination is not causing these serious illnesses and deaths which have occurred in Canada this year?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I thank the Hon. Member for his question. It gives me an opportunity as Minister of Health to indicate again to all Canadians that proper handling of food is essential. We have had a number of E coli outbreaks, as the Hon. Member has mentioned.

Additionally, the Canadian Government through the Department of National Health and Welfare and the LCDC has been co-operating with Public Health officials. We have put forward a warning again that proper storage, handling and preparation of food are necessary. I thank the Hon. Member for raising this issue which has given me the opportunity to make that point again.

MEAT PACKING PLANT OPERATIONS

Mr. Maurice Foster (Algoma): Mr. Speaker, can the Minister of Health clarify whether any review has taken place with regard to the operation of meat packing plants? Has there been any new commitment of funds by his Department for research to develop a serum or a vaccine for this disease? Just how extensive will the program of public information be to ensure that as few children as possible are infected by this bacterium and the toxin that it produces?

• (1500)

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I can tell the Hon. Member that LCDC is providing all laboratory assistance required to provide identification of organisms or toxins. We also have an epidemiologist on the site to assist in the investigation, as well as to contain the outbreak.

As I stated earlier, additionally, we have said to provincial health authorities that any further information that can be given, or any technical help that can be provided, we will do that as well.

In respect of any anti-serum, I would have to take cognizance of that part of the question and make further inquiries.

Oral Questions

PUBLIC SERVICE

NAVAL DOCKYARD WORKERS—WAGES PAID ON EAST AND WEST COASTS

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, in the absence of the President of the Treasury Board, my question is directed to the Deputy Prime Minister.

Ship repair workers in the naval dockyard in Halifax are paid $3.50 an hour less than similar workers in Esquimalt, British Columbia. Those workers are all federal civil servants. They all do exactly the same work.

Can the Deputy Prime Minister explain to the House, to the workers, and to Canadians, why federal employees in one part of the country are paid less than workers in another part of the country when they are doing exactly the same work?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, without getting into the details of the issue, I would suspect that the collective bargaining process would have something to do with this.

I will take this matter under advisement and return to the Hon. Member with a fuller response.

PAY OF HALIFAX DOCKYARD WORKERS

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the Deputy Prime Minister is correct, this is a matter that is a bone of contention in collective bargaining in the Halifax unit.

First, the workers in the Halifax dockyard have been without a contract now for one year. Because their work is essential they are not allowed to strike.

Why does the Prime Minister not do what is fair and honest to the workers in the Halifax dockyards and remove this regional discrimination in the hourly rate of pay, and immediately settle the contract in Halifax by giving the workers pay equity per hour with the workers in British Columbia?

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I want to point out to my hon. friend that it is government policy, as an employer, to reflect the current rates in that particular region. When viewed in the context of the rates that are paid in the Halifax region, those rates are reasonable. That is the point of view that the Government takes.

Mr. Rodriguez: Do you do it for MPs?

Mr. Lewis: In terms of the Halifax shipyard industry, and this was very well brought out by my hon. friend on the Government side earlier today, and I am surprised my hon. friend did not listen to his comments—

Mr. Rodriguez: Do you do it for MPs?

Mr. Lewis: No. We are going to stay with that policy.

Mr. Rodriguez: That is shameful.

[*Translation*]

EMPLOYMENT

IMPORTANCE OF ESTABLISHING PROGRAM FOR OLDER WORKERS

Mr. Jean-Claude Malépart (Montréal—Sainte-Marie): Mr. Speaker, my question is directed to the Minister of Labour. For two years the Minister of Labour in this Government has been boasting he was going to negotiate with provincial governments an adjustment program for older workers. As we know, such a program was put in place under the Liberal Government to meet the needs of people 55 and older who were affected by plant closures, such as the ones that are now happening in the Eastern townships and also in Eastern Montreal at the Vickers plants. For two years, the Minister has been stating he is negotiating with provincial governments. Can the Minister tell us now whether the Quebec Government, the Ontario Government, the governments in western and Atlantic Canada signed an agreement with the Canadian Government to set up an adjustment program for older workers, so that our working men and women aged 50, 55 or over can benefit from a program that is really efficient and compassionate?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, as I said to the Hon. Member and to this House on several occasions, the program in place under the previous Government only covered four industries—it would not have covered Vickers employees for instance, as suggested by the Hon. Member, nor those of the company the Hon. Member for Shefford referred to earlier.

Mr. Speaker, the program is indeed in the final negotiating stages and I expect to be in a position to make an announcement very soon.

REQUEST FOR RETENTION OF FORMER PROGRAM

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, I will believe the Minister again. For two and a half years, he has been telling me that he would make some announcements soon. But they have not been forthcoming; we still do not have any answer. Does the Minister not believe that it would be preferable to maintain the old program and to extend it to the people of eastern Montreal and Sherbrooke? It is an internal matter for the federal Government to decide. He does not have to wait for someone else. So would the Minister be prepared to implement the former program immediately? Once agreements have been reached in the provinces, then he can change them. It would seem more humane to me, because the guys from Vickers have been waiting for a year and a half . . . when they have to pay for their groceries, the cashier does not tell them that he will wait until the Minister of Labour has negotiated with Quebec; he wants to be paid right away, in cash. Why delay such a decision?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, since the former Liberal program was to end in 1985, and was discriminatory, we decided it would be better to negotiate a new non-discriminatory program for workers 55 and over, and I should be able to make an announcement very soon, Mr. Speaker.

[*English*]

BUSINESS OF THE HOUSE

Mr. Lewis: Mr. Speaker, there have been discussions among the Parties with respect to the vote which is to be held on Bill C-130 and is scheduled for 3 p.m. tomorrow. I think you will find there is unanimous consent for the following motion to be put to the House. I move:

That, notwithstanding the Order of the House adopted on Thursday, August 25, 1988, any division demanded on Bill C-130, An Act to implement the Free Trade Agreement between Canada and the United States of America, shall be deferred until 6.00 o'clock p.m., Wednesday, August 31, 1988.

This conveniences the House and those Members who wish to attend the funeral service for the late Senator Jean Marchand in Quebec City. We understand that this will allow everyone who wishes to attend the service to be back in time for the vote.

Mr. Speaker: The House has heard the motion of the Hon. Minister of State. Is there agreement?

Some Hon. Members: Agreed.

Motion agreed to.

Mr. Riis: Mr. Speaker, first, I wonder if I could take this opportunity to seek unanimous consent of the House to allow the Leader of the New Democratic Party to have sufficient time to complete his remarks later today before the speeches begin. Second, we have an understanding that private Members' hour will follow the speech of the third Leader.

Mr. Lewis: I am prepared to entertain that suggestion. This is the first suggestion I have had that it was going to be made. I am not sure that I see any difficulty, however, I would like to check with some people, and perhaps we could look into it in a minute or two.

Mr. Speaker: I take it from that there will be some discussion and brought back to the House. The Hon. Member for Windsor West.

Mr. Gray (Windsor West): Mr. Speaker, while I would be happy to wait to hear from the Deputy Government House Leader, we are prepared to agree now to the suggestion of the House Leader for the NDP.

ALLEGED USE OF UNPARLIAMENTARY LANGUAGE

Mr. Speaker: I wish to bring to the attention of the House a matter which gives me some concern, and I want the co-operation of Hon. Members.

I will not name any names, however there has been a suggestion that as a consequence of something said in a speech yesterday morning a question of privilege might be raised today.

First, the rules are very clear that there must be notice. Second, it should be brought at the very first opportunity. Despite the difficulty with the delay in *Hansard*, it would seem to the Chair that something said as long ago as yesterday morning, if it was causing that much grievance, could well have been brought to the Chair. Third, I must say that I examined with very great care certain remarks that were made yesterday morning. What I might have done if a complaint had been brought to me immediately or at the first opportunity is one thing. I did notice that there was apparently no disorder as a consequence.

• (1510)

I share with the House my difficulty in this. I am bound to apply the rules. At the same time, I would ask that, when Members are speaking—there was more than one complaint brought to me and it involved both sides of the House—no matter how passionate they may feel, that they exercise the restraint and constraints that are appropriate in this place. There are many ways to say here what one thinks of political issues. I raise this matter and share it with Hon. Members because I am afraid that, on procedural grounds, if there are further complaints about what happened as long ago as yesterday morning, I just do not feel that it would be appropriate to entertain them. I have taken this position on complaints coming from both sides of the House. Orders of the day.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Crosbie that Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, be read the third time and passed; and the amendment of Mr. Axworthy (p. 18987).

Mr. Speaker: Before proceeding further, I ask for the indulgence of the House. I was about to rule on an amendment that has not yet been put to the House. I shall wait until later. I might indicate that I will probably be receiving it favourably. On debate. The Hon. Member for Broadview—Greenwood (Ms. McDonald).

[*Translation*]

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, water is included in the Free Trade Agreement because it is included in the GATT. Under the GATT provisions, water is a commodity. That means that the Government will no longer be able to block water exports through taxes.

Mr. Speaker, environmentalists from all regions of Canada are opposed to this Agreement. They are concerned about the negative impact of this Agreement on the environment particularly on water and non renewable resources, and rightly so.

This Government has adopted the principle of sustained development put forward by the World Commission on Environment and Development. Mr. Speaker, having commited itself to this principle, this Government then approved the principle of free trade, which goes against sustained development. You cannot have it both ways. Free trade means an accelerated development of our non-renewable resources. It means water exports, incentives to use pesticides and the prominence of chemical agriculture over a sustained development-oriented agriculture. Environmentalists have good reasons to worry about this Free Trade Agreement. No wonder the Agreement includes water as a very important resource for us. The chief negotiator for Canada, Mr. Reisman is a known advocate of water exports to the United States. He is even among those who support a wild scheme that would turn the salt water expanse of James Bay into a fresh water lake complete with a dam. That water would then be transported, to the United States. Mr. Reisman would like to see nuclear plants built to feed this water up to the American market.

Had the Government wanted to prevent water exports to the United States, it could have included a clause to that effect in the agreement, but it failed to do so.

There is a policy against water exports. There is even a bill that would disallow them. But the wording of the agreement is of paramount importance and if we look at the wording, water exports are a distinct possibility because water is included in the GATT.

Madam Speaker, this is a mistake, a betrayal of Canada!

[*English*]

Environmentalists all over Canada oppose this deal because environmentalists want to see us move toward a renewable kind of agriculture and forestry. That is what environmentalists want to see, and yet, with this deal we will see an ever faster exploitation of our non-renewable resources. We will not have the opportunity to use our resource base to create jobs because performance requirements will not be allowed.

The requirement for research and development, buying Canadian, local sourcing, all these requirements which have been used by other countries and which have been used in Canada in the past, and used very effectively in Québec, for example, will no longer be permitted in the deal on free trade. This is tying our hands for economic development, regional development, and resource management. It is tying our hands in terms of the conservation of our non-renewable resources. It means that Canada will depend more and more on selling our non-renewable resources at world prices—we cannot even have two prices—and selling them without transformation, without getting the benefit of the jobs around them because that will not be allowed.

Environmentalists see an ever faster exploitation of resources. In the case of oil and gas, these are resources in conventional terms that are not going to last very long. What happens? It means that we will have to go further out. We will have to go to environmentally fragile areas, to the Beaufort Sea, offshore to areas that risk the natural environment for native people and fisherpeople, the natural environment on which we all depend, in order to sell cheaply resources which should be for more than one generation, resources which should be lasting, resources which indeed have often been developed with the taxpayers' money, and now will be sold cheaply, in effect subsidized and given away.

A specific example of what is wrong with this deal for the environment is pesticides which are an important chemical product. That is one item that will be cheaper after free trade. Is this something that we should be happy about as consumers? Unfortunately, pesticides are a major environmental hazard, and measures to encourage even greater use are not something that environmentalists are going to favour at all.

Measures that have been used in the past to subsidize industry, to bring in pollution abatement, for example, reductions in acid rain, could be considered unfair subsidies under the trade deal and could be abolished.

There is going to be pressure to have lower environmental standards because the competition is going to be tough. Industries are going to say: "We have to compete with our neighbour with lower standards. We have to reduce our standards too". The pressures are all going to go in the wrong direction with this deal, and people understand that.

The area of culture is one in which the betrayal of this Government has been extremely important. People in the cultural community are beginning to understand that, and they are speaking up ever more forcefully on it.

Let me refer to testimony by a coalition that is formed of the major arts groups in Canada. Just last month they came up with a statement on the implications of the trade deal, and they are very clear. Each member of this alliance is convinced that the agreement's so-called exemption for culture will actually discourage Canadian governments in future from taking measures to assist the development of independent cultural industries by Canadians for Canadian audiences.

Yes, Canadians can compete in the world, but they have to make Canada look like the United States for those films, and then they can sell it.

• (1520)

Canadians want to see something of themselves. The regions want to see themselves and not just the use of our film industry to make American movies here. Measures need to be taken if this is to happen. It is doubtful if measures introduced in the past would be acceptable were they to be proposed by post-free trade Canada. Therefore, we are forced to conclude that our sovereignty is jeopardized by the agreement. They give a number of examples. The Government has reneged on the capital cost allowance. The Baie Comeau publishing policy was announced by the Government, but it is not being acted on. Takeovers are being allowed with no divestiture.

The previous Minister of Communications is unhappy about it and has talked about this abandonment of the Baie Comeau policy because of pressure from the free trade deal. We have rejection of Investment Canada guidelines for film distribution and rejection of the Raymond Rock report, a very, very weak proposal which the Government has finally come up with. The Minister of Communications (Miss MacDonald) reneged on everything that had been promised to the cultural community. The very, very weak broadcast legislation that we have now is weaker than the present Act. Why, Madam Speaker? Because that is the climate. We will have North American culture because the giveaway is complete by this Government.

This agreement recognizes a North American reality but leaves little room for a Canadian vision, and I am sorry to say that that is the case. The cultural industries that came together for this brief pointed out that they were not surprised that this happened given Mr. Reisman's statements. He explained the amazing Article 2005, the one that is supposed to be the exemption. He explained what that means.

> "—new measures affecting cultural industries would be scrutinized by both sides to determine whether they were consistent or inconsistent with the Agreement."

What is that? Instead of making the decision ourselves, we have to scrutinize and ask whether this is something our American friends will object to. The Americans will scrutinize and ask: "Is this something where we can be making more money in Canada? If so, we will not let the Canadians get away with it." That is what Mr. Reisman was talking about. It is an absolute betrayal of all of the statements made by the Prime Minister (Mr. Mulroney), and Ministers saying that culture was not up for trade. It was up for trade and the Government gave it away.

Some Hon. Members: Nonsense.

Ms. McDonald: What Mr. Reisman is saying, and what we believe the agreement says, is that actions taken in the past are exempt from the agreement but any new initiatives are not. As a result, all of the provisions in the agreement which apply to the economy in general apply to the cultural industries as well insofar as new measures are concerned. Yet we need new measures to strengthen our Canadian culture.

The present Government of Canada has bound its own hands in a way no previous Government in our history was ever prepared to do. Under the constraints imposed by this agreement, vitally important cultural initiatives such as Bill C-58, the capital cost allowance, the Baie Comeau policy could never have been implemented. This Government has neutralized its own cultural policy initiatives. I say shame on this Government for having done that.

People in my riding are very concerned about this. Ordinary Canadians are telling me that they have pride in Canada. They like our country. They want our medicare system, our cultural system and the fairness that we have that has taken years to develop. A Macedonian Canadian said that if he wanted to live in the United States he would have emigrated there, and a Latvian Canadian told me the same earlier this week. These are sentiments of people who care about their country, who have confidence that we can solve our own problems, that we can do things ourselves.

We can trade with the world. We can develop our own economy. We can create jobs. We do not have to sell our soul or our resources cheaply. These are Canadians who have confidence in Canada and these are the people who have been betrayed by a Government which talked about patronage when all it wanted to do was get to the trough faster than the previous Liberal Government.

It is a Government that talked about the sacred trust and then moved immediately to deindex the old age pension. Fortunately, it did not get away with it. This is a Government that is saying "trust us" as we take this next step. Canadians cannot trust this Government. Canadians have a different vision. We have worked hard to build Canada. Seniors, who are opposed to this deal, think of all the work they have put in over the decades that is being given up by a Government that cannot be trusted and by a Government that has no mandate to act.

I have confidence in Canada. I have confidence that we can create jobs here. I have confidence that we can solve our problems, not easily, but we can do it. Certainly if we give up the very tools of our political sovereignty we will not be able to solve our problems.

We live in a changing world and we need the tools to change, to adapt, to create new solutions to problems. The future will be different from the past. The *status quo* will not go on. This Government wants us to give up the very political sovereignty we need in order to solve those problems in the future.

It is not this House that will be making the fundamental decision. The Government's course has been decided. It is using its majority and closure on this Bill. Canadians are going to make the decision at the next election, and I hope that next election will come soon. Canadians will decide that the Government does not merit their confidence, that they have been betrayed by it. The fundamental decision will be made not on Bill C-30, not tomorrow when we vote on it because that is a foregone conclusion, but this Government will be accountable to Canadians. They are not going to like the results because Canadians still have confidence in their country and they have lost confidence in this Government.

In the minute I have left I would like to conclude by moving an amendment to the amendment. I move:

That the amendment be amended by deleting the period and adding the following therefor:

"and its implications on the economic and political sovereignty of Canada"

Mr. McDermid: Madam Speaker, I think we just witnessed here on the floor of the House of Commons the approach which the New Democratic Party is taking in this debate, one of frightening Canadians and scaring them with tripe. I want to go through some of the items the Member was speaking about.

First, water. The New Democrats keep bringing up this old canard that water is in the agreement and that the Americans are going to come with their pipes and drain us dry of all the water. Let us take a look at the facts and the truth.

I want to quote Frank Stone who is a prominent Ottawa consultant on trade policy.

Ms. McDonald: And he is wrong.

Mr. McDermid: He is a senior research associate with the Institute for Public Policy. He is the author of *Canada, the GATT and the International Trade System*, published by the institute in 1983 and now being updated. He had a long career in the Department of External Affairs, represented Canada at the GATT in Geneva and led the Canadian side in the 1972 Canada-U.S. Agreement on Great Lakes Water Quality. He said:

"Under the Free Trade Agreement our water is for sale all right, as it always has been—as a beverage. All the Trade Agreement will do is disallow import or export duties on trade in water that is sold normally in bottles and jugs . . .

The Free Trade Agreement, like the many other agreements of its kind and the father of them all the forty year old General Agreement on Tariffs and Trade (GATT), is concerned with regulations over commercial trade, not water diversions or inter-basin transfers. The items in the Canadian and American schedules attached to the Trade Agreement very clearly refer to water as a beverage. Indeed, water falls under the chapter heading Schedules entitled "Beverages, Spirits and Vinegars" which covers trade in mineral water, soft drinks, beer, whiskey and wine as well as vinegar."

He said if this was ever brought to GATT, his words, "it would be laughed off the table".

• (1530)

Just to satisfy the NDP let me read Clause 7 of the Bill which says: "For greater certainty, nothing in this Act or the agreement except Article 401 of the agreement applies to water. In this section water means natural surface and ground water in liquid, gaseous" and she understands gaseous "and/or solid state, but does not include water packaged as a beverage or in tanks." It is all there. Our water policy enunciated by the Minister of the Environment (Mr. McMillan) in November clearly states this Government's position. For the Hon. Member to go around spreading those untruths across the land that the transfer of interbasin water is in this agreement is a total fallacy. The expert she quotes is someone out to do one thing. I would check his political credentials before quoting him.

Ms. McDonald: Madam Speaker, would that the Hon. Member were correct. I would be much happier if that were the case. The submission made by Mr. Frank Stone, a weak lily on which to lean in this case, finishes with a note for editors: "The views expressed in this article are his own". He does not represent the institute on that.

Some Hon. Members: Oh, oh!

Ms. McDonald: He has some experience in the Department of External Affairs. The expert whom I have quoted also has that experience. Mr. Clark is a retired public servant. He was deputy chief negotiator to the Tokyo Round of GATT for Canada and has over 30 years experience on trade issues.

Mr. Kempling: A member of the NDP.

Ms. McDonald: He is not a member of a political party to my knowledge and that would not make him right or wrong if he were. Mr. Mel Clark is certainly an expert and he is a consultant to the Academy of Aquatic Science.

Let me quote further, apropos the statement of the Hon. Member that it is only bottled water, only fizzy water that is included. Mr. Clark says: "Explicit evidence that water is included in the FTA is that tariff item 2201, which is in both the Canadian and U.S. tariff schedules as well as the harmonized systems, includes all natural waters". Let's be very clear: all natural waters. The fact that vinegar is in the title is neither here nor there. The title is not the text, unfortunately. If there is a dispute between what is in the text and what is in the title, it is what is in the text that counts. The tariff item reads: "Waters, including natural or artificial mineral waters and aerated waters not containing added sugar or other sweetening, ice and snow". They have even included ice and snow. Is the Hon. Member trying to tell us that ice and snow are put only in bottles? Never heard of such a thing. Water is included and so is ice and so is snow.

The Hon. Member would like Canadians to be deceived about the importance of this agreement. It sells out water, non-renewable resources, culture and our social programs.

Mr. Siddon: It is a lost cause, Lynn. Forget it.

Ms. McDonald: There are 21 chapters in this agreement and 11 of them are about items that have nothing to do with tariffs. This Government is selling out what is most important to Canadians.

Some Hon. Members: Time!

Ms. McDonald: This Government deserves to be defeated.

Mr. Lewis: Point of order, Mr. Speaker. There have been discussions among the Parties and I think you will find there is unanimous consent to the suggestion that we move Private Members' Hour this evening and therefore interrupt and put all questions necessary to dispose of third reading of Bill C-130 at nine o'clock p.m. Immediately thereafter we will move to Private Members' Hour. In addition, it is the wish of the House that when the Leader of the NDP (Mr. Broadbent) speaks, he should be given sufficient time to complete his remarks.

Mr. Axworthy: Mr. Speaker, certainly we are in agreement with the proposal put forward by the Deputy Government House Leader with the proviso, of course, that we think the debate should be going on for several months more—

Some Hon. Members: Oh, oh!

Mr. Axworthy: —and we should have an election before the vote, but aside from that we are quite happy to go along with this particular suggestion.

Mr. Riis: Mr. Speaker, we certainly agree. I also want to take this opportunity to express my gratitude to my friends in the Official Opposition and the Government for their generosity in allowing my leader to complete his remarks.

Mr. Mazankowski: Let us make it reciprocal.

Mr. Speaker: Perhaps I could say that what the Hon. Member for Kamloops-Shuswap (Mr. Riis) expresses gratitude for is at the same time in keeping with the traditions of this place. I appreciate his making the remarks he did.

Continuing debate with the Right Hon. Prime Minister.

Some Hon. Members: Hear, hear!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it is with pride that I rise to support this Bill which will give Canada a new, more certain and more beneficial trade relationship with the United States of America.

I believe it is a good agreement for Canada. It is an idea older than Confederation itself whose time has finally come. It will stand the test of honest scrutiny. It is I believe genuinely in the national interest. The free trade agreement is necessary to secure access to our most vital market and is consistent with policies which are already strengthening our economy and improving the well-being of Canadians.

We on this side of the House support the free trade agreement because we believe it will bring prosperity and economic benefits to Canadians from coast to coast.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Free trade will mean lower prices for Canadian consumers, better jobs, and greater individual opportunities. Free trade will help the regions of this country. It will do so by creating a broader and deeper pool of national wealth, not just by redistributing existing resources.

[*Translation*]

Mr. Speaker, free trade will help us to sustain our social security programs. Nothing endangers them more than economic decline. Nothing guarantees them better than an expanding economy. The values we have as Canadians and the distinctive quality of life we bring to North America will be enriched by free trade. By strengthening our economy, free trade will help us support cultural programs that enhance the capability of our artists, writers and performers to express themselves to Canadians and to the world. Free trade will also improve our capacity to strengthen our national programs ranging from the environment to regional development to child care.

Free trade will strengthen our foreign policy. It will be welcomed globally as a beacon of hope for the forces of more open trade, particularly, Mr. Speaker, among developing nations and as a bulwark against protectionism.

My purpose today is to outline the rationale for this initiative, measure the results against our objectives, separate myth from fact, and assert the reasons why I believe this agreement deserves the support of all Canadians.

• (1540)

[*English*]

Almost four years ago the Government received an overwhelming mandate for change from the people of Canada. It is a mandate that we are doing our very best to honour with vigour and determination. Several years ago, before I entered the House of Commons, I set out an agenda for Canada.

First, I said that the new Government must establish that special relationship of trust at all levels with our allies, including our greatest friend and ally, the United States of America. Second, we have to send signals around the world that investment capital is welcome here and that this is a good, an honourable, and a decent place to do business. We have to state clearly that the private sector is the only motor whereby new wealth, new jobs and new opportunity can be created for Canadians. I also said that we must energetically stand and press for the lowering of barriers to trade because trade is our life-blood. In that direction lies our future prosperity.

Government in Canada must see its role as creating, with the private sector, a greater and freer access to world markets and higher levels of trade. That was true when I made that statement over five years ago and it is very much true today.

Some Hon. Members: Hear, hear!

Mr. Mulroney: That is precisely what we have delivered during our mandate. More Canadians are working today at rewarding and satisfying jobs than every before. Inflation is low, the dollar is strong, business is expanding, and consumers are confident. The Canadian economy has out-performed all other OECD economies over the past four years. Relations with the United States have improved substantially. The sour mood and the petulance of the seventies and early eighties is gone. When neighbours quarrel, everybody suffers. When neighbours co-operate, everyone benefits.

Some Hon. Members: Hear, hear!

Mr. Mulroney: We on this side of the House prefer the advantages of co-operation to the futility of confrontation. We are proving, as best we can, that co-operation works. The biggest challenge for government today is to manage the forces of change, and that is what we are trying to do.

In the information age ideas are the new currency of power. High tech industries and universities have become the arsenals in the nation's influence. In the nuclear age economic strength is becoming as much an alternative to military power as a basis for it. The proportion of world income generated from the sale of natural resources is declining. Capital has become more mobile, moving literally at the speed of light. Investment funds, the motor of growth, flow where there is political stability and profitable economic opportunities.

For all countries, especially the already industrialized countries like Canada, prosperity depends on the quality and skills of our people in harnessing technology, fostering innovation, and establishing an environment for stable growth. We have in this country world-class industries and world-class financial institutions. Our economy is diversified and strong. In the last four years we have recaptured much of the road lost. We are well equipped to prosper and to manage change if we make the right policy decisions now.

We know from painful experience what happens when we make the wrong choices, when we try to swim against the tide, for example, on energy policy or investment policy, or to resist the global trend toward more open trade. One has only to walk through western Canada from the late seventies to the early eighties to see the devastation inflicted on western Canada by a wrong policy choice in energy. That will not happen again.

Some Hon. Members: Hear, hear!

Mr. Mulroney: We must master change, not run from it. We must meet competition, not hide from it. There is no sanctuary from the difficult realities of the unfolding decades. If properly grasped, Canada's future holds the promise of ongoing economic renewal. If rejected, Canada's prospects can be thwarted and our horizons diminished. Canada's youth has understood this challenge. Our young people are saying no to the attitudes of the 1930s and yes to the opportunities of the 1990s.

Some Hon. Members: Hear, hear!

Mr. Mulroney: The newly industrializing countries are not going to decide that their new prosperity has been a mistake. The Europeans are not going to revert to a pastoral life. Far from it, by 1992 the Europeans will have the largest, most powerful trading bloc that the world has ever known. Australia and New Zealand recognize where their interest lies and are rapidly accelerating their free trade association. So, Mr. Speaker, what is the best prescription for Canada?

[*Translation*]

For anyone ready to listen, to study events and trends and to learn from them, the message has emerged in a persuasive way, with the authority of genuine scholarship and the benefit of real life experience. New challenges demand objective analyses and fresh approaches.

[*English*]

The answers of a generation ago, a decade ago, must be reviewed in light of a rapidly changing world and Canada's role in it. Trade is the lifeline of Canada's prosperity. Trade with the United States, our most valued commercial partner, is the key to a secure economic future for this nation in the next century. Trade abroad means jobs at home here in Canada.

How best do we ensure this reality with the United States? In recent years independent analysis has sharpened the focus and I believe has helped to point the way for all of us. The Senate report on free trade with United States issued in 1982, under the chairmanship of Senator George Van Roggen, said that "the desired restructuring, growth and competitiveness of Canadian industry can best be achieved by the negotiation of a bilateral free trade agreement with the United States".

Some Hon. Members: Hear, hear!

Mr. Mulroney: The report pointed out that it is precisely at the strengthening of the national fabric, both political and economic, that a Canada-U.S. free trade agreement is aimed.

In August of 1985, at a meeting of the U.S. National Governors Association, seven of Canada's ten Premiers called for comprehensive free trade negotiations with the United States and two of the three absent premiers soon thereafter conveyed their support.

The report of a special joint parliamentary committee on Canadian trade relations in 1986 urged "immediate trade discussions with the United States".

Then there was the powerful contribution to our national debate, which I think everyone would acknowledge, by the Macdonald Royal Commission on the Economic Union and Development Prospects for Canada. Over a three-year period from 1982 to 1985, the Macdonald Commission analysed options for Canada's economic future. It heard from hundreds of Canadians, individuals and institutions, held public hearings in 32 cities, in all 10 provinces, and sponsored three-day debates in major centres across Canada. Its research alone fills 72 volumes.

In 1985, the Macdonald Royal Commission concluded that free trade for Canada with the United States would be "a prudent course which will help make us richer and, by making us richer, strengthen the fabric of our country and increase our self confidence".

Some Hon. Members: Hear, hear!

Mr. Mulroney: No analysis was more thorough, no body of research more impressive, and no conclusion more compelling to my colleagues and myself than that of the Macdonald Royal Commission calling for a comprehensive free trade agreement with the United States of America.

This Government chose to act on that strong analysis and on that recommendation. This was not just the view of the Hon. Donald Macdonald, a distinguished former Minister of Finance in the Government of Canada. It was also endorsed by other commissioners such as Tommy Shoyama, a widely respected former Deputy Minister of Finance; by Laurent Picard, former President of the CBC, by Albert Breton and Clarence Barber, both prominent economists; by Jean Wadds, a former High Commissioner to London; and by Michel Robert, a distinguished Quebec lawyer soon thereafter elected President of the Liberal Party of Canada.

• (1550)

Meanwhile, the Government had been pursuing studies and consultations on the same topic. In 1985, we issued a major discussion paper setting out the options for Canada. We appointed the late Tom Burns, a veteran trade policy expert and former President of the Canadian Exporters Association, to consult with Canadian business and labour leaders.

We established an international trade advisory committee, involving prominent Canadians from all regions of Canada. We appointed 15 sectoral advisory groups. And we invited the Public Service to review options and explore prospects with the Americans and bring forward plans for a clear and realistic course of action.

In all of these consultations, in all of the studies and analyses there was one overwhelmingly and singular conclusion: Canada had to act quickly and decisively to confront the new reality of the future.

We are a nation of only 25 million people, heavily dependent on trade and living next door to the largest and richest market on earth. Almost 75 per cent of our exports, worth $108 billion, will go to the United States.

Millions of jobs are dependent on the success of this economic relationship, which is the largest between two nations anywhere in the world. That rich market, on which so many Canadian jobs depend, was turning inward and protectionist.

[*Translation*]

The Hon. Pierre MacDonald, Minister of International Trade in the present Government of Quebec, wrote this:

"Since the early 1980s, the United States has been grappling with an enormous trade deficit, which they absolutely must reduce. Consequently, a new wave of protectionism has appeared and has gained much ground among American politicians. This trend is highly disturbing to a number of trading partners of the United States. Given the importance of the U.S. market for Canadian and Quebec exports, protectionism is viewed with particular concern here."

And Minister MacDonald, speaking on behalf of the Quebec Government, continued:

"It is in this perspective that free trade talks were undertaken in 1986. The time could not have been more opportune to discuss free trade with the United States."

Mr. Speaker, Minister MacDonald, speaking for the Government of Quebec, was quite right. The time could not have been more opportune. We acted when we had to.

Some Hon. Members: Hear, hear.

Mr. Mulroney: Indeed, as the Macdonald Commission noted, Canada's economic growth is critically dependent on secure access to foreign markets. More, better and more secure access to the U.S. market represents a basic requirement, while denial of that access is an ever-present threat.

Access to our most important market was indeed being threatened. About 40 per cent of our exports to the United States were subject to quotas, "voluntary" restraint and other restrictions.

[*English*]

At that time, by way of illustration of the mood and atmosphere that existed in the United States, the Ottinger Bill, passed three successive years by the United States House of Representatives, sought to destroy the Auto Pact. That was the object of that exercise. The Americans demanded punitive action against Canadian steel, uranium, cement, subway cars, fish, lumber, in fact virtually all of our exports. There was a crisis a month for one Canadian exporter after another, as new trade barriers were erected against Canadian products and new legal interpretations were advanced to inhibit Canadian access to the U.S. market.

That is the challenge that we faced at that time and the negotiation of a bold new trade agreement offered the most realistic solution on behalf of the people of Canada.

I doubt that any other initiative taken by any Canadian government has been the subject of as much thought and consultation with Canadians as the launching of the free trade negotiations.

[*Translation*]

Indeed, Mr. Speaker, this is a quite legitimate question: How did we approach the negotiations? First, Mr. Speaker, we selected Simon Reisman as chief negotiator. He was the most able person we had, a man of great talent and unparalleled negotiating experience. Mr. Reisman's involvement in trade policy on behalf of Canada goes back to the very foundation of the GATT four decades ago. In bilateral trade, he was best known as the architect and negotiator of the highly successful Auto Pact, which has brought such prosperity to Ontario and Canada. Mr. Reisman then selected a team of the best and brightest public servants in the trade policy field, one of the finest such groups ever assembled—and properly so, Mr. Speaker. The mission we were giving them was one of the most important in Canadian history. Mr. Reisman led a series of consultations with Canada's private sector to ensure that the Government got the best possible counsel.

Throughout the negotiations, the provincial Governments were regularly briefed and fully consulted. Detailed analyses were conducted of all sectors of the economy. Comprehensive research was conducted on policy issues, ranging from United States trade remedy laws to the European experience in trade liberalization.

When we entered negotiations with the Americans, we had done our homework, thoroughly. As Prime Minister, I involved the Premiers in this process on a basis and to a degree that, I believe, Mr. Speaker, was unprecedented in our history. In a federation like ours, I met the Premiers on 11 separate occasions in intensive working sessions. They were intimately involved in the negotiations of the Free Trade Agreement from beginning to end.

Moreover, the continuing committee of Ministers and officials from the federal and provincial Governments met almost monthly to review progress and to guide our negotiation strategy.

[*English*]

Throughout, the entire trade initiative was guided with skill and resolve by the Ministers responsible for international trade during this historic period: The Hon. Member for Sault Ste. Marie (Mr. Kelleher), the Hon. Member for Vancouver Centre (Miss Carney), and now the Hon. Member for St. John's West (Mr. Crosbie).

Some Hon. Members: Hear, hear!

• (1600)

Mr. Mulroney: What are the results? In a phrase, security of access and opportunity for economic growth. It is a good deal for Canada, one that serves our national interest, one that fulfils the objectives—not perfectly. Perfection is a rare commodity in our society and in our lives—but it is one that largely fulfilled the objectives that we had set for ourselves and for the Government of Canada.

Most of all, it is a fair deal for both countries, for Canada and the United States. Most obviously, Canadians will pay less for American products. All tariffs on U.S. imports will be removed over the next 10 years. There will be no more U.S. quotas on Canadian uranium exports. There will be no more U.S. import tax on Canadian oil exports. There will be no more U.S. customs user fees on any Canadian exports.

Most fundamentally and most importantly, the agreement will replace the politics of trade with the rule of law, a feature which is of particular value to the smaller of the two trading partners. From now on, any U.S. trade legislation affecting Canada will have to be consistent with the free trade agreement. From now on, all actions by the United States within the scope of the agreement, whether by the executive branch, the Congress or independent regulatory agencies, will be subject to notification beforehand, to consultation and, if necessary, to dispute settlement. From now on, final decisions on disputes regarding access to that vital market will be taken, not just by the Americans as they have been all too often in the past, but by Americans and Canadians acting together.

Canadian exporters will have a solid defence against harassment by their American competitors. This is good news, for example, to the fish and potato exporters of the Maritimes who have endured six vexatious but expensive investigations launched by their American competitors. Canadian industry will at last escape being sideswiped as the Americans pursue safeguard actions against other foreign exporters, but hit us on the rebound. This is good news for industrialized Ontario particularly.

Canadian exporters of lumber, shakes and shingles, and other goods will at last be able to challenge unilateral decisions imposing duties on their exports to the United States of America. Bi-national review will assure greater fairness, greater objectivity and, I believe, greater caution by U.S. regulators in the first instance. This is particularly good news for British Columbia, Ontario, Québec, New Brunswick, Nova Scotia and, indeed, for all exporting provinces.

This agreement builds on 50 years of bilateral and multilateral negotiations with the United States. The agreement takes a hodgepodge of existing agreements and *ad hoc* arrangements and translates them into a coherent and binding framework of rules tailored to the trade and investment realities of the 21st century. The agreement establishes a new blueprint for almost $200 billion a year in two-way trade. There will be new opportunities for duty free and more secure access by Canadian exporters. That is why our pork and beef industries and manufacturers in all regions are expressing solid support for the free trade agreement. Its provisions regarding services, business travel, investment, government procurement, trade remedy law and dispute settlement, establish trade rules for the future for Canada and the United States and I believe, as others have said in this House and elsewhere, offer a model to the world.

This is why this particular agreement was strongly welcomed by the industrialized leaders at their summit meeting in Toronto in June, and was underlined, and I quote the leaders from the Socialist President of France to the Conservative Prime Minister of the United Kingdom, who unanimously said this was a "catalyst" for the Uruguay round of multilateral trade negotiations.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Quote him fully. What did he add?

Mr. Mulroney: Which I suppose, Mr. Speaker, if nothing else, proves that some socialists have their heads on properly.

Some Hon. Members: Oh, oh!

Mr. Broadbent: Right.

Mr. Mulroney: But the agreement's main achievement lies not so much in the removal of tariffs or in new rules as in its ability to change attitudes, increase confidence and inspire innovation. The combination of new and better rules and improved dispute settlement procedures will ensure that trade and investment between Canada and the United States become more secure and more predictable. The success will be measured by the confidence of investors, Canadians, Americans and others, to establish new plants in Canada and to modernize existing facilities.

This is already happening as business now gears up for the implementation phase. This agreement provides a more positive framework for change. With it, I believe, we can meet the economic challenges of the next century. As the respected economist, Richard Lipsey, has stated:

> If the agreement turns Canadian policy outward, it will have done its job, irrespective of the specific gains that it undoubtedly achieves.
>
> To reject the agreement is to give up major gains on market access and to risk turning Canadian policies in the wrong direction—away from accepting globalization and toward the now obsolete, inward-looking policies of the 1970s.

Canada cannot go back to the prescriptions that were tried and have failed. With this agreement, we can move forward with confidence and pride in our ability to compete and excel among the very best in the world.

[*Translation*]

Mr. Speaker, we have heard, here and elsewhere, some myths and options, and I would like to respond briefly to some of those comments. I readily recognize that the concept of free trade itself troubles some Canadians. I would like to reassure them as much as I can. Free trade is indeed a big step—but in the right direction. We hear fears expressed about a "loss of sovereignty" that "our identity is at risk" or that "our social programs will vanish." Let history and experience be our guide. Canada is surer of its identity today, Mr. Speaker, than it ever was before throughout its history. Canada's international personality in the global community (especially now with the Commonwealth, the leadership of our Government, the creation of La Francophonie made possible mostly through the cooperation shown by this Government and our admission to the G-7 two years ago) is more mature and we express ourselves more independently than ever in the past. Our commitment and our capacity to protect our economic, political and territorial sovereignty have never been stronger. Our artistic community is flourishing. An officially bilingual nation whose constitutional framework we have recently strengthened and whose linguistic foundation we have recently reinforced, Canada has the significant advantage of participating in two of the world's great languages, and all of this is helping us, not only in our own country, but also abroad.

Our culture, Mr. Speaker, is a unique and rich mosaic of thought, experience and values we acquire from individuals, from every corner of the world. Canadian writers—Robertson Davies, Michel Tremblay, Mordecai Richler, Antonine Maillet, and Margaret Atwood—have attracted an international audience as never before. Our performing artists—from the National Ballet to Brian Adams, Céline Dion, André-Phillipe Gagnon and great symphony orchestras—have fans throughout the world, and more and more so. This brilliant and progressive affirmation of Canada's cultural influence took place, as trade with the United States expanded, year after year. Similarly, as Canada-U.S. trade grew steadily in importance over the years, successive Canadian governments brought in the Old Age Pension Plan, Family Allowances, National Health Care, the Canada Pension Plan, all uniquely Canadian initiatives. Very soon, this Parliament will pass legislation establishing one of the most advanced child-care systems anywhere in the world. If anything, the prosperity the Free Trade Agreement will bring will make these and other social programs easier to sustain.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Mr. Speaker, Bernard Landry, who was the Minister of International Trade in the Government of Quebec, a very competent one at that, addressed the question of social programs in the context of free trade, and I quote: "My experience and my background, as well as the Government to which I belonged, all make me very sensitive to social issues, yet I have never seen the slightest evidence that Canadian social measures would be threatened by a free trade agreement. Such a claim does not stand up to rational analysis. Briefly, how would this rational analysis go? He answers: "The American system is not nearly as good as ours and it is a lot more expensive. So why should we change ours to adapt to theirs, when ours is less expensive and better?"

This is an excellent opportunity and an excellent answer given by an expert in economic matters, someone who studied in depth this issue of free trade and its impact on social programs in Canada. Mr. Landry concludes that free trade is likely to assist our social programs, and this is one of the reasons why we support it so enthusiastically and vigourously.

• (1610)

[*English*]

Mr. Mulroney: As for sovereignty or identity, I believe a recent editorial in Toronto's *The Globe and Mail* put this important question in perspective. I quote:

> No province is more dependent on U.S. markets than Ontario and 50 per cent of Ontario's trade is auto-related—an industry unusually dominated by foreign firms operating under a 23 year old bilateral trade pact (a limited form of free trade).
>
> Is Ontario less Canadian than Alberta or Quebec as a result?
>
> Is Ontario less committed to national independence now than it was before the Auto Pact sewed it so closely to a North American market? Surely not.

The editorial concludes: "But Ontario is obviously more prosperous". That has been the result of greater trade for Ontario with the United States—prosperity.

Some Hon. Members: Hear, hear!

Mr. Mulroney: We are proud of that tremendous prosperity in Ontario. We want to strengthen that great prosperity and, by using similar instruments in the process, enable other regions of Canada to grow in similar fashion thereby building a stronger nation for all Canadians.

If there is a link between increased trade with the United States and our quintessential Canadianness, it is that free trade enhances Canadian vitality and ensures the expression of our nationhood. The weight of history and experience, I believe, confirms that basic truth.

Consider the question posed by Newfoundland artist Christopher Pratt:

> "If the Newfoundland identity could survive total economic and political integration with another country, why do Canadians see the removal of some remaining barriers to trade with the United States . . . as a threat to our identity?"

I think the living testimony of the fact that there has been no change in the Newfoundland personality is exemplified every day by the Hon. Member for St. John's West (Mr. Crosbie).

Some Hon. Members: Hear, hear!

Mr. Mulroney: That is a bonus for Canada.

We hear from some that this trade agreement represents a radical turn, a monumental shift in Canadian economic policy, a sharp departure from trade policies pursued in the past. This is simply not the case. The agreement builds on a half century or more of experience in Canada and throughout the world of reducing barriers to trade. It builds on previous bilateral trade agreements dating back to 1935—the defence production sharing agreement, the Auto Pact, and many other bilateral initiatives.

The free trade agreement follows squarely and consistently in that tradition, a tradition that has worked increasingly to Canada's advantage.

[*Translation*]

Mr. Speaker, it is suggested in some quarters that Canada is rejecting the GATT. But essentially the facts prove otherwise. The Free Trade Agreement is fully consistent with the GATT. It discriminates against no country. Barriers are not raised against any other nation. Much of the language and the principles enunciated in the Free Trade Ageement are taken directly from the GATT. Moreover, both Canada and the United States have reaffirmed their existing GATT commitments, rights and obligations and are mutually pledged to advance the goals of the current round of multilateral trade negotiations. Remember as well, that Canada will host in Montreal this December a mid-term review of the multilateral trade negotiations.

Mr. Speaker, I think that it is also a good idea to mention that Canada will host in December, in Montreal, a mid-term conference to monitor the progress made in international trade negotiations. This is an important milestone to ensure progress towards genuine improvements in the world trading system.

There is widespread recognition, as acknowledged at the Toronto Summit and elsewhere, that this agreement offers a model for needed reforms in the GATT. It establishes new frontiers—in services, agriculture, investment, business travel and dispute resolution.

[*English*]

Other critics contend that Canada did not achieve improved or more secure access to the United States market. Let us examine the facts. There are numerous concrete examples in which access has been improved by the removal of all tariffs, by the right of national treatment to prevent U.S. discrimination against Canada, through greater access to American government purchasing, easier entry of temporary workers, to cite just a few.

Mr. Axworthy: That's it. You just did it.

Mr. Mulroney: Equally important are the measures which make our access more secure. New and important constraints have been negotiated against safeguard actions which in the past have allowed the United States unilaterally to impose duties or quotas on Canadian exports.

We all recall Canada's experience with shakes and singles when we were the target, or on specialty steel when we were not the target but we were affected nonetheless. Such action will be against the rules of the free trade agreement between Canada and the United States.

Most significant of all are the dispute settlement provisions which ensure that Canadian exporters are less vulnerable to arbitrary interpretations or capricious applications of U.S. trade law. Exporters, jurists and business people alike are virtually unanimous in recognizing that the dispute settlement procedures under the free trade agreement are superior to those available under the GATT or in any other trade agreement that has been negotiated to date. It is generally acknowledged, I believe, that what has been accomplished in the area of dispute settlement is a triumph for the rule of law in international trade.

• (1620)

From time to time the Opposition contends that Canadians have not been exempted from U.S. trade laws. I have not, by the way, heard any of them advocating that Canada should give the United States an exemption from Canadian trade laws, which is the mirror image of what they purport to seek for Canada.

This Canadian Government has no intention of allowing Americans, or anyone else, to dump their products in our market, or to take advantage of subsidies to undercut Canadian companies in their own market. Until our laws are replaced by a system of new disciplines, and Canada and the United States have given each other a pledge to work together for five to seven years to create those new disciplines, our laws, the laws of Canada, remain in place to protect our industries and our workers from unfair trading practices.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Some people in this House and elsewhere profess concern about the energy provisions of the agreement. Interestingly, those concerns do not come from the Canadians who produce the energy nor the Canadians who invest in energy. These concerns do not come from the Canadians who work in the oil fields, nor the provinces that own the resource.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Let me deal directly with the pricing argument: Under the free trade agreement, Canadians will be able to sell their energy for whatever price the market determines, at home or in the United States. In this regard, the northeastern states represent a particularly lucrative market for our electricity and natural gas exports. For example, Quebec has recently signed a 21-year contract with New York to export electricity for more than double the price that Quebecers pay. This is possible because the market alternatives for our energy in New York are more expensive oil-fired generation using imported oil from offshore sources.

Similarly, Alberta natural gas stands to make promising inroads in the New England and mid-Atlantic U.S. markets. For decade after decade western Canada has only asked for the same opportunities as other provinces. Now it has an opportunity to grow and to prosper, and all Members should be supporting it.

Some Hon. Members: Hear, hear!

Mr. Mulroney: The argument that we can be forced under the agreement to share our energy resources deserves but a brief comment. What we have agreed to do in times of significant oil shortages, and what the previous Liberal Government undertook to do for all of the western industrialized countries under the International Energy Agency in 1974, is to reduce our consumption and to supply our foreign customers, including the United States, with a proportion of our supply at commercial terms. While the critics have been inventing problems on the energy issue, they have completely overlooked one huge advantage. We have achieved for the producing provinces, and for all Canadians, guaranteed access to the United States market.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Billions of dollars of energy exports formerly subject to the winds and whims of U.S. protectionism will now enter that vast market free and unencumbered. Think of what this means for investment and job creation here in Canada. Think of the beneficial impact that this will have upon our regions of Canada that have been asking for fair access to that tremendous market. Think of what it means to the hopes and aspirations of young people from western Canada, British Columbia, to Newfoundland and Labrador whose resources are so vital in the development of their regions.

[*Translation*]

Small wonder that Premiers such as Robert Bourassa, Don Getty and Grant Devine so strongly support this agreement. The producing provinces have been seeking precisely such a trading instrument for decades. It gives their regions an historic opportunity for durable prosperity.

[*English*]

But guaranteed access to the huge American market also means more investment and more exploration in Canada. It enhances our security of supply and benefits consumers as well as producers. To suggest that Canadians have given up control of our energy resources is nonsense. Decisions about how we develop our resources and what we do with them—even in times of shortage—are decisions that only Canadians will make, in the national interest of Canada.

As for water, Canada's rivers and lakes are not for sale. Geography is not a commercial commodity under the GATT, the free trade agreement, or any other agreement. No specious argumentation nor any distorted interpretation from the Opposition will ever alter that plain fact. Listen to what—

An Hon. Member: Who wrote this?

Mr. Mulroney: A Member asks, "Who wrote it". Listen to what Senator Van Roggen says. He wrote it. I want to thank my hon. friend for triggering my memory. Senator Van Roggen says: "Many of the attacks on the free trade agreement are mischievous, and motivated by partisan politics. The nonsense about water diversions is a good example. Water diversions", says Senator Van Roggen "never entered into the negotiations".

[*Translation*]

In fact, Mr. Speaker, there is nothing in this agreement which obliges anyone in either country to sell anything they do not wish to sell! The Leader of the Opposition (Mr. Turner) is fond of saying that this agreement puts Canada "up for sale." Ultimately, silly slogans and blind jingoism will crumble when hit with the truth, when confronted with the facts. The Agreement in essence adopts current Canadian investment policies—policies that have manifestly won broad support in Canada and around the world and which helped rescue our economy from the blight of previous regimes. Traditionally sensitive sectors such as transportation, communications, culture and energy continue to be subject to special restrictions. Major direct takeovers will still be subject to review i.e. about two thirds of all corporate assets in Canada.

What is often neglected, Mr. Speaker, is what Canada has gained in terms of investments namely that our investments in the United States which, per capita, are three times greater than American investments here will not suffer discrimination, and that is a tremendous advantage for Canadian investors.

[*English*]

In fact, Mr. Speaker, cries of "sell-out" and "51st state" are not new to those responsible for the conduct of relations with the United States. As a distinguished Canadian once observed:

> "The picture of weak and timid Canadian negotiators being pushed around and brow-beaten by American representatives into settlements that were 'sell-outs' is a false and distorted one. It is often painted, however, by Canadians who think that a sure way to get applause and support at home is to exploit our anxieties and exaggerate our suspicions over U.S. power and policies."

That was what Lester Pearson wrote in his memoirs, published in 1972.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Mr. Pearson's assessment is as valid today as it was then, only today it applies directly to the exaggerations and distortions of the very Party that Mr. Pearson once led so proudly and so well.

[*Translation*]

To counter such misguided arguments, the Quebec Government published an analysis of the agreement, parts of which should be of interest to all my colleagues in the House. There have been claims that the Government or the Premier of Quebec have not read the document. Indeed, we now have an analysis of the Free Trade Agreement between Canada and the United States as viewed by Quebec. It is vital to Quebec and Canada. Here is what the Province of Quebec has to say in its analysis item by item and chapter by chapter.

Customs matters: During free trade negotiations, Quebec insisted that clear rules on customs matters be spelled out, to avoid the diversion of trade. We are satisfied with the rules adopted in this respect. Mature industries: The periods of reduction of customs tariffs with respect to mature industries reflect Quebec's requests in this regard. Agriculture: Quebec requested that agriculture be accorded special status in the Canada-U.S. Free Trade Agreement, to ensure that farm support programs are maintained, especially income stabilization programs and agricultural marketing boards. In this respect, the Agreement satisfies Quebec's demands.

And now the conclusion drawn by Premier Bourassa and all his colleagues, which is so important to our producers in Quebec and elsewhere in Canada, and I quote:

> "Quebec is satisfied with the Agreement, especially with the treatment accorded Canadian supply management programs, federal or provincial income stabilization programs, farm insurance and financing programs and recognition of provincial jurisdiction over agricultural marketing boards."

By the way, the agreement on services is consistent with Quebec's position. Investment: The Agreement reflects the position of the Quebec Government, which hoped that negotiations would create a more stable, open and liberal climate to encourage investment. Institutional provisions: The Quebec Government called for the establishment of a bipartite commission at the ministerial level to manage the Agreement.

As to cultural industries, indeed, Mr. Speaker, this Government is concerned with that highly important reality, Quebec's and Canada's cultural welfare. You can imagine with what care and attention Quebec leaders reviewed every provision that dealt with that major cultural issue. And here is the conclusion. Quebec insisted that the cultural industries be excluded from the free trade agreement. The agreement reflects the position of Quebec and Canada in this respect.

Some Hon. Members: Hear, hear!

Mr. Mulroney: And here is the conclusion—overall, Quebec is satisfied with the Canada-U.S. Free Trade Agreement. The Quebec Government's support for the agreement is not based solely on compliance with the conditions it initially deemed essential. The agreement also generally satisfies the expectations of the vast majority of Quebec organizations, which apprised the Government of their viewpoint during negotiations, and following the signing of the agreement. Although the agreement is not always as far-reaching as we had hoped, it unquestionably represents a step in the right direction. There, Mr. Speaker, we have a review of each provision by a provincial Government that was deeply involved in the negotiations. The Quebec Government, Hon. Robert Bourassa's Liberal Government, the Leader of the Opposition, Hon. Jacques Parizeau, all Quebecers say "yes" to the Canada-U.S. Free Trade Agreement.

Some Hon. Members: Hear, hear!

• (1630)

[*English*]

Under the free trade agreement, Mr. Speaker, the Auto Pact, so vital to the national interest and so important to Ontario's economy, will be more secure as part of a broader accord. The President of Chrysler Canada, Moe Closs, has said, and I quote:

> "The Canada/U.S. F.T.A. will save the Autopact . . . As we see it, the F.T.A. will permit the Canadian auto industry to continue to grow and prosper by ensuring that our access to the vast U.S. vehicle market will not be hindered by tariff barriers and the threat of trade irritants."

Clearly, the Auto Pact, which is subject to cancellation by either party on 12 months' notice, will be significantly less vulnerable to abrogation as part of this comprehensive free trade agreement than if it stood alone against the winds of protectionist action in the United States Congress.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Moreover, the Auto Pact's safeguards are retained and the content rules strengthened, to the advantage of North American producers.

What about the most vital aspect of all, jobs? The overwhelming consensus among private, non-governmental research institutions and economists in Canada is that there will be a net gain in jobs for Canada.

I know that some parties and some groups in Canada do not view jobs with the same priority that the Government does. It is a most important consideration in the conclusion of this kind of arrangement, and all of the independent analysis, mostly all that can be obtained, indicates that the gains in job creation will be substantial.

Mr. Axworthy: Minuscule.

Mr. Mulroney: In April of this year, the Economic Council of Canada concluded an extensive impact analysis of the free trade agreement and determined that the agreement will generate some 250,000 new jobs as the agreement takes effect. The logic is straightforward. Improved access to the U.S. market will lead to more investment, larger and more specialized enterprises, less protection, less harassment, lower consumer prices and higher wages and incomes. This logic is already at work in Canada.

In the years since the Government has committed itself to the goal of the free trade agreement with the United States, investment, job creation and growth in Canada are second to none in the industrialized world.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Canadian business people in the hundreds of thousands are demonstrating their endorsement of the agreement through concrete deeds.

[*Translation*]

Investors from Canada and around the world have already said "yes" to the agreement, as witnessed by their continuing interest in the Canadian investment market. Concerns have been raised about adjustment programs. A panel of prominent Canadians, chaired by Jean De Granpré and appointed by the Government, is examining this question, and we will be considering their recommendations with great care.

But I am encouraged by the fact that labour adjustment has not been a major factor in free trade and even common market arrangements in other parts of the world. Canadian manpower mobility never has been so great. According to certain estimates for example, each year 4 million Canadian workers, or one out of four, change jobs. In other words, with or without free trade, adjustment for Canadian workers is an important fact of life in Canada. The best way to meet this challenge is through economic growth. And the Canada-United States Free Trade Agreement, Mr. Speaker, will contribute significantly to this growth. And what are the alternatives? We all know it is important, before accepting or rejecting something, to consider the alternatives.

So, on October 26, 1987, the Leader of the Opposition announced in this House he would "tear up" the F.T.A. Now he has proposed what he describes as a five-point alternative. Let us examine the five points.

Who can quarrel with efforts to strengthen and streamline the GATT. It is an objective fully in line with what Canada's team at the GATT is presently attempting to achieve. Similarly, who would challenge the idea of modernizing the international monetary system? That is precisely what we are doing, Mr. Speaker, especially now that this government has gained admission for Canada to the G-7 table, to help coordinate such efforts. We have certainly never doubted the need to encourage Canadian companies to export and become internationally competitive. We have introduced policies and programs responding to that objective, and I think they are working. Our exports are expanding and not only to the United States. In the first seven months of this year, our exports to Japan are up a whopping 54 per cent over the same period last year, and that is no small measure of the success of Canadian programs.

Some Hon. Members: Hear, hear!

Mr. Mulroney: But the United States are still, by far, our biggest customer and our largest supplier and, if relations with your biggest customer are in trouble, you correct the problem, you do it thoroughly and you do it well.

• (1640)

[*English*]

What of the sector by sector approach that is now being recommended by the Opposition? Listen to the counsel of the Trade Minister in the Liberal Government who tried the sectoral approach, the Hon. Gerald Regan, who said recently:

> "When I was Minister of Trade in Mr. Trudeau's Government, I recognized the importance of obtaining better guarantees of access to the vital American market to which we send the lion's share of our exports.
>
> I sought to move in that direction by initiating free trade talks with the United States on a sector by sector basis.
>
> The defeat of the Liberals ended that effort, but I have come to the conclusion that the present free trade project is more meaningful, more courageous and an important undertaking—more important than our limited negotiations."

Mr. Regan was a far-sighted Minister then and continues to be a man of vision now. He wanted to go further. He was held back by the forces of protectionism and negativism in his own Party.

And then, of course, there is the GATT to consider. It is curious indeed that a Party seeking to strengthen the GATT embraces a sectoral approach which most experts, including Premier Robert Bourassa two weeks ago in Quebec City, consider to be inconsistent with GATT rules. The "Five-Point Plan" withers under the most elementary scrutiny. I urge the Leader of the Opposition (Mr. Turner) to heed the advice of one of his Liberal colleagues in the Senate, George Van Roggen, a wise parliamentarian who has spent more than a decade analysing trade policy, especially in the area of Canada-U.S. trade. Here is what he said:

> "It is a pity that what is essentially an economic agreement has been so distorted by its critics.
>
> It would be a tragedy if the opportunity were lost to conclude an arrangement that offers such large benefits to Canada."

If only, Mr. Speaker, Senator Van Roggen's senatorial colleagues could be permitted the same freedom to decide, the same opportunity to arrive at their own independent judgment of what is in the best interests for Canada.

Some Hon. Members: Hear, hear!

An Hon. Member: Where is George?

Mr. Mulroney: Yes, somebody has said: "Where is George?"

Some Hon. Members: Oh, oh!

Mr. Mulroney: The opposition Parties in the House obviously disagree with more than 250 leading Canadian economists who stated unequivocally in April of this year that the free trade agreement is:

> "Canada's best option in a world threatened by increased protectionism, since it provides an historic opportunity to ensure a greater degree of access to the U.S. market than Canadian producers would otherwise enjoy... better investment opportunities... lower prices for consumers... and a higher standard of living for Canadians."

When you dispel all the myths, when you analyse all the alternatives, as responsible parliamentarians must do, you find that with its imperfections this free trade agreement meets the most fundamental test of all; it serves the national interest.

We have the ability to manage change. With this agreement we now have the instrument to ensure that we can manage change in Canada's national interest. There will be greater opportunity and more certainty in the future for our exporters, our investors and our workers. The decision we make on the free trade agreement is the key step in redeeming the promise of this great country. With this agreement, with sound economic management and with stronger scientific, technological, educational and literacy programs, we can build a much better Canada. We have a clear choice.

The 21st century can be one of enormous accomplishment for all Canadians. We have the brain power, the resources and we have the national will. Canada is young and Canadians can still dream of a destiny unattainable by most of the world. The free trade agreement, most of all, is about our most precious asset—our youth. The young people of Canada have been uppermost in my mind as Prime Minister throughout this long and challenging negotiation. They shall be the principal beneficiaries of this new trading agreement. They shall become the new leaders of Canada in a new world in a new century.

James Joyce, one of the favourite Irish poets of the Leader of the Opposition and myself, once observed that:

> "The past is consumed in the present and the present is alive only because it gives rise to the future."

The free trade agreement is about Canada's future—one Canada, united, prosperous and strong with guarantees of prosperity and economic growth for the future.

Some Hon. Members: Hear, hear!

Mr. Mulroney: We cannot compete in the world by withdrawing from it. We cannot gain freer access to the world's markets by limiting access to our own. We cannot grow and prosper by shrinking from opportunity and turning our back on reality.

[*Translation*]

We chose to negotiate not because it was easy, not because it was without political risk, but because it was in the national interest. We are proud of our distinctiveness as Canadians. We are proud of the values that mark us clearly as Canadians. We are determined to preserve and enrich those qualities which ensure a uniquely Canadian way of life. Our future will be built by Canadians doing their very best, providing world class results in a genuine national commitment to excellence.

[*English*]

All Canadians, those born in Canada and those who have chosen it for their home, can share in this great enterprise. Let us give them a chance to get on with the job. The decision is for all of us. Canadians have the fundamental ability, the skill and the talent to compete and to excel. As a government our responsibility is to provide the best environment possible to allow Canadians, individual Canadians, their chance to succeed. I believe we can do this by endorsing the free trade agreement today. By doing so we say yes to free trade; yes to jobs for our youth; and yes to a more prosperous future for Canada. We say yes to the great hopes and dreams of what this splendid nation can genuinely provide to our children, to the cause of freedom and to prosperity here and around the world.

Some Hon. Members: Hear, hear!

[*Translation*]

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the history of a country and a people is not written in one day. However, there are days in a country's history that are decisive for the future of its people, and the date of the next election is such a day. The Prime Minister (Mr. Mulroney) is the only person who knows when that day will be, but when Canadians go to the polls, they will decide what happens to the Canada-U.S. Free Trade Agreement, the agreement that is the subject of our debate today. Mr. Speaker, this debate concerns more than just our trade relations with our neighbours to the south. Canada's very future is at stake. The question is, what kind of country we will have at the beginning of the twenty-first century. Will Canada be independent, sovereign and autonomous, or will it be an American colony?

• (1650)

[*English*]

This debate is not simply about the future of our trading relationship with the United States. It is about the future of Canada. I travelled across this country again this summer from Prince George to Carbonear, from Québec City to Saskatoon. I have visited farmers, fishermen, factory workers, office workers. I have talked to new Canadians, I have talked

to young Canadians, and I have talked to our older Canadian citizens from almost every walk of life. I have marvelled once again at the sheer diversity of our country and the spirit which pulls us together as a nation. It is a spirit not easily expressed. Such words do not come easily to Canadians, someone who works the land in Saskatchewan, digs a mine in Kirkland Lake, runs a business in Montreal, fishes for salmon off Vancouver Island, or types memos in a Winnipeg office tower. However, I tell you the feeling is there. It is there in every Canadian and it is strong. It is a sense of belonging to a unique nation. It is living in a very special place.

[*Translation*]

And Canadians, better than any other nation, appreciate unity in diversity. That is why our country is officially and firmly bilingual and multicultural. Instead of homogenizing our citizens, our regions and our cultures, we cherish our differences because they make us unique, rich, proud, tolerant and responsible. Granted, harmony in diversity demands maturity, vision and great openness of mind. Striking this fragile balance is a challenge we must meet every moment, every day, with patience and perspicacity, without flinching and without ever abdicating our responsibility.

[*English*]

We love this country. It is precious to us. Because we love this country, what we have built and what we stand for as Canadians, we will not allow it to be thrown away by the Government.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): What the Government is telling us to do in this trade deal is to close our eyes, sign away our future as Canadians and the right to shape the destiny and direction of our country. It is telling us to give up that which is most vital to us, our sovereignty, our way of life, the way we do things.

In exchange for what? In exchange for a leap of faith which even the Government's most optimistic predictions describe as having only marginal economic benefits.

Yet the Prime Minister and other advocates of this deal, like the dream merchants of another era, paint a picture of wealth and prosperity, as he did this afternoon, of unrivalled riches unheard of in history, or certainly in contemporary economic reality.

It is inarguably a very attractive sales pitch. Free trade. Who is against free trade? Who is against anything free? Positive words. Seductive words. Easy rhetoric. Free trade. Free gift. Free lunch. Yet Canadians know there is no free lunch, there is always a price, and the price of this deal is just too high. The price is unacceptable.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): The price is our sovereignty, our freedom to make our own choices, to decide what is right for us, to go on building the kind of country we want. That freedom, that sovereignty, is our most valuable asset. When you strip away all the technical jargon of this deal, that is what the Government wants to give away, our freedom to be different, our freedom to be ourselves, to do things our own way, not the American way.

We admire the Americans. We share many of the same hopes and goals. We are fortunate to have them as neighbours. We are proud to have them as friends. Yet as much as we respect and admire our American friends we do not want to become Americans.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): The United States is certainly the most powerful democracy in the world, but it is not the only democracy. It is not the only country that values its independence and its freedoms and its ability to make its own choices. So do we. We have chosen to make a separate place for ourselves on the northern half of this continent. We have chosen to do it in a different way. They may not see it. They may not recognize it. But we are different.

The Americans were born of revolution. We were born of the joining of British and French traditions. Their Constitution calls for life, liberty and the pursuit of happiness. The British North America Act called for peace, order, and good government. The United States is a categorical country. Stephen Decatur perhaps put it best once when he said: "My country, may it always be right, but right or wrong, my country".

For an American "you are either with us or against us". Choices are clear-cut. We Canadians instinctively seek a consensus and a compromise.

• (1700)

While both countries are federal states, they have a highly centralized Government in Washington. Ours is much less so. Even the largest of the states like California and New York do not compare to the overwhelming influence in our own confederation of Ontario and Quebec.

The American frontier was explored and settled with the discovery of California. The American frontier is closed. Our frontier remains open. Our frontier is the North, and it is very important to us. We look northward as a nation. We value the resources of our North, we treasure its ecology, and we admire its people. We are deeply concerned about the militarization of the Arctic. As we look around the Pole we feel kinship for Scandinavians, Russians, and Alaskans.

The Americans put all their faith in market forces. Yes, we believe in enterprise and we believe in rewarding success, but as Canadians we have the ultimate goals of fairness and sharing. We feel that those purposes have been accomplished better in a mixed economy.

Their society is a giant melting pot while ours is a cultural mosaic. We have two official languages. The United States is a unilingual nation. We have a parliamentary tradition which is being honoured here today in a momentous debate. Theirs is a presidential system with a separation of powers.

We are more influenced by geography, by our environment, and by the vast expanses of wilderness reflected so dramatically in the paintings of Lawren Harris, A. Y. Jackson, and others of the Group of Seven. My favourite painter, Emily Carr, is from British Columbia.

Every Canadian dreams, not only of his own home but of a cottage, a cabin, a tent beside a lake or a river. With all the black flies, the mosquitoes, and the thunderstorms, it is his own escape, his retreat in the wilderness, something he can call his own. That is very much a part of us.

The Government opposite and the supporters of this trade deal are perpetrating the myth that because we as a Party oppose this particular trade deal we are anti-American. That Conservative myth is completely false. We are not anti-American. We are pro-Canadian and we do not like being sold out as Wayne Gretzky was. What Peter Pocklington is to Edmonton, Brian Mulroney is to Canada.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Turner (Vancouver—Quadra): Mr. Speaker, let us not tell each other fairy stories or try to rewrite history. There was no iron curtain between Canada and the United States before this Conservative Government was elected. Trade relations between Canada and the United States did not start in 1984. In fact, previous Liberal governments have always perfectly understood the importance of our trade with the United States. We have always tried to reduce trade and tariff barriers between our two countries. We have always worked very hard to expand, increase and improve our trade with our neighbours to the south. That is a known historic fact.

Since the end of World War II, thanks to successive GATT rounds we have lowered our tariffs from an average 40 per cent down to 4 per cent. Today, before this Government signed a trade agreement with the United States, about 80 per cent of everything we sold on the American market crossed the border duty free. We obtained this without conceding one iota of our sovereignty to the United States.

However, to phase out 20 per cent of remaining tariffs over ten years, the Prime Minister (Mr. Mulroney) sold the whole store. He sold us out to the Americans.

The Liberals were never afraid, and have never refused, to discuss trade with the Americans, far from it. What some people have forgotten or choose to ignore altogether in the present debate is the initial reasons that led the Government to start the talks with the United States.

Since the last war, we have had enviable success in negotiating with the United States within an international framework. However, the Conservative Government decided to take a different approach by initiating comprehensive bilateral talks with the United States. Basically, the purpose of initiating bilateral talks was to obtain secure access to the U.S. market. To achieve this, there were two things we needed first: exemption from U.S. protectionist legislation and a compulsory arbitration system to deal with cases when both countries could not agree on enforcement and implementation of this exemption. Both conditions were absolutely essential.

[*English*]

We in this Party have been saying that ever since these negotiations first started. We have said all along that any agreement with the United States that did not have a specific exemption from American trade law, that did not exempt us from their protectionist legislation—and I speak here about the 1930 Trade Act, the American trade law of 1974, and particularly about the Omnibus Bill just passed by the Congress and signed by the President—and did not give us a dispute settlement mechanism that would enforce that exemption, would not be fair, would not be free, and would not be worth the paper it was written on.

I recall the day when the Prime Minister and his Ministers agreed with me on that point. A year ago in New York the Prime Minister, as quoted by *The Wall Street Journal* said, "The U.S. trade remedy laws can't apply to Canada, period". The former Minister for International Trade, the Member for Vancouver Centre (Miss Carney), said in the House of Commons that the objective of any trade agreement would be the elimination of countervail by both parties. The current Trade Minister (Mr. Crosbie) agreed with his predecessor and with the Prime Minister. He spoke to the St. John's Board of Trade in Newfoundland on July 2, 1987 and said that "unless we get out from under the threat of countervail and other U.S. trade remedy law, and unless there is an effective dispute resolution mechanism to bind the Americans to their commitments, a free trade agreement with the United States would not be a good deal for Canada."

We have been saying that ever since the negotiations started.

I have been referring to this agreement in speaking across the country and have been referring as well to the Canadian and American legislation and the presidential interpretation of that legislation. Article 1902.1 of the trade agreement signed by the Prime Minister says that the United States "reserves the right to apply its anti-dumping law and countervailing duty law to goods imported from the territory of the other Party". This is confirmed by the President's statement of administrative action submitted to Congress on July 25, which states on page 98:

> "The United States retains the right to apply its national anti-dumping and countervailing duty laws to goods of the other party and also reserves its right to amend these laws."

In other words, there is no exemption from U.S. protectionist trade laws, no matter what the Prime Minister said this afternoon. The same laws which crippled our exports of softwood lumber and potash and fish, imposed quotas on our steel, still apply.

• (1710)

It is true that we are to have a new trade tribunal, but how will this tribunal work? How will this tribunal ensure that our exports have guaranteed access into the American market? How will it protect our exporters from protectionist United States legislation?

The Prime Minister attempted to deal with that this afternoon, saying that it is a better mechanism than we ever had before. However, his speech was full of endorsements, citations and statements of approval. He never once dealt with the agreement, dealt with the argument, or referred to the document. The Minister cannot tell us because he has not read it.

The fact is that the trade tribunal will not protect us or give us an exemption from American trade law. Not only will the system be longer and costlier for Canadian exporters, the tribunal will still be unable to challenge American trade law.

I refer once again to the trade agreement. Article 1904:2 states that the tribunal can review a trade decision of the American Government, using the document's words: " . . . to determine whether such determination was in accordance with the anti-dumping or countervailing duty law of the importing Party". That is U.S. law. It goes on to state that: " . . . The anti-dumping and countervailing duty statutes of the parties, as those statutes may be amended from time to time, are incorporated into this Agreement". It does not matter what the Prime Minister says or what his endorsements say, or how the citations he can provide in the House may support him here and there, the document is quite clear.

The President's statement of administrative action is even more brutal and blunt. Again at page 98 of the President's statement, it states: "The panel cannot order statutory modifications". In other words, the tribunal cannot change or challenge American law. Therefore, Canadian exporters will not be able to challenge American law.

The tribunal has the jurisdiction only to interpret American law, using American precedent, American jurisprudence, American judicial practice. This does not only include present American law, the 1930 Trade Act, the 1974 trade law, and now the omnibus legislation, which adds a whole new series of hostile remedies against Canada, but any future law or any law as it may be amended from time to time.

The Prime Minister stood up this afternoon and said: "We have made progress. We now have the rule of law". We certainly have. It is the rule of American law, enforced by this tribunal.

Let us look at some of the precedents that the tribunal would be referring to. The Government is hoping that Canadians will not look at the fact that dozens of our programs have already been found by American authorities to confer subsidies of some kind or another. During the five to seven-year period of negotiations, the Americans will be using their definition of subsidy as it has been derived under American practice in ensuring that they impose and force that definition on us.

Yesterday the Minister attempted to explain what countervail was. He told Canadians that U.S. countervail action "had nothing to do with regional development". U.S. countervail decisions have everything to do with our regional development programs, and it is nothing short of scandalous that the Minister responsible either does not know that, has not read the deal, or is attempting to tell Canadians something completely at variance with the documents before us.

Read some of the decisions made by the U.S. Commerce Department pursuant to American law that will be binding on this tribunal. For example, in a 1986 decision on groundfish, it listed 55 separate federal, provincial and joint programs which it considered subsidies. That is part of that American jurisprudence incorporated into this agreement.

The 1986 finding of the U.S. Trade Administration of the Department of Commerce says:

> "Based upon our investigation, we determine that certain benefits which constitute subsidies within the meaning of Section 701 of the Tariff Act of 1930 as amended are being provided to producers or exporters in Canada of certain fresh Atlantic groundfish. For purposes of this investigation, the following programs are found to confer subsidies":

I obtained a copy of this agreement and went through the list of 55 programs. I will not read them all, but will describe how some of them are categorized. Under federal programs they include certain types of investment tax credits; a program for export market development; regional development incentive program; industrial and regional development program. Are these not regional equality programs?

Others include the fisheries improvement loans program; Government equity infusions into National Sea Products Limited and Fishery Products International Limited. Those are among the federal programs.

Joint federal-provincial programs include agricultural and rural development agreements; transitional programs; economic and regional development agreements. All the ERDA agreements.

Let me refer to some of the provincial programs listed in the judgment. In New Brunswick, interest rate rebates; in Newfoundland, marketing assistance; in Nova Scotia, industrial development division grants; in Prince Edward Island, technology improvement grants; in Quebec, insurance premium subsidy programs.

The list goes on and on. It also included the fishing vessel assistance program which, since 1942, was used to help fishermen build and repair boats. Suddenly in February, 1986, the Minister of Fisheries and Oceans (Mr. Siddon) cancelled the program saying in a press release that "it had outlived its usefulness", and noted only in passing that the Americans had found it to be a countervailable subsidy.

It is becoming abundantly clear, not only to fishermen but to all Canadians, that the Conservative Government has outlived its usefulness.

Of course, we are honoured to have the Minister of Fisheries and Oceans here at the moment. While I am on the subject of the fishery, and because he and his colleague, the Minister for International Trade (Mr. Crosbie), have been rattling their cages, disputing what I said about Atlantic processing, let me point out a couple of facts to both Ministers. Both have been less than forthcoming on the question of whether or not the Atlantic fish processing sector is threatened by the trade agreement. The Minister of Fisheries and Oceans said in the House on August 19 that I "untruthfully attempted to arouse the fishermen", when I said in Carbonear, Newfoundland, that the trade deal did in fact threaten the fish processing industry. The Minister for International Trade went even further and issued a press release attacking my statement.

The Minister of Fisheries and Oceans then told the House that Friday that the free trade agreement in no way jeopardizes the processing regulations, and that the President's statement confirms not only that the free trade agreement grandfathers existing Atlantic processing regulations, but that the U.S. Administration will not take these regulations before the GATT. I would refer to page 18570 of *Hansard* to substantiate those words.

The Minister has not read Article 1205 of the agreement which specifically states that the United States retains its GATT remedies. The Minister for International Trade stated in his press release that "Mr. Turner is wrong when he says that Atlantic fish processing is threatened by the free trade agreement".

• (1720)

Before I go on, Mr. Speaker, I should point out to both Ministers that their quarrel is not with me. Their quarrel is with the President of the United States and the U.S. Congress. All I am doing, and I thought I was doing it for the benefit of both Ministers, is quoting the President's statement to Congress and the American implementing legislation, the legislation implementing the trade deal that both these Ministers say they understand and support, and may even by now have read.

The President does not agree with the Ministers. While in his statement he acknowledges that:

> "Article 1203(c) of the agreement "grandfathers" from the obligations of the agreement various specified statutes of eastern Canadian provinces."

He goes on to say, and this is all on page 70:

> "In the event that regulations pursuant to these authorities should be issued so as to apply those authorities to control the export of unprocessed fish, Section 304(e) of the implementing Bill would require the President to take one or more of the actions specified in that section . . . "

In other words, and I want to make this clear to the Minister so he understands, the Acts themselves are grandfathered, but that does not mean much because if we ever use those Acts to protect our processors—and the same thing applies even more clearly on the West Coast—the full weight of the U.S. Government will come down on our fishery. Section 304(e) of the implementing legislation tells the President what he must do:

> "Within 30 days of the application by Canada of export controls on unprocessed fish under statutes exempted from the agreement under Article 1203, or the application of landing requirements for fish caught in Canadian waters, the President shall take appropriate action to enforce U.S. rights under the General Agreement on Tariffs and Trade that are retained in Article 1205 of the agreement;"

In addition:

> "In enforcing the United States rights referred to in paragraph (1), the President has discretion to:
>
> Bring a challenge to the offending Canadian practices before the GATT,
>
> Retaliate against such offending practices;
>
> Seek resolution directly with Canada;
>
> Refer the matter for dispute resolution to the Canadian-United States Trade Commission; or
>
> Take other action that the President considers appropriate to enforce such United States rights."

Could anything be clearer, Mr. Speaker? The President has virtually unfettered options under that legislation to retaliate at any time against an attempt by Canada to protect its processing on either coast. I suggest the two Ministers, first, read the President's statement and, second, read the American legislation and, third, stop trying to mislead Canadian fishermen and Canadians in general.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Speaker, nothing, absolutely nothing has changed in the American approach to our Canadian exporters. The Americans keep the same provisions regarding countervail, quotas, antidumping and surcharges as they had before this agreement was signed by the Prime Minister.

Mr. Speaker, the Conservative Government itself admits that it did not get what it wanted in this Agreement, namely guaranteed access to the American market. So, what is absolutely incomprehensible and totally unacceptable for all Canadians is that this Government, despite all that, continued these negotiations and sold out our interests, without ever reaching its own objectives.

The American market remains as protectionist and as protected as ever. Their lumber industry will continue to invoke protectionist legislation every time it feels threatened. The same goes for the steel industry, potash, fisheries and agriculture. Why? Because this Government did not have the courage or the honesty to go before the Canadian people with a failure. Neither did this Prime Minister have the courage, the honesty and the integrity to tell Canadians, "Well, we really tried to reach an agreement, but it didn't work." No, the Prime Minister could not say that. He could not be honest with Canadians, because he had invested too much political capital in this agreement. It was to be any agreement at any price. He had invested too much capital to be able to tell his fellow citizens, Canadians across the country, the truth.

[*English*]

The Government is desperate. It is telling Canadians that without this trade deal this country faces unimagined economic disaster. I would like to quote what the Minister for International Trade told this House, and you will recall it, Mr. Speaker, on June 22:

> "We want to save the Canadian people."

He hollered.

> "If anything goes wrong with our trade relationship with the United States, we stand to lose 25 per cent of our wealth."

He went on to say about those of us who oppose this deal:

> "They want to endanger one-quarter of all the wealth generated in Canada every year."

That is a prime example of being untruthful, and the Minister knows it. But it is part of an orchestrated campaign of fear the Government is attempting to use to sell this deal. Those who support the deal also do so on the basis of presumed economic benefits. The Prime Minister spoke in glowing terms about our future this afternoon, but what do economists have to say about the Prime Minister's trade deal? They are divided. The Prime Minister says he has a list of 250 economists. I could give him another list of 250 economists who are against it. In the paper entitled *Venturing Forth* the Economic Council of Canada comes down, it is true, on balance in favour of the trade deal. However, its projections, like all projections, are no better than the assumptions that underlie them. Let me quote from the dissenting opinion of Raymond Koskie, a council member and a lawyer from Toronto:

> "The Council simply assumes without a shred of hard evidence, that manufacturing productivity will increase by 0.6 per cent annually under the free trade agreement (i.e. 6.0 per cent in 10 years). Naturally, such a positive assumption produces highly positive results, but those results are, with respect, useless. The Council is not demonstrating, but is assuming, that increased productivity will result from the FTA. Naturally, having assumed that the FTA would bring about higher manufacturing productivity, the Council concludes that it would also create additional employment and higher growth."

Those are projections based on untrue assumptions. Moreover, despite its rosy assumptions, the council forecasts that even after 10 years this trade deal will have increased jobs by only 1.8 per cent above the numbers expected from the status quo. The council also looked at the reverse side of the coin. It examined the implications if Canada rejected the deal and things took a turn for the worst in terms of our relationship with the United States. It developed a projection based on a number of hostile trade actions by the United States, plus a significant outflow of American investment from Canada. What was the result after 10 years? Compared with the status quo, national output would be one-fifth of 1 per cent lower. Output for employed persons would be unchanged. Disposal income would be down a mere one-fifth of 1 per cent. The unemployment rate would be up by a scant one-tenth of 1 per cent. That is from the Economic Council of Canada.

So we ask ourselves as Canadians, is it worth it? Is it worth it to sell out energy? Is it worth it to give up our right to develop our own resources, our oil, our coal, our gas, our potash, our hydro?

Some Hon. Members: No.

Mr. Turner (Vancouver Quadra)): And despite what the Prime Minister said, even our water, because it is in the deal and all the subsidiary documents point to its being in the deal. Is it worth it to sell out our whole agriculture, our supply management system, our grain transportation subsidies, our potato industry?

Some Hon. Members: No.

Mr. Turner (Vancouver Quadra)): I see someone smiling about potatoes. One of the first things the United States intends to do in this so-called free trade deal is to limit all trade in potatoes. Here again, I cite the American implementing legislation. The President, under the legislation, is authorized to negotiate an agreement—and I am using the words of the American statute:

> "—to limit the exportation and importation of all potatoes between the U.S. and Canada, including seed potatoes, fresh, chilled or frozen potatoes, dried, desiccated or dehydrated potatoes, and potatoes otherwise prepared or preserved."

So much for free trade on potatoes. So much for the economies of Prince Edward Island and New Brunswick. They have been sold out.

• (1730)

I ask you once again, Mr. Speaker, is it worth it to give away control of our own capital markets?

Some Hon. Members: No.

Mr. Turner (Vancouver Quadra): Is it worth it to give away control of our own investment policy?

Some Hon. Members: No.

Mr. Turner (Vancouver Quadra): Is it worth it to sacrifice the Auto Pact by taking away the safeguards over a period of years?

Some Hon. Members: No.

Mr. Turner (Vancouver Quadra): Is it worth it to impede our ability to create new cultural initiatives? I ask you, Mr. Speaker, is it worth it? My answer, and the answer of the majority of Canadians in the next election, will be a strong, unequivocal, clear no.

Some Hon. Members: Hear, hear!

[*Translation*]

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): Mr. Speaker, the Prime Minister should admit that this Agreement goes well beyond trade. The whole agreement is based on a concept called national treatment. Section 105 of this agreement is quite clear. Canada will have to give the United States national treatment in investment and in goods and services.

The Agreement does affect our social programs, despite the Prime Minister's statements. It also affects our regional development programs, our agricultural support programs. During the next round of negotiations that will take from five to seven years, both parties will try to find a common definition of subsidy. That is where all our programs will be harmonized with those of the United States.

That is why we must ask ourselves whether Canadians want to harmonize our minimum wage with Wyoming's, which is $1.60 an hour. Do Canadians want to harmonize our unemployment insurance programs with the United States, where only a quarter of the unemployed are covered, at a rate that is only a fraction of the Canadian rate? Do Canadians want to harmonize our maternity leave with a country that has no equivalent program? In the United States, only about 40 per cent of women receive maternity benefits, and in most cases for less than six weeks.

Do we really want to harmonize our health insurance plan with a country where one quarter of women of child-bearing age have no medical insurance? Do we really want to harmonize with a country where 37 million Americans have absolutely no medical insurance? A country where the federal medicare program is not accessible for more than half the people living below the poverty line? A country where a serious illness can easily bankrupt you?

Personally, I prefer to live in a country where they do not check your credit card before they check your pulse when you have to go to hospital.

[*English*]

This agreement talks about the free flow of market forces. I believe in the market system, in competition, in private enterprise and in rewarding success. However, I have to remind the House and through you, Mr. Speaker, Canadians from coast to coast that, historically, Canada was not built on free market forces. This country became a nation in 1867. Negotiations began in 1864, because it wanted to resist the continental pressures of the United States. This country deliberately built itself east and west and then north to resist those continental pressures. We built a railway which brought British Columbia into Confederation in 1871. We persuaded Prince Edward Island to join this Confederation in 1873 with a direct guarantee for communication and transport. The Terms of Union in 1949, persuaded Newfoundland to come in under the same guarantees.

We built a railway. We built a national highway. We established a national broadcasting system. We established and built a national pipeline and a national airline—all to build an infrastructure that would hold a relatively small population together in a massive land mass. We deliberately resisted the market forces of the United States.

Free market forces alone would not have given us public housing, or a public transportation network, or the best medical care system in the world, the Canadian Wheat Board, or a very comprehensive support system for the weaker elements in Canadian society. What I am saying is not anti-American; it is pro-Canadian. The Americans have always been our closest friends and our closest allies, as well as our best trading partner. That will not change whether this deal goes through or not. That certainly will not change when a Liberal Government returns to Ottawa.

We heard this afternoon from the Prime Minister that those of us who do not support his deal are timid and afraid. We are accused of having no confidence in Canada's future. But who really are the frightened ones? Who are the ones rushing into this trade deal with the United States looking for Big Brother? Who were the frightened ones afraid of putting this deal to the test of the Canadian people? This is a deal that they tried to keep secret. They tried to hide it from Canadians for more than 1,000 days of secret negotiations.

It is the members of the Government who were afraid. They are wrong about this trade deal. They are wrong about this country. They are certainly wrong about this Party. We do have confidence in Canada. We do have confidence in our future. The difference is that our future is not a continental future; our future is a Canadian future with wide international aspects.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): Our Canada has horizons which go far beyond those envisaged in the Conservative trade deal. There is a better way. We reject this deal because it turns us into little more than a colony of the United States and, on the international scene, into merely a junior partner.

I want to refer to a document produced by my colleague from Winnipeg—Fort Garry (Mr. Axworthy) who pointed out in his report, *Expanding Choices*, that we are offering Canadians a better choice. I am sure you, Mr. Speaker, would allow me, and the House would allow me in a parenthetic but in a very sincere way, to say to my colleague from Winnipeg—Fort Garry how much the House, how much the Opposition, appreciates the way he has worked against great odds in this House and in the committee through the heat of the summer. The results have been borne out in his analysis of this deal.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): I also want to thank the other member of the committee from our Party, the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand), for his incessant work in the analysis of this deal which will mean so much negatively, I believe, for our country.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): That report sets forth a clear agenda that allows us to trade with the world without giving away our sovereign right to decide our own future. The essence of the Liberal trade alternative—the Prime Minister can mock it—is to liberalize trade internationally. Our greatest leverage with the United States in developing new markets and expanding new trade opportunities has always come by negotiating internationally. The Liberal trade policy is a five-point program which will give us that leverage by making Canada a strong, dynamic, and sovereign world trader. The five areas are the GATT, the world economy, Canada-U.S. trade, export expansion and enhancement, and global competitiveness.

• (1740)

Beginning with the GATT, from the mid-1930s to the election of the present Conservative Government, the strategic trade objective of every Canadian Government was to increase the standard of living of Canadians by widening trade opportunities, and by obtaining improved and more secure access to foreign markets without putting our national unity or our national independence at risk. The chief vehicle for meeting this objective has always been, and must continue to be the GATT, the world's leading trade organization of over 90 countries.

As a founding member of the GATT, Canada has taken a lead in encouraging all trading nations to play a part in formulating its rules and adhering to its decisions. It is essential to understand the GATT and its great importance to Canada, because it has been through the GATT process that all modern reductions in tariffs between Canada and the United States have been obtained. Most of that was done while Liberal administrations were in power. As a result of past Liberal trading policies Canadian exports today are booming, and in particular exports to the United States. It will be the policy of a Liberal Government to build on that success, to build on that historic process, and not to change course, as the Conservative Government proposes to do. That is the difference.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): The supporters of this trade deal argue that in any trading arrangement, whether it be within the GATT or directly with the United States, we have to give up some of our freedom to act. We understand that. But then they go on to argue that since Canada is just a little country with no influence in the world, we are better off to join our economy to that of the United States. That is a "little Canada" argument. That is a "fortress North America" argument. What it overlooks is that while from time to time we may not like certain decisions of the GATT, the nations of the GATT do not dictate Canadian domestic national policy as this agreement with the United States will do.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): Because unlike the Government's trade deal, GATT deals exclusively with trade issues. GATT is a trade mechanism. It does not tell Canada how we should set our own domestic, economic, and social programs. It does not determine or shape our agenda. That is a very important distinction between the international process under the GATT and the pervasive nature of this agreement that goes well beyond being a trade deal.

I said to the Prime Minister, and he repeated it today, that it is "the sale of Canada" Act. The problem is that in bilateral or one-on-one negotiations with the United States, Canadian bargaining power is diminished by two factors. First, Canada becomes what is normally called in international trade language the *demandeur*, the petitioner. We are the ones asking the Americans to change their trade laws. Second, the United States market is 10 times larger than ours. There is little incentive for the Americans to open up their markets to us without getting substantial concessions in return. The Conservative trade deal with the United States is ample proof of that. Even after the Government made concession after concession in energy, in agriculture, in the negotiating process on the definition of subsidy which will reach right into the whole fabric of the country, the primary objective of any trade deal with the United States on a bilateral global basis was not obtained. There was no secure access into the American market, and there was no exemption from American trade law.

We have to aim for something which gives us better access, not only to the United States market, which is vital to us, but to markets world-wide. Our Party favours the GATT. In the GATT negotiations, as opposed to the bilateral negotiations with the United States, the United States becomes like us, a *demandeur*, a petitioner on a wide range of trade issues, some of which we may agree with, and some of which we do not agree with. However, we gain substantial leverage in achieving our trade goals by enlisting the support of like-minded countries within the GATT, leverage that is not available to us in bilateral, direct trade negotiations with the United States.

For example, in the Tokyo Round the United States and Canadian tariffs on dutiable industrial goods were each reduced by six percentage points. Also in the Tokyo Round the United States made a number of concessions that were important and of value to Canada which we could not have obtained on a bilateral basis without providing the United States substantial extra concrete benefits and concessions which would have impaired Canadian independence. That is why we prefer the international mode. That is why successive Governments since the war have kept to the international theatre, because our bargaining position with the United States has always been better that way.

A Liberal Government will take a more active role in building new rights and obligations into the GATT code, and into improving the dispute settlement process. We will work closely with the United States toward achieving our common goal of improving the GATT and widening the jurisdiction of the GATT to include services, and to include agriculture.

We would seek to strengthen the GATT by establishing a management committee of GATT Ministers of Trade which would meet not less than twice a year, and also arrange for closer consultation and co-operation between the GATT mechanism, the mechanisms behind the International Monetary Fund and the International Bank for Reconstruction and Development known as the World Bank for the purpose of improving the management of the multilateral system, of linking the trading, monetary, and aid prospects in one umbrella co-operation.

[*Translation*]

As for the world economy, there is an urgent need for reform. We have withnessed the emergence of new economic powers such as China and Japan as well as the economic rebirth of Europe. In the world today, Japan is the leading creditor and the United States are the leading debtor.

We have to maintain some flexibility in our trade policy to adjust to the new global and commercial economic trends. By signing a rigid trade agreement with the United States, we will be losing our own capacity to adapt to new economic situations.

We are also witnessing the formation of large trade blocks which could rapidly undermine the very principle of world trade without discrimination.

The Third World is sinking ever more heavily into debt and it is quite possible that this debt will never be repaid. Consequently, a major overhaul of international institutions is in order and we have some concrete proposals to that effect: There must be a reform of our trade, monetary, and financial institutions. At present, no such proposal has officially been made either by the OECD or the G-7 Finance Ministers. In fact, we are suggesting a new Bretton Woods where trading nations could find ways of dealing with an uncertain and volatile global market, especially in the highly volatile context brought about by the emergence of new economic powers, such as Japan, China and Europe and by the present policies of the United States.

[*English*]

In just over two months the Americans will elect a new President and a new administration will begin to take over in Washington. When I sit down with them to discuss trade, defence, the environment, our Arctic, or any other issue, I will not begin with the assumption that in order to obtain any agreement in any of those areas we have to surrender our sovereignty.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): This has been the approach of the Prime Minister of Canada and those days are numbered. Our two nations have common goals and objectives. We share a common ecosystem. One of our first priorities will be to ensure that together we protect that ecosystem. American Governments must understand, as more Americans do, that the acid rain and industrial pollution, which are killing our lakes, rivers, and forests, and their lakes, rivers, and forests, must stop. The price of their prosperity should not be the destruction of our environment.

• (1750)

We will negotiate a clean air treaty with a specific timetable for reduction in cross-border pollutants. Our trade policy will be environmentally sound just as it will be economically sound. The Government I lead will work with the new American administration as partners in the struggle to reduce protectionism around the world. We will work with them in international forums in Europe, Asia and with emerging nations around the world, to defend the principles of more liberalized trade and encourage the freer movement of goods between all nations.

We have never been a protectionist Party. We do not view the current situation, the current proposed agreement with the United States, with protectionist eyes. If it would have been just a matter of tariffs and lowering trade barriers and had been limited to trade, we would have said, "Fine, let us look at it very seriously and constructively". But it went beyond trade. It went right into the heart of our ability to determine the type of political, economic, and social country that we want to be.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): We are each other's largest trading partner. We will work to solve trade irritants and continue to work for lower tariffs around the world, particularly between Canada and the United States, within those international forums.

Yes, after we have determined the results of the present GATT Round, we will examine again the possibility of establishing managed sectoral arrangements, like the Auto Pact, that has worked so well for both nations.

The Government that I lead will bring all of our trade experts under one roof in a new Department of Trade and Development. In addition to its legislative mandate to assist exporters to expand into newer and bigger markets, the new Department will back up our GATT negotiators to ensure that the GATT rules are followed. Canadian industry and workers will have direct access to the expertise of trade officials, united in one Department, in order to investigate and respond to the possible and fair trading practices of our trading partners and goods coming into our market.

We would have this department report directly and regularly to Parliament on opportunities and difficulties with all our trading partners, including the United States. We would have the department assist Canadian workers and businesses in adjusting to changes brought about by new international competition.

Some Hon. Members: Hear, hear!

Geographical distance, cultural differences, commercial barriers and language must be overcome if we are to penetrate the developing markets of the world.

I will be announcing the establishment of a National Trading Corporation with a special mandate for the growing markets across the Pacific. It will have three functions. First, the development and penetration of world-wide markets for Canada; second, the development and co-ordination of distribution facilities, including shipping and transportation; and third, the provision of specialized resources, including financing and the technical skills in exporting activities. It will be a leader in developing those networks which are so important, particularly in the Pacific. There will be training programs and, hopefully, language skills at our universities, hopefully at the university shared by the Speaker and myself as graduates of a great institution. There will be commercial knowledge required to increase our share of world-wide trade.

In co-operation with the private sector, we will build bridges across the oceans to new economic giants like Japan and China. I am talking about the Indonesias, about the Philippines, and then into Latin America, Brazil, the Argentine and Mexico.

We will open new trade missions, not close them. We will increase our trade support programs and we will increase funding for the Export Development Corporation.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): I have had the honour of representing this country from time to time at OECD meetings. I think that we also now have to recognize the growing importance to Canada not only of Atlantic trade but of trade in the Pacific Rim. It is now our second largest export market after the United States. In Europe, the OECD has helped to develop a spirit of the Atlantic. We will promote the creation of a Pacific spirit through a similar organization of Pacific Rim nations which will encourage economic co-operation and the development of greater trade with all the countries of the Pacific Rim.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): No trade policy can be a substitute for a national economic strategy. No trade policy, no trade pact, even with the United States, can replace our own efforts. We cannot depend on others to make us more competitive. We must do that ourselves.

A Government that I lead will invest in people and in education in order to give our younger Canadians the skills that they need today for the jobs of tomorrow. We will invest in research and development to give our industries the tools that they need to compete successfully on world markets.

Our goal, which we will achieve, will be to raise the level of public and private spending on R and D in Canada, from 1.36 per cent of GDP to 2.5 per cent. We will nurture the new industries which are helping us become more self-sufficient.

Some of these programs I have mentioned before. We will establish a national literacy program. There are over one million adult Canadians who can neither read nor write. There are 4 million more adult Canadians who functionally cannot read or write, in the sense of putting a subject and a verb and a predicate in order and using it for economic purposes.

We will invest in training and retraining programs for those displaced by the new technologies. We will create, as we created in 1984, a national apprenticeship program to improve the school-to-work transition for young people.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): We will provide our industries and our workers with adjustment programs to help them adapt to the changing international trade environment. We will establish a federal-provincial task force to work on the elimination of barriers to trade between provinces, with the goal of creating free trade within our own borders.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): In the coming weeks, I will be announcing further details of our agenda to give Canadians a better choice for their future. Canadians will know clearly before election day what we intend to do in government.

I will tell you this. When we are in government, we will not invent phoney reasons to ignore our commitments. We will not try to rewrite history, as this Government has attempted to do in defending and selling this trade deal, a trade deal which represents a fundamental change in the political and economic direction of this country. It is not an ordinary piece of legislation. It is not just another major piece of legislation. It is the most important and drastically different piece of legislation that I remember in my lifetime and that probably Canada has faced in the 20th century, other than the 1911 election.

So it is not a matter of challenging the Government's ability to govern. It is so fundamentally a change in direction that the Prime Minister must admit that he has no mandate or authority from the Canadian people to sign a comprehensive trade agreement with the United States.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): The Prime Minister spent a good deal of his speech in the complimentary endorsements and citations, but I would like him to produce any citations during the last election that gave the Canadian people a warning that we would have this kind of agreement with the United States. Not one. It was not a feature of the Throne Speech of November, 1984. The only idea that we had of where the Prime Minister stood on this vital issue were the words that he spoke when he was replying in debate for the leadership of the Conservative Party in 1983, to his colleague, now the Minister for International Trade, the only leading Minister who, after all, has been consistent on this issue. It was not the Minister of Finance (Mr. Wilson); he was against free trade. It was not the Minister of State for External Affairs (Mr. Clark); he was against free trade. The Prime Minister, when accosted face to face with his now colleague, the Minister for International Trade, had this to say: "Free trade, it affects our sovereignty, and we will have none of it".

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): The Prime Minister has never told us why he changed his mind. There has been no genuine debate, one thousand plus days of secret negotiation with the United States. This House of Commons has been given just 12 days to discuss the deal. The Prime Minister invoked closure all the way.

There have been no meaningful public hearings. Yes, there were hearings when the exchange of general principles was presented on October 5, 1987, but when the agreement itself was deposited on December 17, last year, there were no public hearings across the country, no opportunity for Canadians to present their views, whether they be members of a trade union or a profession, or having their own businesses, or farmers or fishermen.

• (1800)

A trade committee of the House completed its review after only three and a half weeks. That committee did not travel outside Ottawa. It did not listen to the concerns of Canadians across the country. The vast Conservative majority on the committee made sure it was nothing more than a rubber stamp for the Mulroney trade deal.

A Government, which by September 5, in a few days, will be going into its fifth year since its election, does not have the right to force through such a massive change in the direction of our country without going back to the people in an election.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): It was for all these reasons—a fundamental change in the direction of Canada, no mandate or authority from the people of Canada, no meaningful public hearings, inadequate debate in the House of Commons, and the end of the Government's mandate in this Parliament—that I asked Senators to delay passage of the trade Bill until the people of this country had had an opportunity to pass judgment.

The Prime Minister often talks about the Senate. When his Minister for International Trade was Minister of Justice we had our head-to-head on reform of the Senate and we advanced the proposition for an elected Senate at that time. We are still bound by that and that will be part of our electoral program. Under Meech Lake the Senate still has a constitutional role to play. We have asked the Senators to exercise that constitutional review, to review this legislation, and to exercise that role. I am not asking them to defeat the Bill. I am asking them to delay the Bill until the people of Canada have had an opportunity to decide. If the Prime Minister wins he can still meet the deadline imposed upon him by the United States of January 1, 1989. I think that is a pretty straightforward proposition. Call an election now. If Canadians vote for the Prime Minister, then he has his trade deal. If Canadians vote for me, there is no trade deal. All I am saying is: Let the people decide.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra)): I put it to you, Mr. Speaker, to the Government, and to the country: let the people decide between a Conservative Government which is willing to sell Canada's soul for a deal which gives us virtually nothing in return, and our Party which will advance the trade strategy allowing us to trade with the world, including the United States, but without shredding our political independence or yielding on the sovereignty that has made this a unique nation north of the 49th parallel.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra)): I believe fundamentally that this country and Canadians from coast to coast want to be able to make their own choices, in their own way, in their own time, for their own future. Because of that, I repeat, Mr. Speaker: Let the people decide.

Some Hon. Members: Hear, hear!

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I rise with a great deal of pleasure to take part in this historic debate which, in fact, is one of the most important if not the most important in the history of this country in terms of the implications of the measure that has been put before this Parliament by the present Government.

I want, at the outset, to say to the House and to all those Canadians who are now watching this debate from Atlantic Canada . . .

[*Translation*]

—in the province of Quebec, in Ontario—

[*English*]

. . . to the Prairies and to those in British Columbia who are still midway through the working day that there are a number of things I want to clear up in which all three Parties, it seems to me, have strong or substantial agreement. One could waste a lot of time either here in the House of Commons or speaking to the people of Canada about straw men and phoney arguments instead of dealing with what I think ought to be the essentials of the argument.

I want to suggest that the Prime Minister of Canada (Mr. Mulroney), the Leader of the Liberal Party, the Leader of the Official Opposition (Mr. Turner), myself, and our respective Parties would share agreement when it comes to trade on the following matters. All three of Canada's national Parties want to expand trade. I have yet to hear a Member of the House of Commons who has said: "I am in favour of restricting trade. Let's go backwards." No one says that. No serious politician advocates that. We want expanded trade.

Second, we want expanded trade with our most important customer to the south, the United States of America. All three Parties agree with that. Having heard the Leader of the Opposition today and having heard him before, and having heard Government Members, we all recognize the need to expand trade elsewhere in the world. There is no disagreement with expanded trade with our neighbour to the south and with other countries in the world.

Third—and this is not frequently mentioned but I would enjoy hearing some Members, particularly from the Government, pick up on it—all three Parties in the House of Commons are for a reduction in tariffs and have been for a long time. We have supported the GATT process of gradually reducing tariffs, systematically, in a way that does no harm.

For countries in the Third World that, is done in the context that takes our national need, as well as that of other countries much stronger than ourselves, into account. All three Parties want a reduction in tariffs.

Next, I say to my fellow Canadians wherever they are tonight or this afternoon, watching this debate and listening to the arguments, that all three Parties in Canada's Parliament want higher employment levels. I have not heard anything to the contrary on that.

Finally I would say, if I understand all Parties, that no one is arguing the case for expanded protectionism in terms of trade in commodities between nations, either between us and the United States or between us and other countries in the world.

I would like to suggest through you, Madam Speaker, to the people of Canada that there are no major divisions among Canada's Parties on these important matters.

Some Hon. Members: Oh?

Mr. Broadbent: I have heard some questioning. Maybe there will be a contribution in the debate. I am saying that those stated goals are shared by all three national Leaders, by all three federal Parties. There are some very important differences.

In my comments in this debate today I want to deal with the present deal, the present negotiated proposal which the Government of Canada has entered into with the Government of the United States. In my comments today I am not going to dwell, as I did in contributing to this debate a few weeks ago, on the major aspects of this deal that have nothing to do with trade. The Leader of the Opposition touched upon some of those today, and I went over those at great length before. The deal we have before us, I say to my fellow citizens, is much more than a trade deal. It is much more than simply an exchange of commitments between the Government of Canada and the Government of the United States about trade in commodities going across our borders.

• (1810)

What is involved in this deal goes to the root of what it means to be a nation. It touches upon the internal policies particularly of Canada because, let us have no illusions, we are one-tenth the size of the country to the south of us, and I will come back to that in a minute. The deal before us is not primarily a trade deal, although the Government will continue to talk about it in those terms.

I want now to get into what I think this deal really is all about and why not only New Democrats but increasingly among Canadians who have looked at it, whether in the West, in Central Canada or Atlantic Canada, the more they are aware of this deal, the more they are opposed to it.

Canadians share all those goals that I have just talked about. If the deal concerned only those goals, there would not be this debate. There would not have been protracted debate and questions in this House for the past two years if the deal had been restricted to the matter of commercial exchange between Canada and the United States. I want to deal with it and what I think is so seriously at fault with it, what it means to be a Canadian, and what it means for our country in the long run.

It was Sir John A. Macdonald, a bright, imaginative Conservative Prime Minister, the father of our country, who, in thinking about relationships between Canada and the United States, never made the mistake of thinking about them exclusively in economic terms. He said: "It might be that the lion and the lamb would lie down together but the lamb would be inside the lion". I profoundly believe that the question future historians will be asking about this particular period in Canadian history is the following: How did the Party of Sir John A. Macdonald come to advocate, at the end of the 20th century, a policy whose essence is the opposite to what he devoted his life's struggle to? In short, how could the present Leader of the Conservative Party, the present Prime Minister of Canada, sign a deal that the President of the United States quite accurately described not long ago as "a new economic constitution for North America"?

I think future historians will be asking about Conservative premiers as well, without exception, from Nova Scotia, Newfoundland, Saskatchewan, Alberta, and indeed because he is a Conservative whatever his label, the Premier of British Columbia. How could all those Conservatives agree to a deal which, according to the U.S. trade representative Clayton Yuetter, will mean after 20 years, in his felicitous phrase, that Canada "will be sucked into the United States economy"?

I will try to answer that because I think it is worth thinking a great deal about. Again I speak primarily not to my fellow politicians in this House, most of whom have thought it through on different sides and made up their minds, but to the people of our land. I want them to think through the implications of this deal for the future of our children and our children's children.

I ask: How could the present Conservative Prime Minister and Conservative premiers from coast to coast turn upside down the life dream of Sir John A. Macdonald? The question has to be answered. There is an answer to it and it is this. The Conservative Party today has no goal of nation-building that would distinguish our country from mainstream U.S.A. It has no goal precisely because, in my view, it has completely abandoned one of the guiding principles of conservatism.

There are in the history of Conservative movements here in Canada and abroad two important principles. In this debate and in the speeches we hear from the Premier of Saskatchewan, the Premier of Alberta, the Premier of British Columbia, and their eastern Canadian equivalents, there has been abandonment of one Conservative tradition in favour of another. I believe both here and abroad there are two traditions in the Conservative Party, normally competing for ascendancy, one with the other, and what we have seen here is the victory of one of those traditions over the other. We should be thinking about that and thinking about it a great deal.

On the one hand there is, for Conservatives of tradition, the importance of continuity and community and nation, of a sense of values based on a shared common past. According to this view, other values, like those of the market economy, are seen to be subordinate to the primacy of the historical common good of all in society. This view has been the kind of conservatism invoked by Disraeli in the 19th century when he made a critique of the ravages of industrialism. It was the conservatism of Sir John A. Macdonald who used government power to build a separate Canadian economy because he had a different vision of the future of this part of North America from what existed to the south of us. It is the conservatism that at one time supported the CBC and Air Canada. It was the conservatism of a Prince Edward Island Premier who, I remember very well, in the early part of this decade opposed putting property rights in the Constitution because he saw the possibility of its negative impact on a decision affecting the common good.

It was the conservatism of Harold McMillan's attack, and a brilliant attack it was, on Margaret Thatcher's policies in Great Britain. It was the conservatism of John Diefenbaker who brought in a national hospitalization program in this country because he knew if left to individual action in the market-place we would never have had such a plan.

Some Hon. Members: Hear, hear!

Mr. Broadbent: If there is this one kind of tradition of conservatism, as I think there is, and I believe it is at the core of most Canadians in varying degrees, there is another, stronger Conservative tradition in the Conservative Party. This tradition, while I believe it has normally been the stronger of the two in the history of the Conservative Party here and abroad, in the present historic circumstances, unfortunately for Canada, has gained complete and utter dominance. This Conservative tradition puts exclusive emphasis on the market-place. Instead of market values being subordinated to those of the community good, those of the common good are subordinated to those of the market-place. To put it perhaps more precisely, for Conservatives of this tradition, consciously or unconsciously, the common good is virtually defined in terms of market values.

This Conservative tradition, in contrast to the one I spoke about a moment ago, was seen in the original opposition by Conservatives to government pensions and medicare. It is revealed in the ideology of privatization and deregulation, in the belief that a national program for child care can actually be achieved by giving people tax breaks. It is espoused by Milton Friedman, practised by Margaret Thatcher, trivialized by Ronald Reagan, and has been put into the heart and soul of this trade deal by Brian Mulroney.

Some Hon. Members: Hear, hear!

• (1820)

Mr. Broadbent: I believe that we have before us a deal which does not protect our water or our regional development programs, gives away control of our energy, puts in jeopardy over the next five to seven years and beyond our social programs, is indifferent to foreign ownership, and ignores the claims of Canadian culture precisely because these matters are totally subordinate to the claims of the market-place for the Conservative Government here in Ottawa and, regrettably, subordinate to the claims of the market-place for every Conservative Government anywhere in Canada today.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Having abandoned the civilizing aspects of conservatism, they seek to establish an uncaring Canada. We will soon see that the people of Canada will abandon an uncaring political Party in the forthcoming election.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Sir John A. Macdonald subordinated, because he saw the necessity of it, the forces of the continental market in his original dream of Canada. He understood that there was then and would always be an inevitable tension between Canada and the United States, between a Government in Canada that had a different concept of a future from that of the United States. He understood that to build with a market economy he had to have the state play a major role fundamentally to break the continental forces of the market if we were to have a nation called Canada at all. He understood that when a smaller country totally integrates its economy with a larger one it will also inevitably take on the values, norms, and customs of that larger nation. Would that we had a Conservative today who understood that reality.

Some Hon. Members: Hear, hear!

Mr. Broadbent: The Prime Minister has taken part in this debate and has now listened with respect to the Leader of the Opposition and myself. I believe that his life experience—and we can debate about this—as a former branch plant manager has so internalized the values of the market-place as being pre-eminent that, unlike Sir John A. Macdonald and John Diefenbaker, he sees no possible contradiction between the national good and the continental market good.

Some Hon. Members: Hear, hear!

Mr. Broadbent: It follows from this kind of thinking that the only criteria brought to bear—and we have heard it in debate this week and in the past six months inside the House of Commons and outside from the Conservatives—by the Government in assessing the historical implications of this deal are market criteria. If you understand the Canadian national essence in such a limited way, it is no wonder that you will blithely sign a deal that will permit, over time, that essence to disintegrate. A nation protected by such leaders is not protected at all. A nation wise to the consequences of such leaders will vote those leaders right out of office.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Rather than stand up for Canada, the present Prime Minister has handed over control of our future to the United States of America. Clayton Yeutter understands that. I quoted him earlier. Ronald Reagan understands that, and I quoted him earlier. I say to the Prime Minister today that "you, Sir, have let the people of Canada down".

[*Translation*]

Some Hon. Members: Hear, hear!

Mr. Broadbent: In the 19th century, Madam Speaker, a Conservative Prime Minister who had an altogether different vision of the role and place of Canada on the North American continent set us on the road to independence. In fact, the Prime Minister we have now is not offering an alternative vision. He is willing to accept that Canada should become the Northern United States.

From the very beginning, the implementation process of this agreement has been the opposite of what the Prime Minister had promised in 1984, from a so-called open and transparent government.

At first, the Prime Minister was against this proposal, but no sooner had the Prime Minister met Mr. Reagan for the first time during the Shamrock Summit that he initiated a process which in the end will hurt Canadian men and women.

The Government never encouraged discussions. In fact, it tried to hamper them every step of the way. All summerlong, our colleague, the Hon. Member for Essex—Windsor (Mr. Langdon), did a tremendous job in committee on this issue for our party and for Canada.

Some Hon. Members: Hear, hear!

Mr. Broadbent: He moved a great many motions to protect the interests of Canadians, but the Conservative Members on the committee always turned them down. For instance, the NDP motion calling on the committee to travel and listen to Canadians everywhere in the country was defeated by the Conservatives. The public hearings where witnesses had no time to be heard were sinister jokes. Canadian men and women were thus denied the right to express their views on one of the most serious decisions ever to be made by the Parliament of Canada. While the Tories were spending millions of dollars in propaganda, my caucus and I were visiting and listening to Canadians everywhere in Canada to find out what they thought of this agreement. We fought for the interests of ordinary people during parliamentary committee sittings where this agreement was considered.

Madam Speaker, Quebecers, from farmers to textile workers in Montreal, want and have the right to demand a stable future. The Free Trade Agreement with the United States is a threat. Whenever we suggested changes, the Tories said no. The cultural and artistic communities in Canada have truly florished, especially since World War II. Because of the all prevailing American influence, the Trade Agreement threatens this progress. Again, when we suggested changes to protect this positive development, the Tories said no.

We felt that the jobs of all the working women in the service industry, in all the cities, towns and villages from coast to coast were being jeopardized. Again when we proposed changes, the Tories said no.

Our grain producers who rank among the most competitive and productive in the world want to retain the existing powers of their Wheat Board. We agreed that this was important. Again the Tories said no.

All Maritimers want their regional development programs to be maintained. Likewise, Quebecers living in far away places, people living in the heartland of British Columbia as well as in the northern areas of the other provinces want to protect the capacity of the federal Government to support their regional economic development. When we moved amendments to this effect, again the Tories said no. This is totally unacceptable, Mr. Speaker!

Some Hon. Members: Hear, hear!

Mr. Broadbent: Mr. Speaker, senior citizens want our health and social programs maintained and enhanced for future generations. The trade agreement jeopardize these programs, threatens to gut them as those in the United States. We have said: Yes, we must protect them. The Tories have said no. What the Conservatives do not understand when they say no to the requests made by women, artists, farmers, senior citizens, workers, simple requests relating to regional development and social programs, is that they are saying no to what Canada has become since the Second World War. Conservatives argue that they are steering us toward a better future. That is their argument. What they are really doing is in fact forcing us to conform to the concept of an American continent whose strength lies in the dollar, the almighty dollar, a concept that is illustrated by the United States, where 36 million people do not have any health insurance, where less than a quarter of the American people receive unemployment insurance benefits, where the rich get richer and the poor even poorer.

Mr. Speaker, if that approach is acceptable to Conservatives, it is neither acceptable to the New Democrats or to the Canadian people. We are saying no to this agreement because it will hurt people who are dear to us, men and women of this country. We are saying yes to Canadian men and women who want to carry on the Canadian tradition in a modern and humane way. We, New Democrats, are saying no to this Agreement because it threatens to ruin everything that is different, that is progressive in our country, Canada.

• (1830)

[*English*]

Our vision of Canada as a social democratic party is based on fairness for average Canadians and their families. We want a fair deal for the many, not a special deal for the few.

Our vision of Canada is rooted in what I believe has become a modern Canadian tradition of compassion and justice. It responds to the challenges of today but also reaches beyond to the challenges of tomorrow. Instead of rejecting the past, we want to build upon it. Instead of restricting the notions of liberty, equality and community, we want to expand them. Instead of marching backward, we look forward to the 21st century.

I say again to all those Canadians who have begun to watch this historic debate, we in my Party believe in a Canada where we work together with average Canadians for a future not of perfection but a future of fairness, whether we are thinking of lumber workers in British Columbia, office workers in our cities, the farmers in all of Canada, textile workers in Quebec, or women, whether they work in the home in the tradition of women in the past or are contemporary women who more often are working outside the home.

We believe that the concerns of these people, average people, ought to become the priority of government not one day of the week but the priority of governments day in and day out, week in and week out, all year long.

Our vision of Canada certainly embraces strongly our tradition as a trading nation. Our vision of Canada includes a strong but fair trading relationship with our largest trading partner, the United States.

Our vision of Canada encompasses enhanced trade with the world, with our traditional partners in the European Community and those in the Pacific Rim. Most of all, our vision of Canada goes beyond mere matters of trade. It retains Canada's sovereign ability to determine our own destiny here on this part of the continent, to ensure that Canadians retain control to make decisions about the kind of society we want and retains the control for our children to make the kinds of decisions that they want.

The Conservatives try to claim that Canadians must accept this deal or nothing. Having created a monster, they ridiculously ask: Is there anything better? Well, there are other options to enhanced trade that do remain pertinent to trade and trade alone.

I want to say something about those specific alternatives favoured by my Party. I begin by saying that any proposal for trade should be about trade alone and not entail the giving away of all those powers to create within Canada the kind of society we want. I said earlier that John Diefenbaker understood that as part of the 20th century and John A. Macdonald certainly understood that at the last part of the 19th century. I only wish there was some current Conservative leaders who understood their own Conservative tradition in this regard.

Our approach combines three fundamentals that are key to enhancing fairness for average Canadians and for future generations. They are new opportunities for Canadians at home, fair trade with the United States, and new global trading opportunities beyond this continent.

First, let me say something about the opportunities for Canadians here at home. We would institute a national conference on the economy. This would be a body which meets at least annually for a serious analysis and discussion of the Canadian economy. It would have a serious mandate. It would be made up of leading business people, trade unionists, and community representatives. Its role would be advisory, but it would be expected to make recommendations and have regular assessments of what was done with them.

I say frankly to the Prime Minister who is here with us in this debate that he began what I thought was a serious effort in this direction shortly after he was elected. He established a conference that brought together such representatives, in which they discussed the future of this country and made a number of sensible proposals. Then they were sent home and never heard from again.

I have talked to some of those people who were at that conference, including business people, trade unionists, and others who expected a follow-up conference. I suggest that any modern government, in a mixed economy, should begin with an approach, whether or not it is within a federal state, that receives advice from such people in the private sector. It should be prepared to listen and systematically have a dialogue, with the Government retaining the final responsibility of making a decision. Such people should not be brought together simply for show, then sent home and ignored.

Second, we would upgrade our industrial potential at the national level by doubling our commitment to research and development and strengthening our capacity for technological innovation.

Third, we would enhance the skills of our labour force with a long term commitment to eliminating illiteracy, improving skill training and apprenticeship training, and encouraging retraining opportunities throughout the working lives of our working men and women.

• (1840)

Fourth, we would encourage domestic investment by a determined policy to keep interest rates down rather than allow the Bank of Canada to do what it has been doing recently. Fifth, we would use our resource wealth as a base to develop a more diversified manufacturing economy here in Canada. Not long ago I was in the Province of Quebec meeting with the head of a corporation, to be specific in the Rouyn—Noranda area, a very successful corporation which is now reinvesting millions of dollars. As I went through the plant with the head of this corporation and saw this very successful enterprise, I asked at each part of the visit where the particular equipment was manufactured. He pointed out that the equipment was manufactured in Italy, Sweden, the United States, and a couple of other countries. Rarely did I find equipment manufactured in Canada.

We had a discussion and we had a fundamental agreement. We both agreed that Sweden with a smaller population, a forest products country, had made the effort to have an industrial strategy in order to start exporting mining and forest equipment based on its resources. He said to me: "We have never had such an industrial strategy in Canada". I told him that I agreed and that it was time we had one. We should be manufacturing that equipment here in Canada.

Some Hon. Members: Hear, hear!

Mr. Broadbent: I say to the Prime Minister that I would have thought economic nationalism 1(b) is to capture your domestic market and use that as a base for exports abroad. I just wish we had a government around this country that would try it sometime. I see the Prime Minister smiling. I can tell him one thing: he would never find the Japanese anywhere in their country failing to use a domestic opportunity, a forest product potential, or a mining potential, and importing all their equipment. The Japanese did not start out with half our resources and they are exporting their manufactured goods all around the world. If we took even the conservative approach of the Japanese, we would have used our mining and forest potential not simply as hewers of wood and drawers of water. We would be manufacturing and exporting our goods all over the world.

[*Translation*]

Mr. Speaker, we obviously want to go on trading with the United States. Americans are and will remain our most important trading partner. We presently benefit from this trade and we will go on doing so. But this should not be at the expense of our independance as a country.

To settle our trading disputes, we should establish a tribunal which has influence and power. We should examine these disputes case by case keeping in mind that they are normal between neighbouring countries and that Americans will sometimes win out. We should apply the Auto Pact concept to other sectors of our economy, like chemicals or electronics.

As far as multilateral trade is concerned, we should co-operate with other countries to give new impetus to international trade, to reinforce the system of financial institutions, and to establish an international code of ethics for multinationals. We should open up our horizons, find new trading partners, negociate through GATT.

The 40 per cent reduction in tariffs, Mr. Speaker, which took 40 years to become a reality, was negotiated through concessions made by both sides through GATT. This must go on. Although far from perfect, GATT gives Canada the trading flexibility it needs and neutralizes power struggles much more efficiently than the trade agreement negotiated by this Government.

[*English*]

New Democrats believe that developing the full potential of our country requires using the energy and enterprise of the private sector and the ingenuity and vision of the public sector to achieve Canadian goals. Unlike the Prime Minister who said earlier that only the private sector creates wealth, we in the New Democratic Party believe the private sector and the public sector in the past, in the present, and in the future will both have leading roles to play in the creation of jobs.

Strengthening Canada's economy means building from the inside out, with a comprehensive approach to encourage diversification, innovation, and self-direction at the community level; industrial and technological excellence at the national level; and global co-operation at the international level. A healthy and productive trading relationship with the United States remains important in our strategy, as I said earlier, and should be in the strategy of any political Party in this country. The Americans are and will remain our most important trading partner. That is a cliché, but it is true. However, as confident Canadians, we also believe in reaching beyond this continent.

We believe that our trade and other economic policies promise greater prosperity for average Canadians and their families. We also believe that they will aid and complement, not jeopardize, our capacity to control our own future as a people. In my judgment, whenever the Prime Minister decides to call an election, and I hope it is soon, the choices are really clear. Canadians will be choosing between different visions of Canada, and our vision puts fairness for average Canadians and future generations as the top priority on the front burner, not on the back burner.

Our vision says that all advances in social, regional and cultural policies that we have made so far in this century, particularly in the last few decades, need to be improved, not destroyed. Our vision says that it is time for fair trade, for regional fairness, for equality for women, for a secure future for our children. Our vision and our understanding of the present says that it is time, at last, for a New Democratic Party Government.

The Prime Minister gave an interesting interview the other night on television. I watched with care. I do not always pay fascinated attention to what the Prime Minister has to say, nor does he pay fascinated attention to what I have to say, but like many Canadians, I was watching to see if he would finally do what we believe is important and make it very clear that we would have an election. Well, he did say that we have a tradition of four years—and if it was not his words, it was certainly the argument—that it was an aberration to depart from that tradition, and that he planned to stay with that tradition. I hope he does.

• (1850)

I would like to conclude with the words of a very distinguished politician and say to the Prime Minister tonight, Sir: "You have sat too long here for any good you have been doing. Depart, I say, and let us have done with you. In the name of God, go". Call an election!

Some Hon. Members: Hear, hear!

Hon. Charles Mayer (Minister of State (Grains and Oilseeds)): Mr. Speaker, it is a pleasure for me to be here this evening to take part in what in many ways is an historic debate on this piece of legislation and to say a few words about agriculture.

Agriculture has always been important to the country. It is one of the main reasons this country was settled. If we look back at our Confederation we see that agriculture was one of the original departments of government. Our history to date has been in making this land flourish and produce. In short, it has been to make it productive. There is no doubt in anyone's mind who is connected with agriculture, as I am as a farmer, that agriculture will play an important part in our future. That is why this agreement is so important for the future of agriculture.

We have tremendous production potential in Canada. Canada as a country has more land per capita than any country in the world, especially when we compare ourselves to the United States with a relatively large land base and a relatively large population, and when we compare ourselves to Japan with a relatively large population base and very little land. There are some 25 million people in Canada, 250 million or thereabouts in the United States, and about 120 million in Japan. That tells us something right there. It is that Canada does not have a large population to serve as far as agricultural production is concerned.

It is evident in other areas as well. Some 30 per cent of everything that Canada produces has to be exported. What does that mean? If we compare that to other countries such as Japan, we see that 15 per cent of what is produced in that country has to be exported. In the United States only 10 per cent of what is produced has to be exported. Thus we can see that Canada is very dependent on trade.

On average, a Canadian farmer earns at least 40 cents out of every dollar from trade. The figures vary from region to region and from product to product. Some 80 per cent of the wheat that we produce is exported; 70 per cent of Canola is exported, either directly as Canola or Canola product; 50 per cent of our barley is exported; and 40 per cent of our hogs are exported. We are very dependent on trade. That is why we have to think that this agreement will be very important for the future of Canadian agriculture.

Why have we been able to be so productive? It is because we have been good at what we do. With the establishment of the Department of Agriculture as an original Department at Confederation, we very quickly established experimental farms. In fact, the experimental farms in Canada celebrated their one hundredth anniversary two years ago. We have done other things. We have been leaders in plant and animal breeding. We are world leaders in embryo transplants. We have as good a gene pool in our livestock herd as any place in the world. That includes dairy cattle, beef cattle, pork, and poultry. If one goes anywhere in the world, people talk about how good Canada is in agricultural production. We have done it because of the kind of people that we are.

When we listen to some of the things that are being said about this agreement, we hear that it will cause problems and that by implication we will have a difficult time competing. It makes one wonder what our ancestors would have thought had they been here today to hear that. They came here and were told by Palliser, the original doomsayer, that the area which eventually came to be called the Palliser Triangle between the Mississippi Valley and the Pacific Coast would never, ever support settlement because of the type of vegetation that that land was able to produce.

When we consider that our ancestors came here against those types of odds and literally made the country flourish and produce with no roads, no electricity, no television, no schools—none of the things that all of us take for granted today that we like to have for our families—one wonders what they would say when we have the type of opportunity that we have and there are among us doubters in how good we can be in the international market. I find that very difficult to accept as a farmer.

As the Prime Minister (Mr. Mulroney) said today, one cannot hide from trade. One has to look for opportunities. That is what this agreement does. It does not guarantee us anything but it provides us an opportunity.

I am the fourth generation in my family who has lived on this continent, the fourth generation of farmers, and I am the first generation born in this country. Why did my ancestors

come here before me? They came here for the opportunity to produce. We have been very good at producing. We have been very successful in making this land productive. That is obvious when we see that we have to export as much as we do. If we were not producing it we would not be able to export it. Why are we able to export it? It is because the product we produce is in demand. It is a high quality product. Whether it is grain and oilseeds, or whether it is in the livestock sector, people buy it because it is a good buy. We are reliable sellers. We produce a high quality product. Our reputation internationally is such that Canada as a country is respected. That also helps us when it comes to sales.

When we see what has been happening, we see that we have been so good at what we have been doing that trade barriers have been erected against us. If we look at what has been happening recently internationally, we see the type of subsidies that have been put up against us in order for other countries to get at our markets. We find that in the European Community producers are being paid three and four times as much for barley as is a Canadian farmer. They are being paid three, four, and more times for the production of Durum wheat in Europe. Yet, on the Canadian Prairies, we probably produce the best quality Durum or pasta wheat in the world. Artificial barriers are put up. Non-tariff barriers are put up.

Why? It is not because we are a great big country and can afford to subsidize like the Europeans or the Americans. It is simply because we are very good at what we do and we produce a very high quality product.

This agreement gives us the opportunity to compete with that high quality product on a fair basis. That is really what this agreement is all about. It is nothing magical. The Prime Minister said again that it is not a perfect deal. We all know that. We say that continually. However, it is so far down the road in the right direction compared to where we are now in trade and agriculture that it is obvious, at least in my mind, and in the minds of many Canadians, the right way to go.

Many Canadians support this agreement. There is a group that has been put together called the Canadian Policy Alliance. It very strongly supports this agreement. I would like to mention who makes up this group. They are the Alberta Pork Producers Marketing Board, the Canadian Cattlemen's Association, the Manitoba Hog Producers Marketing Board, the Ontario Pork Producers Marketing Board, the Saskatchewan Pork Producers Marketing Board, the United Grain Growers, a very large grain handling co-operative on the Prairies, the Western Barley Growers, and the Western Canadian Wheat Growers.

This is what they have said about the free trade agreement: "There is no doubt freer access to the U.S. market will be beneficial to the large majority of Canadian farmers. With the decline of traditional markets for grains and oilseeds the very survival of large sectors of Canadian agriculture could well depend on secure access to the large and prosperous North American market".

• (1900)

Why will that happen? I want to suggest that it will happen for three reasons. First, the agreement establishes a fair set of rules. We know that those rules are ahead of time. Through negotiation they have been arrived at on a fair basis, and essentially they are fair rules. Second, both tariff and non-tariff barriers will be removed over the first 10 years of this agreement. Third, when disputes and concerns arise there are provisions in the agreement for a dispute settling mechanism.

It is very important to have rules of conduct in almost any endeavour in life, especially in a competitive sense. That is what we are talking about in trade. It is a competition.

Today the Leader of the Opposition (Mr. Turner) referred to Wayne Gretzky. I wish to refer to him in a little different light. Mr. Gretzky is perhaps one of the best hockey players ever to lace on a pair of skates. In many ways he is not exceptional as far as physical ability is concerned. He does not compare to Gordie Howe or Bobby Hull when it comes to stature and the ability to handle body-checks. However, he is very good at what he does. What would happen to Mr. Gretzky if every time he went on to the rink he played in a game that did not have very many rules and the other players were a lot larger than he was, and big enough that they could make up some of the rules as they went along? It would be very difficult for Mr. Gretzky to show how good he is every time he plays, and we all know that he does that.

In many ways that is the same situation with respect to Canadian agriculture. A country of 25 million people is able to produce beyond what we need in our own country and able to produce a high quality product. In the past we have demonstrated that we are so good that other countries want to erect barriers or trade in unfair ways to prevent us from getting into their markets. That is what the free trade agreement is all about. It is about establishing fair rules as far as trade between our two countries is converned, and specifically here I am talking about agriculture.

Let us look at some of the non-tariff barriers. There are many ways to thwart, limit, and frustrate trade. All that has to be done is inspect something at the U.S. border, it goes into the United States, and the Americans say that it did not meet a certain inspection, and send it back. If it is a perishable good, in the process of sending it back the shipper is so frustrated with what has been going on that he does not ship any more. We all know that that happens.

One of the most important things that we can do in this country to facilitate trade with the United States is to sit down with the Americans and work out a standard set of regulations that will be accepted on both sides of the border. Once those standard regulations are worked out, we then inspect on a random basis, or on whatever basis we determine, to see that those regulations and specifications are met. Surely that makes sense.

Therefore, we will not get into a situation such as the one in Manitoba three or four years ago in relation to hogs. An artificial barrier was put up because some of the states were concerned about the possible presence of Chloramphenicol, a drug used in disease prevention in the raising of hogs. What is so drastic about simply sitting down with one's neighbour, one's best customer and friend, and working out a standard set of rules by which to play?

The third issue that is very fundamental and, to me, one of the most important parts of the trade deal, is the dispute settling mechanism. When we trade between our two countries there will come a time when disputes arise. That is normal in any endeavour, whether it is buying a car or buying groceries. There are always occasions when there are some concerns to be looked at. The dispute settlement mechanism simply provides that there is a fair adjudication of disputes. Canada is not going to be exempt from American trade law any more than the Americans will be exempt from Canada's trade law. That should be normal. What is very useful and unique in this case is that the dispute settlement mechanism will be binding, and there will be an opportunity to deal with trade disputes on a fair-minded basis by applying the rules.

There have been concerns expressed directly about the quality, uniformity, and ability of Canada to maintain those two very desirable traits as far as grain and oilseeds are concerned. Those have been fully addressed in the free trade agreement. Both Canada Grain Commission and Canadian Wheat Board lawyers were involved in the final drafting of the free trade agreement to ensure that their interests were protected and to see that within the framework of the agreement they had the full legal authority to carry out their responsibilities under the agreement.

In fact, not only were the lawyers for the Wheat Board and the Canada Grain Commission involved in the drafting of the Bill before us, they were also involved in the discussions leading up to the agreement that was originally reached last fall. Nothing in the agreement hinders in any way the ability of the board to function in the same manner as it has functioned in the past. It is quite the opposite.

The Canadian Wheat Board now has the responsibility for issuing end use certificates. That responsibility has been given to the Canada Grain Commission to carry out. If anything, the legal framework under which the Canadian Wheat Board operates has been strengthened. End use certificates will be required should grain come into the country, and that will only happen if there is a certificate issued to bring it in under certain circumstances, or if there is an equalization of support programs on both sides of the border. In either case when the product comes in under an end use certificate it will be up to the Canada Grain Commission to see that it is adhered to, and that commission may decide to product identify that grain. It may wish to colour some of the grain or add some confetti to ensure that the integrity of our system is maintained. Rather than concern expressed about maintaining the integrity of our grain handling system, and the high quality that we have, the agreement actually strengthens the Canadian Wheat Board's ability to do just that.

There has also been concern expressed about the so-called transparency of the manner in which the Wheat Board operates. "Transparency" simply means that there is concern the Wheat Board does not have its prices made public when it sells. There is nothing in the agreement that compels the Canadian Wheat Board to operate in a different fashion than it does presently. In fact, when there is a system such as the Canadian Wheat Board that is doing a very good job of selling—and in fact it sold a fair amount of wheat to the United States last year—and its ability to sell is strengthened by giving it a better set of rules under which to operate. It seems to me that this agreement gives the board a better set of rules under which to operate.

I want to suggest to those who are concerned that they ask the board. The Wheat Board has told me that it would be delighted to sell into the American market without fear of political quotas, or without fear of having Section 22 of the American Agricultural Adjustment Act imposed on it. I would suggest that people ask the Wheat Board and the Grain Commission whether they see the free trade agreement as causing any problems. There are many opportunities in the United States for Canadian agriculture because of the quality of product we produce.

In conclusion, one other example is Canadian Canola oil. Last year in the United States it was named food product of the year. That oil is derived 100 per cent from Canadian Canola. At the present time we have a very small percentage of the American edible oil market, less than 1 per cent. With the concern today over health and diet, it gives us a tremendous marketing opportunity in the United States. In fact, the Canadian Canola Council is suggesting that we could need two million additional acres to supply that demand. That council can see the demand growing at approximately 10 per cent per year for the next number of years. This agreement gives us that opportunity.

• (1910)

There is an oilseed processor in Windsor, Ontario that is spending literally millions of dollars in expansion, largely aimed at the U.S. market. It is very well positioned to service the Detroit market. Here is a case where Ontario farmers—and there is a concern in Ontario—can benefit substantially by having more secure access into the United States. There are eight million to ten million bushels of soybean exported today. I am told by that processor in Windsor, Admuco Grain Co., that it can see an additional 18 million to 20 million bushels of soybeans being crushed for the export market. That is as a result of this free trade agreement.

I just want to conclude by saying two things very briefly. First of all, I think that this trade agreement is a very great opportunity for Canadian agriculture. I want to pay tribute to the negotiating team under Simon Reisman, all people in the Department and all people in the House who were involved such as the Parliamentary Secretary and the Minister. They did a very good job on the agreement and on behalf of Canadian agriculture.

In conclusion, let me speak for a minute as a farmer. I am home on my farm on the weekend. We all know the frustration and the sense of unfairness that go with having weather deprive us of a crop. It is not good for the soul and it does not make us feel good. Above all, as a farmer you are proud of what you produce and you like to produce a high quality product. When the weather deprives you of that, it is not a good feeling. You work throughout the year and in many cases, as around my farm this year, you are left with virtually nothing of a cereal crop. There is not very much that we can do about that.

We have made some improvements as far as plant breeding and as far as what we can do with weather are concerned. However, it is equally as frustrating when we are deprived of a livelihood because we do not have the access to markets. It is just as devastating to farmers. That is what we are addressing in this Bill. We are giving farmers an opportunity to compete. My ancestors came here because there was an opportunity to produce. They made it work. They made history by making this country produce. We are making history, I firmly believe, because this Bill gives Canadian farmers a chance to sell, a chance to have access, a chance to market. It is going to be just as important to my children as my father found it important for his forbears to give him a chance to produce.

I am very happy to have had a chance to say a few words in support of the free trade agreement because I firmly believe that it is going to be very useful and very helpful to Canadian farmers in the future.

Some Hon. Members: Hear, hear!

Mr. Foster: Mr. Speaker, I just have a couple of comments. The Minister of State for Grains and Oilseeds (Mr. Mayer) said that there was great concern in Ontario with the free trade deal. He is really right.

Mr. Mayer: I did not say "great concern".

Mr. Foster: Some 48 per cent in the province oppose it, 31 per cent are in favour of it, and 28 per cent strongly oppose it. More important, the majority of the people of Manitoba and Saskatchewan oppose this deal, as was reported in the Environics poll of June 7 to June 27. In Saskatchewan, 29 per cent are in favour of the Mulroney-Reagan trade deal and 49 per cent are opposed. Even more important is the fact that 36 per cent strongly oppose it and only 9 per cent are strongly in favour of it. In Manitoba, similarly 27 per cent are strongly opposed and 11 per cent are strongly in favour.

I wanted to call to the attention of the Minister that the Wheat Board advisory group opposed this deal because of the implications for the Canadian Wheat Board. If we look at their report, which was issued a couple of weeks ago, on July 28, it reads:

> "After careful review of the proposed Bilateral Canada-U.S. Trade Agreement including Chapter 7 of the United States Statement of Administration Action, the Canadian Wheat Board Advisory Committee considers the proposed Free Trade Agreement will:
>
> 1. undermine the ability of The Canadian Wheat Board to be an effective marketing agent on behalf of Canadian grain producers.
>
> 2. create an environment in which it will be increasingly difficult to maintain the quality and uniformity of the Canadian grains.
>
> 3. not provide enhanced and secure access to the U.S. market. The Canadian Wheat Board Advisory Committee recommends to The Canadian Wheat Board, the Minister of State, Grains and Oilseeds, and the Prime Minister that the total grain industry be exempt from the Free Trade Agreement."

Part of that stems from the fact that the articles of the trade deal, as issued last October, seemed to imply that we would have full access to the U.S. and be exempt from Section 22 of the Agricultural Adjustment Act. However, when we get into the actual agreement in the United States, the administrative recommendations and so on, it is rather fuzzy, especially at a time when the Ministers here and in the provinces are negotiating or considering changing our support programs and our stabilization programs, or perhaps doing that in the future, whether or not we in fact would be exempt from that U.S. Act which provides for controls on imports.

The Minister read out three or four groups in favour of the trade deal, and of course groups like the hog producers and the beef producers essentially have free trade now. They want to continue having that free trade arrangement even though they would gain essentially about one cent a pound. There would be some harmonization of health standards. We hope that they would not be lowered. They are scared to death of the dollar going to 95 cents next to the American dollar, if the exchange rates rise or come to par.

Mr. Mayer: What does that have to do with free trade?

Mr. Foster: More important, the Minister talks about the people who are in favour of it. The Canadian Federation of Agriculture, the largest umbrella group in the country, expressed grave concerns with the deal, and it sent a letter to the Prime Minister (Mr. Mulroney) demanding a meeting with him, which it has not had yet. In its letter it pointed out that there were grave and serious implications for the Canadian agriculture industry, especially the integrity of the Canadian Wheat Board marketing system. It is very concerned that in the long haul the Government is going to give away that Wheat Board orderly marketing system to the multinationals, mostly large American grain companies, and that the power, the authority, and the effect of the Canadian Wheat Board will be lost.

Second, the Federation is concerned that the standard of quality of Canadian agricultural products will be lost. It is concerned that the Canadian Grain Commission will not be able to control products coming in from the United States.

Mr. Mayer: Mr. Speaker, I rise on a point of order. I know that the 10-minute period is for questions and comments. Surely, we are not going to take 10 minutes in a soliloquy which in itself is a minor speech. I would like to have an opportunity to put on the record some things that straighten out the record, in terms of what the Hon. Member is saying, before the 10 minutes are concluded.

Mr. Foster: I was just about finished, Mr. Speaker. I just wanted to comment on the final point or two in the Canadian Federation of Agriculture brief to the Prime Minister. It is concerned about the failure of the Government to consult with industry on policy administration for import quotas. It is further concerned about the failure on the part of the Government to make a strong public commitment to the continued integrity of the Canadian Wheat Board.

These are not the words of the Official Opposition or the NDP. This is a toughly worded statement of the President and the national council, of the Canadian Federation of Agriculture, the largest umbrella group in Canada. It not only covers the western pools, but it covers the Ontario Federation of Agriculture, UPA, and other such groups.

The Acting Speaker (Mr. Crofton): A point of order.

Mr. Mayer: If the Hon. Member wants to get up and speak and listen to himself, that is fine. If he is prepared to make a comment, I would be more than happy to try to respond to it. If he just wants to get up and put on record a diatribe, without listening to what is being said in the speech that I just concluded and giving me a chance, that is another story.

The Acting Speaker (Mr. Crofton): I thank the Minister for his intervention, but I was watching the time closely and I had every intention of giving the Minister an opportunity to respond. Has the Hon. Member concluded his remarks?

• (1920)

Mr. Foster: Mr. Speaker, I understand the Minister wants to respond and I think he should because the Prime Minister has not. These are important organizations. The Canadian Wheat Board Advisory Committee is the committee that advises his own Wheat Board. Its members are elected throughout the regions of the West—

The Acting Speaker (Mr. Crofton): I recognize the Minister.

Mr. Mayer: First, Mr. Speaker, I want to suggest that if the Hon. Member would listen to what I just said and if he wants to take the word of the advisory committee, that is one thing, but I suggest he talk to the Canadian Wheat Board. Let me give the Hon. Member what the Chief Commissioner of the Canadian Wheat Board said about the free trade agreement and how the board operates. He said that they would be delighted to have access to the U.S. market without threat of quotas being imposed. The threat of quotas is there now under Section 22 of the Agricultural Adjustment Act.

I point out to the Hon. Member that, if anything, the free trade agreement strengthens the way the Canadian Wheat Board operates because under the agreement the Board is given responsibility for issuing permits to let grain come into the country, if and when we get to a situation where levels of support are equal on both sides of the border. The board has in turn asked the Canadian Grain Commission to carry out that responsibility. There is a case where, if anything, the board's abilities to operate under its present set of conditions is strengthened.

When I tell the Hon. Member what the Chief Commissioner of the Canadian Wheat Board just said and point out how it will be administered under the agreement, I think he has to admit that that does not do anything but strengthen the way the Canadian Wheat Board operates.

Let me tell the Hon. Member what one American group said about the agreement. This is the National Association of Wheat Growers, the largest association of wheat growers in the United States. Its president, Mr. James Miller said:

> "Canada came out the clear winner in the free trade agreement—at least in wheat—because it—

"It" meaning Canada. He continued:

> —will gain access to the huge U.S. market without giving anything in return."

That is what a representative of the American wheat industry said about the agreement. That tells me that our negotiators did a very good job of negotiating on behalf of Canada, especially on behalf of Canadian agriculture.

I do not understand some of these things, Mr. Speaker. I just pointed out that we are probably as good a producer of grain and oilseeds as anybody in the world. We have been able to compete successfully every place, including the United States. Why are people given that fact—and it is a fact—so nervous about giving the Canadian Wheat Board and our system of producing and selling an opportunity to compete under a uniform and fair set of rules? I do not understand this kind of thinking. We are good at what we do. We have nothing in our history that suggests we cannot compete and yet we have people saying: "We are afraid. We do not want to compete. We do not want to open the border. We are not sure how good we are." It is like having a prize bull. You are sure this bull is the best in the world, but you keep the poor bugger behind a barn and a ten-foot slab fence; you never give him a chance to come out and compete.

Some Hon. Members: Oh, oh!

Mr. Mayer: That is what we are doing. We are very good at what we do. All we want is a fair chance to compete under the rules. That is what this deal does.

The Acting Speaker (Mr. Crofton): I regret that the Minister's time has expired for questions and answers. I recognize the Hon. Member for Trinity (Miss Nicholson) on debate.

Mr. Taylor: Mr. Speaker, I rise on a point of order. When are we going to stop one Member from getting up and talking, talking and talking, not even concerning things the Minister asked about, so as to stop someone else from asking questions? That is not the purpose of our question and comment period at all. One person should not be able to monopolize it as was done a few minutes ago.

The Acting Speaker (Mr. Crofton): The Hon. Member for Trinity.

Miss Aideen Nicholson (Trinity): Mr. Speaker, in the closing hours of this debate I just want to put a few remarks on the record. It is regrettable that the Government has decided to hurry this Bill through the House. This is a most important Bill. It amends about 27 Acts of Parliament. The Government has used closure all the way. There has been a total of 12 days of debate on the Bill. The period for committee hearings was short. Many people who wanted to give evidence were not heard from, and all the hearings were in Ottawa; there was no attempt to travel outside Ottawa. It is a very sketchy and superficial examination of an important piece of legislation which could change and affect the whole future of Canada.

This is billed as a trade agreement, but it goes far beyond a trade agreement in the sense that there is potential here to affect the whole conduct of Canadian economic and political life. In fact, as a trade agreement it does not do what the Government promised. The agreement was supposed to give Canada secure access to the American market. It does not do that, but it does put our sovereignty and our capacity to take independent action in our own best interests in jeopardy.

We on this side of the House oppose the deal, not because we are anti-American or because we are protectionists. On the contrary, we share with our American friends the longest undefended boundary in the world. The Americans are our allies and our most important trading partner. Liberals have always been in favour of liberalized trade, but Canada by virtue of our smaller economy has always been vulnerable to trade harassment by the United States. Over the years we have negotiated successfully through international fora rather than going head-to-head with our great neighbour.

The reasons for this are obvious. Apart from the disparity in size of the U.S. economy and population, which is ten times as large as ours, in a bilateral agreement we are the petitioners. We are the people looking for access to the American market. When we go to the GATT or international fora we are petitioners. The Americans are petitioners. All the economies of the world are petitioners. Everybody is trying to get a better deal. Not everyone gets what is first requested, but hopefully there is some kind of consensus with which we can all live. Canada has done well negotiating in the international fora. As a matter of fact at the time the Conservative Government started work on this trade deal some 85 per cent of our goods were already moving across the American border without tariff, with a further 10 per cent in the process of being phased out under the GATT.

Instead of negotiating within the framework of the General Agreement on Tariffs and Trade, the Conservative Government chose to put its eggs in the basket of a bilateral agreement. It failed to get the secure access to the American market that was promised. It would have been no disgrace to say "we tried, we failed" and then walk away, but not this Government. It had to have a deal at any price. What it has negotiated is the most massive giveaway of our sovereignty in history.

During the negotiations we were told time and time again that the Government would negotiate free access, secure access to the U.S. market. During the negotiations which also were conducted in secret, the Prime Minister (Mr. Mulroney) vowed that he would accept nothing less than total exemption for Canada from the application of U.S. countervail and anti-dumping laws.

Mr. McDermid: Where is that quote?

Miss Nicholson (Trinity): The Hon. Member asks for a quote. I will be very pleased to give it to him, Mr. Speaker. In an interview with representatives of *The Wall Street Journal*, on April 3, 1987, the Prime Minister said:

"The United States trade remedy laws cannot apply to Canada."

In March, 1987, the then Minister for International Trade said that the objective of any trade agreement would be the elimination of countervail by both countries. Curiously, in the House of Commons during the last sittings of Parliament in 1987, she said that this was never her objective. The present Minister said, in a speech in St. John's, that he expected the agreement to provide for the elimination of countervail.

• (1930)

Secure access would mean that Canada would be exempt from American trade law, and that has not happened. We are not exempt from the 1930 U.S. Trade Act or the 1974 Trade Act. We are not exempt from the omnibus trade Bill recently passed by the U.S. Government.

There is to be a new trade tribunal, but it will not protect our export markets because it will not be able to challenge existing American trade laws. It will only be able to interpret American trade laws. Article 1902(1) of this agreement says that the U.S. reserves the right to apply its anti-dumping law and countervailing duty law to goods imported from the territory of the other party, that is, Canada. The Government failed to get an agreement to benefit Canada. Instead it took a deal at any price. It lacked the courage to walk away and admit the failure.

This deal has sold out many Canadian interests. In particular, I would like to draw attention to the sell-out of financial services because the deal provides much better benefits to the U.S. than it does to Canada. With the exception of granting

Canadian banks and bank holding companies the right to deal in certain securities in the U.S., the U.S. has agreed only to extend Canadian controlled banks the same treatment they had as of October 4, 1987. Yet the U.S., on the other hand, will be free to establish new bank subsidiaries in Canada and invest without limit in all Canadian financial institutions, not only banks. We know there is no guarantee that this will be used in the best interests of Canada or in the Canadian national interest.

Existing U.S. banking regulations will prevent Canadian banks from increasing expansion to the U.S. because, unlike Canada where banks are federally controlled, in the U.S. they are controlled by the individual states. You cannot have a centralized banking system. So Canadian banks that want to expand into the U.S. have to negotiate with each state where they intend to open a branch.

Canadians were not generally aware of the difference between our banking system and that of the U.S. until the collapse of the ill-fated Canadian Commercial Bank. Canadians were horrified at the failure of that bank, the first in 62 years, but as Canadians at that time began to look at what was happening in the U.S., it was quite clear that it was a different system. The banks are state controlled, not centrally or nationally controlled, and when they get into trouble they are allowed to fail.

We have a system where we have opened up our financial controls to American interests, whereas the Canadians will not have the same access. It is a very one-sided agreement. Even the Canadian Bankers' Association which accepts this deal does so grudgingly, acknowledging that "the particular direct and immediate interests" of Canadian banks are not advantaged by this deal. That is an understatement.

This trade agreement also shows a lack of interest in and consideration for our needy. Our social programs, we learn, are to be harmonized with those of the U.S.

Mr. McDermid: Where does it say that in the agreement?

Miss Nicholson (Trinity): Mr. Speaker, the language of the Hon. Member on the other side is at best inelegant so I am not going to respond. He will have a period for questions and comments.

Any program in Canada that can be regarded as a subsidy could be an unfair trading advantage under this agreement. We have seen cases in the past where our unemployment insurance has been cited by the Americans as a subsidy. What has happened in the past can continue to happen in the future. In fact, it may very well be extended in the future.

The Government has failed to recognize the link between domestic economy and trade policy. In order to enhance our trade we need to do more work at home. We need freer trade between the provinces. We need an increased scientific and technological capacity in order to remain competitive. We need to prepare Canada's labour force by training and educating Canadians to compete in both domestic and world markets. Yet the Government has capped transfers to the provinces for post-secondary education. We need initiatives which are not give aways but instead reflect a genuine commitment to the liberalization of trade in the best interests of Canada.

Not only were Canadians not consulted about this deal which affects our sovereignty, but the Prime Minister had one position before the election and another later. In 1983, in the course of the debate during the Conservative leadership race, he said: "Free trade, it affects our sovereignty and we will have none of it".

Mr. McDermid: Unfettered. He said "unfettered free trade".

Miss Nicholson (Trinity): Not only were Canadians not consulted about this deal, but the present Government had one position before the election and another later. There were secret negotiations for 1,000 days when Canadians had no idea what was on the table or what was being negotiated.

We already have an international forum, the General Agreement on Tariffs and Trade, which deals exclusively with trade. Canada has done very well negotiating there on trade matters. What we have before us in this measure which will amend, I believe, 27 or 29 Acts of Parliament—

Mr. McDermid: Twenty-six.

Miss Nicholson (Trinity): Twenty-six, thank you—is being rushed through closure at every stage with a total of only 12 days of debate. The future of Canada is at stake. This is not a trade agreement; it is an agreement which gives up much of Canadian sovereignty, much of our ability to be ourselves, to plan for our own future in the best interests of Canada. That is why my Party and I oppose it.

The Acting Speaker (Mr. Crofton): Questions and comments.

Mr. McDermid: Mr. Speaker, I have a very short question for the Hon. Member. Would she please point out to those who are watching and listening to the debate tonight where exactly in this agreement it says that we will harmonize our social programs with those of the U.S.? That is what she said this agreement does. Would she please be so kind as to point out where in this agreement it says that?

Miss Nicholson (Trinity): Mr. Speaker, I am very glad to have been asked that question because it points out one of the problems involved in studying this agreement. Since I do not have the agreement in front of me at this moment, and by the way I have read it, I cannot point out the particular paragraph to the Hon. Member at this point.

• (1940)

Let me point out something else. The Government spent at least $40 million on a program to sell the trade agreement to Canadians. The last time I inquired the Government was still charging $138 for a copy of the actual agreement. I agree with the Hon. Member opposite. Indeed, Canadians should read and study the full agreement. However, apart from the fact that they would need a special bag to get it home, they have to pay almost $140 to buy it.

Mr. McDermid: That is not true.

Miss Nicholson (Trinity): The Hon. Member says that it is not true. Perhaps he is going to tell me that the Government has reduced the cost. If so, I will be pleased to hear it. I have been advising people who have written to me to get a copy of the agreement from the library and set up study groups. I believe that once Canadians see for themselves what is in this agreement, even if they are not lawyers, and even though it is technical and needs a lot of careful study and application, they will see for themselves the potential for lack of control over the direction of our social policies and our political future.

Mr. McDermid: Mr. Speaker, the Member does not know where in the agreement it says that—

Miss Nicholson (Trinity): I rise on a point of order, Mr. Speaker. I did not say that I did not know. I said very distinctly that I did not have the agreement here and cannot point it out.

Mr. McDermid: That is not a point of order, that is debate.

Miss Nicholson (Trinity): It would be nice if the Member would tell the truth once in a while.

Mr. McDermid: The point is that there is nothing in this agreement anywhere that says we must harmonize social programs.

I want to correct the Hon. Member because she is way off base tonight. This is the agreement. It is available free in the office of any Member of Parliament. The Member is talking about the package which the House of Commons has put together including the free trade agreement, the Bill, and the two tariff schedules, the American tariff and Canadian tariff schedules which together are as thick as a telephone book. That has been packaged together and Queen's Printer is charging that rate.

There is no charge for the agreement at all. These are available to Members of Parliament of all Parties. This is the agreement in whole and it is free of charge to the public. The Member made a very misleading statement to the House tonight and I hope she will stand up and apologize.

Miss Nicholson (Trinity): Mr. Speaker, I stand by my statement. That to which the Hon. Member is referring as the agreement is a summary of the agreement.

Mr. McDermid: No, it is not. It is the agreement.

Miss Nicholson (Trinity): It is the Conservative selective proposal. Indeed this has been made available free of charge to all Members. Any citizen who read that and thought that he or she had the full story would be gravely misled.

Mr. Taylor: Mr. Speaker, as I listen to Hon. Members in the Liberal and New Democratic Parties I have to conclude that history repeats itself. The last speaker again reiterated that we will lose our sovereignty. Other speakers in both opposition Parties are saying that we are selling out to the United States, that they are going to take over our industries, that they are going to come in and run the country.

I heard that in the early 1940s when the Alberta Government, of which I was a part, wanted to get our oil and gas developed, we could not get a dollar from eastern Canada or anywhere else in Canada. We went to France and to Britain. No one would invest their money and take a chance on the oil and gas in Alberta. The Americans came in and spent millions of dollars.

When we arranged with the Americans to come in to find our oil and build up an oil and gas industry, the Liberals and the CCF at that time vowed up and down that we were selling the country, that we would lose our sovereignty and our social programs. Well, the Americans spent millions of dollars and today we have a gas and oil industry of which Canada can be proud and which the Liberals tried to eliminate a few years ago with the national energy policy.

We have an oil and gas industry in Canada because the Americans risked their money. We did not lose one social program and we did not lose any sovereignty. They did not take over our country. They did not run our country. They lived according to the rules we set. Under this agreement the Americans will live according to the rules set by the Canadian and provincial Governments. They will not run the country. We can get a tremendous benefit from this just as all of the country has benefited from the oil and gas industry which was developed. All the threats, fears, and gossip put out by the Liberals and the CCF in 1940 was complete hogwash. There was nothing to it. This agreement can give us tremendous industries and we will not lose one iota of sovereignty.

The Acting Speaker (Mr. Crofton): Would the Hon. Member care to make a brief response? There is one minute remaining in the period for questions and comments.

Miss Nicholson (Trinity): Mr. Speaker, the Hon. Member opposite says that our American friends have abided by Canadian and provincial rules. I agree. My criticism of this agreement is that it sets no rules.

Mr. Kilgour: Mr. Speaker, does the FTA not in fact enshrine the Auto Pact, which is so important to families in Ontario and Quebec, to the degree that the termination of the Auto Pact by Congress would in effect require the termination of the entire FTA? If the Member's Leader were to tear up the FTA, as he has promised to do, would Congress not very quickly give notice of his intention to cancel the Auto Pact because of the dwindling support in Congress for it and its perceived excessive benefits to Canada?

Second, if the FTA does not proceed, will not Canadians, including Ontarians, be exposed to the undiluted effect of all the provisions of the omnibus trade Bill which was signed by the President last week?

Miss Nicholson (Trinity): Mr. Speaker, I am not in a position to speculate about what Congress might do given certain events. However, I think that to enter into a trade agreement because we are afraid of retaliation is surely the worst possible motivation. I have great faith that Canadians can negotiate a better agreement than this one, and that we can indeed compete internationally and do not have to lock ourselves into a bad agreement out of fear.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I am sorry that the Hon. Member for Trinity (Miss Nicholson) is leaving because I want to address the first couple of minutes of my remarks to her. I have always had a great admiration for the Hon. Member. She has been and still is a hard-working Member of Parliament. She has just fought a nomination battle and won a close race against Paul Hellyer. I believe that she receives respect from all sides in this House.

However, she has just totally misled this House with the statement that she made on this agreement. I feel badly although I think she did it because she did not know. This is the text of the free trade agreement. This is what was printed and is made available to all Members of each Party, regardless of their political stripe. It is available to the public at no charge. Well, that is a little misleading because tax dollars paid for the printing of it and the public pays taxes. However, it is available. This is not an explanatory note; it is the agreement and it is available.

• (1950)

When I pointed that out to her, she denied it. Hundreds of people have come into my constituency office, as has been the case with my colleagues, to pick up a copy of this agreement. They have read it.

I understand that there is genuine disagreement about the free trade agreement and that there are different opinions. For the last three months we have listened to the debate in the House over the implementation of Bill C-130, the free trade agreement. While I might expect it from some Hon. Members in the House, I was very disappointed in that Hon. Member. I hope it is not an example of the desperation that the Liberals are showing, and the kind of action they will stoop to in the election campaign which is coming very soon.

As Parliamentary Secretary to the Minister for International Trade, I have had a very rewarding experience over the last couple of years. While I was not on the front line and actively involved in the negotiations, I have been on the periphery. I worked with the President of the Treasury Board, the Hon. Member for Vancouver Centre (Miss Carney), then Minister for International Trade and now with my colleague, the Minister for International Trade, the Hon. Member for St. John's West (Mr. Crosbie). I want to thank both of them for giving me the opportunity to play, albeit a small role, a role in the free trade negotiations, that of piloting the legislation through the House of Commons. It has been a great experience for me and one that I will never forget.

Of course, I must thank the Prime Minister (Mr. Mulroney) as well for giving me this opportunity by appointing me Parliamentary Secretary.

I want to congratulate Ambassador Ritchie and Ambassador Reisman, two gentlemen for whom I have the greatest respect. They are very proud Canadians and have done a marvellous job in negotiating the free trade agreement. To the staff at the trade negotiation office as well, I want to thank them for all their kindness. They have been most helpful. They have educated, guided and done a wonderful job, as have those in International Trade and External Affairs. At the outset, I wanted to pass on my thanks to those people.

I have given about 85 speeches across Canada and in the United States on the free trade agreement. Many in this Chamber as well as many throughout Canada will know that once you turn McDermid loose on free trade, heaven knows how long it will take. I will try to limit myself to a few subjects and perhaps comment on what the Leaders of the two opposition Parties mentioned today.

First, I will deal with the sovereignty issue. One hears time and again that Canada will no longer be a sovereign country because all the decisions will be made in the United States. Since other Members have gone back to quote Conservatives, let me refer to Mackenzie King. Mackenzie King would not sign an agreement with the United States to establish the St. Lawrence Seaway because he believed that it would diminish Canada's sovereignty. That is an historical fact.

It took a later Prime Minister, Louis St. Laurent, to realize that the St. Lawrence Seaway would be a great benefit to Canada. He signed the agreement that Mackenzie King refused to sign in the belief that it would diminish Canada's sovereignty.

Has the St. Lawrence Seaway diminished Canada's sovereignty? Not at all.

Today we are hearing from the Liberals that this free trade agreement will demolish Canada's sovereignty. There is no truth in fact. There is no example they can give to suggest that our sovereignty will be reduced in any way, shape, or form.

If the Liberals are saying that we have certain obligations when we sign an agreement, that we must do certain things and will face consequences if we do not, it is true that we have made that commitment. But we also made that commitment when we joined GATT in 1949. We made commitments to do certain things and to pay the penalty if we did not.

This agreement is an act of sovereignty because two sovereign nations are signing it. Furthermore, there is a six-month cancellation clause by which either Party simply has to write a letter to the other if it wants out of the agreement. Article 2106 of the agreement states:

> "This Agreement shall remain in force unless terminated by either Party upon six-months notice to the other Party."

While we hear the argument that we will lose our sovereignty and the Americans will dictate what we should do, the fact is that 80 per cent of what we do now is free trade.

In 1946, the average tariff between Canada and the United States was approximately 40 per cent. Today the average tariff is about 9.2 per cent, with some 75 per cent to 80 per cent free trade. In that period since 1946, prosperity has followed. There is no question that Canada is a much richer country today in many ways.

Second, our culture has grown. As the economy has improved, so have our cultural enterprises, and our ability to promote and support cultural enterprises.

I listened to my hon. friend, the Hon. Member for Broadview—Greenwood (Ms. McDonald) talk about culture passionately. I understand her interest. I go to the concerts. I visit the Canadian Opera Company. I attend the National Ballet and the Toronto Symphony. My wife is on the board of the symphony in Brampton. I go to the musical society. Let me point out that they are all sponsored by businesses. All the arts are supported by business people in all our communities, whether large or small. We have become a much stronger country culturally.

Third, during that period we have become a more sovereign country. Our sovereignty has not diminished at all. We are recognized today as a major middle power. We have joined the G-7. Our economic performance is admired around the world.

This trade agreement will not reduce our sovereignty one iota.

Let me deal with tariffs. The Opposition would have us believe that on January 1, 1989, all tariffs will be removed and there will be a whole new ball game. I listened to the Hon. Member for Trinity say that there was no consultation with the Canadian public.

All walks of life were consulted through the International Trade Advisory Committee which included the unions, the Consumers' Association, and so on. There was a broad cross-section on the International Trade Advisory Committee. There were 15 sectoral advisory committees. Do not tell me that Canadians were not consulted.

This debate has gone on for years. While this Bill has been before the House for some three months, the debate has lasted many years. The tariffs that come off on January 1, 1989, represent about 15 per cent of the tariffs between our two countries today. Those industries have said they do not need tariff protection and are ready to compete right away. Those tariffs are gone. Other industrial groups have said we need a little longer adjustment period, we need a five year adjustment period. They wanted a phase-out period over five years. That is about 35 per cent of the tariffs between our two countries which will disappear over that five-year period. The third group said we need a little longer period of time. So they have a ten-year phase out of the tariffs to allow them to adjust to the realities of trade both bilaterally and internationally. That is the tariff end of it.

• (2000)

We then have the non-tariff barriers, probably more important than the tariff barriers. The Hon. Member for Burlington (Mr. Kempling) sat through all the committee hearings with us and he will remember very clearly that we had a Canadian manufacturer tell us that the tariff thing was not a big deal. He said the non-tariff barriers and the dispute settlement mechanism are what is important. He said he had been before the Commerce Department of the United States. He appealed to the courts. He sat in the courts for five years, and the courts turned around and told him to go back to commerce and ask again. He said the best thing of the whole agreement are these binational dispute settlement mechanisms that have been set up. We talk about these problems before they become major problems. That is very important.

In Chapter 18 and Chapter 19 we have the binational dispute settlements, which are binding, an appeal procedure after countervail or anti-dumping. The industries tell us this is great. This is the best part of the whole agreement.

Mr. Blaikie: After.

Mr. McDermid: I hear the Hon. Member say after. The New Democratic Party and the Liberals—

Mr. Blaikie: You said after.

Mr. McDermid: That is right. It is an appeal procedure.

Mr. Blaikie: So the whole hassle is still there.

Mr. McDermid: But the Hon. Member keeps saying we should be exempted from American law.

Mr. Kempling: I think he should never be in business. He does not understand.

Mr. McDermid: That is right. He followed in the footsteps of my father, but not too far. I can tell you, Mr. Speaker, that the appeal procedure now is through the United States courts. It takes a long time. That was the testimony given by the people who have done it. Those Members do not want to believe it, but it is true. The dispute settlement mechanisms set up to handle any kind of trade disputes that come up or any kind of legislation that may be brought in by either Government, to sit down and discuss those things before they become problems, has been praised universally. In fact, the people in GATT think it is a great idea.

The great GATT supporters over there should know that the people in GATT think our binational dispute settlement mechanism is unique and is a model for them to look at very seriously in the negotiations going on now, and they have said that many, many times.

The Leader of the New Democratic Party (Mr. Broadbent) was quoting Sir John A. Macdonald. He said how disappointed Sir John A. Macdonald would be with this agreement. I enjoy the socialists when they quote the Conservatives frequently. They quote Sir John A. Macdonald and Mr. Diefenbaker. It is quite interesting to hear them. I never hear them stand up and quote Tommy Douglas, David Lewis or any of those people. They are always quoting Conservatives, which is kind of interesting.

Sir John A. Macdonald today, I believe, would be proud of the country that he established back in 1867. He would be proud that Canada has matured and can now take its rightful place in the world economies. He would be proud that Canada can trade bilaterally and internationally without fear, without the need of protection, without those barriers. I listened to the Leader of the New Democratic Party say: "We do not want any barriers", but his trade critic is saying: "Why do you not put the barriers up on textiles? Why do you not put the barriers up on shoes or on garments?" You cannot have it both ways. The New Democrats are going to have to explain these things in the election campaign.

The New Democrats said that with this trade agreement ordinary Canadians do not expect a rosy future. But let me ask them this: If that is the case, how about the ordinary Canadian, Bob White, who is the President of the Canadian Auto Workers and National Vice-President of the New Democratic Party? If he does not think that the future is rosy, can he tell me why the Canadian auto workers are building the biggest, fanciest trading centre in Grand Bend that one has ever seen? And just down the road on their property, they are building a magnificent home for the President of the Canadian Auto Workers. I would imagine it is a vacation home. I do not think it is his permanent home. But they must think the future is going to be bright if they are doing that. The future cannot be all that bad.

We have not heard too much from Mr. White lately because I think he realizes that the Auto Pact has been enhanced by the free trade agreement.

The Hon. Leader of the New Democratic Party was talking about creating wealth. He said that the public sector could create wealth. I would agree that the public sector has to set the goals, the rules, and has to develop the atmosphere so that the private sector can perform well and provide meaningful jobs and trade internationally, and so on. But the Leader of the NDP said that both the private and public sectors can create wealth. I have not seen too many public sector organizations create a lot of wealth.

I found the reasoning of the Leader of the New Democratic Party rather interesting. He asked us to look at Japan. He said Japan would not buy machinery from offshore, it would make it right there. One thing he failed to mention is that Japan has a domestic market of 130 million people. When it builds a plant to produce this machinery, it can build it at economy of scale and what it does not use, it can trade. We do not have the population demand in Canada. With the free trade agreement, however, with those barriers down, we will have a 250 million or 260 million population. A 24-hour truck drive from my riding reaches 60 per cent of the Gross National Product in the United States. Does the Member opposite not think that is an opportunity for Canadians? Of course, it is.

Every business and service organization has said very clearly in its testimony before the committee, and my colleague from Burlington will attest to this, that this is good for Canada. These are the people who make it work. These are the people who take the money out of their pocket, put it down, take the risk and make it work.

I listened to the Hon. Member for Cowichan—Malahat—The Islands (Mr. Manly) with interest. He said—and I am paraphrasing a little, but one can find it in *Hansard*—it does not matter what kind of multinational company it is, once it becomes multinational, it is bad, whether it is Canadian or American.

Ms. McDonald: No, no. He said it is big and powerful. He did not say "bad".

Mr. McDermid: That is exactly what he said the other day.

Ms. McDonald: He said "powerful".

Mr. McDermid: In the couple of minutes I have left, I want to talk about being a Canadian. I love this country. I guess I love it more today than I did when I first got into politics—

Ms. McDonald: You love it so much you are giving it away.

Mr. McDermid: —almost 10 years ago. I have had the opportunity of travelling across Canada. One of the advantages of being a Member of Parliament is that one has an opportunity to visit this country in a way in which, unfortunately, most Canadians do not have. I believe in the Canadian people and I believe in their judgment. As I travelled across this country and spoke on the free trade agreement, explaining it to them, one of the things I said, something I mean very sincerely, is that no political Party in this country would ever give Canada away, sell Canada away or trade Canada away.

Ms. McDonald: Except for the Conservative Party.

• (2010)

Mr. McDermid: There is not one political Party that would do that. We have all fought so hard for this country. We have all fought for the betterment of this country. For the opposition Parties to be making these outlandish claims that somehow this Party is selling out Canada that we all love so much, Canada that we all have sacrificed for to come to serve—all of us—is nonsense.

My hon. friend, the Right Hon. Leader of the Opposition (Mr. Turner), in a previous incarnation made this statement: "Yielding to protectionism under the guise of economic nationalism is self-defeating for Canada. This country has always prospered under freer rules of international trade".

Let me conclude by saying that this free trade agreement is good for Canada. It is good for Canadians. It is going to make us a stronger country. It is going to help us in the international markets as well as the American market. It will allow our companies to grow and expand. Any person who is involved in the economy of this country supports the free trade agreement. I believe that in 10 years, just like members of the NDP now support the Auto Pact, they will be standing up saying that this was the best thing for Canada that ever came along. They will be clutching it to their bosoms and probably taking credit for it.

Some Hon. Members: Hear, hear!

Mr. Angus: Mr. Speaker, I listened with interest to the Hon. Member. I have a short comment to make and then I would like to ask a question.

During the Hon. Member's speech he used as an example the development of the St. Lawrence Seaway as an international agreement that did not have any negative impact on our sovereignty.

Mr. McDermid: You missed the point.

Mr. Angus: I want to point out to the Hon. Member that one of the reasons we are in difficulty in the Seaway today is that in order to get that agreement between Canada and the United States the Canadian Government had to agree to the pressure from the American rail lobby to have 100 per cent cost recovery on the system even though the Mississippi was going for a free ride. There were no cost recovery measures on there.

Second, and more important in terms of the trade agreement, I want to remind the Hon. Member that as a result of yet another American lobby, the maritime lobby in the United States, marine transportation—in fact all transportation—was pulled out of the final agreement. So there is in no way free trade.

The question I have is this. I would like to give the Hon. Member some background first. It is something we have talked about privately. In the United States there is a program called the Buy America Program. If a state or a municipal government is in receipt of federal tax dollars for the acquisition of rapid transit equipment such as subway cars, streetcars or something similar, then there has to be 60 per cent American content. That is the minimum requirement. It used to be 50 per cent but this year it was upped to 60 per cent. That has a very direct impact on my community. CanCar and Bombardier sell to the United States. There could be a greater number of jobs in those plants as they relate to American contracts.

The Hon. Member has been a key player in the trade negotiations and in the relationship between the trade negotiator and the House of Commons. I want to know why the Government of Canada—and supposedly this is a free trade agreement which suggests that all barriers are down—did not make any attempt whatsoever to get the American Government to remove the Buy America policy so that Bombardier, or the Lavalin-UTDC-CanCar group could have a chance to compete for contracts in the United States and get 100 per cent of the jobs here in Canada. I would like an answer to that question.

Mr. McDermid: Mr. Speaker, the Buy America Program does not come into effect on this agreement. I think the Hon. Member will find that the small business set-aside program does. I believe it is grandfathered, but from here on in we can bid on federal contracts in the United States.

Mr. Angus: It does not affect Buy America.

Mr. McDermid: The small business set-aside program is exempted from the agreement. It also allows Canada to set aside programs for small business.

Mr. Angus: We are talking big business here.

Mr. McDermid: We can now bid on $4 billion worth of contracts in the United States that we could not bid on before.

Mr. Angus: What about CanCar and Bombardier?

Mr. McDermid: Bombardier supports the agreement. It thinks it is a good agreement. It is supplying in the United States and will continue to supply in the United States. It will be more competitive because of the free trade agreement. That is what it is all about.

I listened to the Hon. Member asking for exemptions from American programs. In the same breath he stands up to say: "We cannot have any programs in Canada". What total nonsense. Of course we can have programs in Canada. Of course we can have regional development programs. Of course we can have subsidies. Nothing has changed in that respect.

Mr. Angus: I never mentioned subsidies.

Mr. McDermid: The Hon. Member is certainly talking about a type of program which is a subsidy program. That is exactly what it is. The Hon. Member should not be silly. Both countries have programs they want to protect.

Mr. Angus: Where is the Buy Canada Program?

Mr. McDermid: I think the Hon. Member understands that. Over the next five to seven years the agreement has set up a process to bring some common sense to subsidies, to regional development programs and so on.

Mr. Angus: What about subway cars?

Mr. McDermid: What is the Hon. Member talking about? Bombardier sold subway cars to New York. It will continue to sell and it is supporting the free trade agreement.

Mr. Angus: And it has had to have 60 per cent American content instead of 100 per cent Canadian content.

Mr. McDermid: Listen to the Hon. Member. Here is an NDPer who supported an American program. I cannot believe that.

Mr. Angus: No, I am not supporting it.

Mr. McDermid: You think it is a bad program? You do not think it should be there? If we get an exemption from that what is the Hon. Member prepared to give the Americans in return up here? The Hon. Member does not have an answer for that, Mr. Speaker.

Mr. Blaikie: Is there still time for a question, Mr. Speaker?

Mr. Speaker: I think the Chair can be generous. The Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie) on a question or comment.

Mr. Blaikie: Mr. Speaker, I have to commit what is called the sin of despair, in despair that there might ever be some relationship between what is asked and the answer that is given. I will try one more time. The Hon. Member is the Parliamentary Secretary to the Minister for International Trade. I have known him for a long time—ever since I came into this House. I cannot believe that he really believes some of the things that he is saying. I want to make a certain allowance for tactics and for debate. But he stood up earlier today and he said: "If only we had this huge market and free trade and the access to that market then we would be able to overcome that problem", referring to the Hon. Member for Oshawa (Mr. Broadbent) having pointed to the fact that we do not and are not able, it seems, to manufacture our own machinery with respect to many economic sectors.

• (2020)

I ask the Hon. Member, because I am sure that he has some experience coming from Brampton, does he not realize that we have had free trade in farm machinery and farm implements since 1948, and this has not resulted in the flourishing of the Canadian farm machinery sector? Quite the contrary. The verdict of the last 40 years has been increased American ownership, shutting down of Canadian plants, and we are at the point where we hardly have a farm machinery industry at all.

Given what the Hon. Member said earlier, I wonder if he could possibly explain that.

Mr. McDermid: I would be pleased to explain that, Mr. Speaker. Is 1949, when the free trade in farm machinery came along?

Mr. Blaikie: In 1948.

Mr. McDermid: For a number of years following that the farm equipment industry flourished. Then what happened? There was rationalization, not only in Canada, not only in Britain, and not only in Europe, but also in the United States. There was a tremendous change in farm machinery. There was additional competition from Iron Curtain countries. One of the things that the NDP Members do not understand is change. They hate to see anything change.

Ms. McDonald: Answer the question.

Mr. McDermid: When change comes members of the NDP cannot absorb it. That is what happened in the farm equipment industry. It has become highly specialized. The nature of farm machinery has changed over the years. There was a rationalization that went on. Industries closed down because they became inefficient, or because they could no longer compete. At the same time other industries come along with new and modern technology, and new ideas. That goes on all the time, and that is what happened with the farm equipment industry. The Hon. Member knows that full well. He mentioned 1949. This is 1988, so he is talking about 40 years ago.

Mr. Blaikie: I am talking about the effect of free trade on a particular sector.

Mr. McDermid: No. We still do have certain farm machinery here in Canada, and we still build certain farm machinery in Canada.

Mr. Blaikie: Very little.

Mr. McDermid: We do. The Hon. Member says "very little", but we do. The industry has been rationalized and we build what is good.

It is a world-wide phenomenon, and it has been so for many years. As the Hon. Member may know, there was an overcapacity throughout the world in farm equipment. For example, Massey-Ferguson had plants all over the world. The machinery that is built today is far more productive than the equipment that was built years ago, so there has been a rationalization that has gone on. To blame what has gone on in the farm machine industry on free trade is a fallacy.

Mr. Speaker: Continuing debate with the Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie).

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, it is a rather onerous task to be the one who will have the floor of the House of Commons in what promises to be the last half hour of the debate on the Canada-U.S. Free Trade Agreement. I hope that at least in the eyes of some I will prove adequate to the task.

We are at the completion of a political process here in Canada which, one way or the other, whether this agreement should be defeated in an upcoming general election, whenever that happens to be, or whether this agreement should go on to be implemented, will fundamentally change Canada.

Of course, the most fundamental change will come if the agreement is implemented. However, it will also be the case that, if the agreement is not implemented, the debate which we have had, and the efforts which the Government has made to bring about this agreement, will have a lasting effect on the political process. It will have defined people's positions on various things for many years to come. Therefore, regardless of how it finally turns out, we are at the end of a very historic political debate.

One of the things that has bothered me about this debate all along, and tonight is no different, is that there has been an unwillingness on the part of the people who promote the agreement to hear what the other side is saying, and to at least acknowledge the legitimate differences of view that exist about Canada.

In his opening words tonight, I heard the Parliamentary Secretary say that he respected many of the concerns held by Canadians who are critics of the agreement. Yet I must say that I have listened to the Parliamentary Secretary and to the Minister for International Trade (Mr. Crosbie), on many occasions in the House and outside, and I have yet to find one criticism that has been made of the free trade agreement for which they have shown any respect. Criticism after criticism, and concern after concern has been trivialized and caricatured. People who have raised these concerns or criticisms have been accused of everything from verbal terrorism to criminal negligence, you name it.

I ask you, Mr. Speaker, where is that respect? I also ask not only the Government, but all of us here, the media, and everybody who has participated, why have we not been able—and I have seen it before in the House during the debate on the Constitution in 1981—to get to the root of what it is we are actually disagreeing about?

I suppose part of it is the inarticulateness of the political process. I also think it is a tactical refusal on the part of the Government to admit all of what is involved in this agreement. We saw it again tonight when the Parliamentary Secretary rose and talked about the elimination of tariffs. I have said it time and time again until I am tired of saying it, but I only have one more time to say it: this agreement is not only about the elimination of tariffs. If it were only about the elimination of tariffs, we would have an entirely different debate. It is either a manifestation of the profoundest ignorance for Members on the Government side to keep rising and talking about this agreement as if it only had to do with the elimination of tariffs, or it is a manifestation of the profoundest deceit. It is one or the other. I think there is a mixture over there. I think some are just ignorant, and some are deceitful.

What we have in the agreement is a lot more than the elimination of tariffs. Why does the Parliamentary Secretary and others not rise and talk about that? Why do they not talk about the provisions with respect to foreign investment? Why do they not talk about the provisions with respect to energy? Why do they not talk in the honest way that ex-Premier Lougheed did when he appeared before the committee and stated that this would enable policy to be set in Washington rather than Ottawa, and that he thought that was a good idea? Why do they not talk about financial services and other things that are involved in the agreement? Why is it that we only hear about tariffs? Why is it that we only hear about this one part of the agreement?

I say to you, Madam Speaker, that one of the enduring frustrations of this debate, for those of us who are against it, is trying to get the Government to admit, and the Canadian people to see, that what we are talking about here is something much more than what has ever been considered historically as free trade. Free trade never involved all those things, and that it is on the basis of those other sections of the agreement, having to do with energy, foreign investment, services, and the agreement to agree, over the next five to seven years on what constitutes a subsidy or an unfair trade practice that is the source of our anxiety about this agreement.

• (2030)

Would it not be nice if someone had just admitted, just once, that in those negotiations that will take place over the next five to seven years there will be attempts by the Americans to draw our social programs into the negotiations regarding what constitutes a subsidy? Does anybody on the other side actually believe that the Americans will not try that, that that will not become an object of negotiation? If the Government is successful in negotiating in such a way that our programs do not come to be seen that way, that will be terrific. We doubt that that may be the case because of the asymmetrical relationship that exists between Canada and the United States, but our first and foundational claim is that these things will be negotiated, that these things will be on the table, no matter what the outcome of the negotiation is.

Our first and foundational claim regarding that is that those kinds of things should not be on the table and that no Canadian government has any business entering into an agreement that provided for a process over the next five to seven years whereby those things would be on any table. As far as we are concerned in the NDP, those things belong on the Canadian table alone, they belong here in the House of Commons, and not on a table between an American negotiator and a Canadian negotiator, either in Washington or in Ottawa.

Some Hon. Members: Hear, hear!

Mr. Blaikie: Could not anybody at least have admitted that that is something that is going to take place regardless of the outcome?

I have asked myself the question I do not know how many times. I look over there and I see people whom I have worked with for nine and a half years now, and I ask myself, how is it that they could contemplate doing something which, in my judgment, and in the judgment of my colleagues and of many Canadians, is so detrimental to the survival of the kind of Canada that the Conservatives, one after the other, have risen to say that they love? I have asked myself why it is that so many can get up and demonstrate so much zeal, joy, delight in this agreement. I have finally come to the conclusion that this debate in many, many ways has had absolutely nothing to do with facts or economic analysis, because economists are a dime a dozen.

An Hon. Member: They cost more than a dime.

Mr. Blaikie: Yes. They just cost more than a dime.

I think my Leader covered it today when he began his speech with some philosophical analysis. What you have here is a kind of competing view of the world. It is really a religious argument. We have here people in the Conservative caucus who for so long espoused a view of the world in which they feel that the market-place should be sovereign, that regardless of the effect this agreement may have on Canada, they sense here, they sniff, a cosmological victory. Regardless of what the actual effect of the agreement might be, they feel that this Canada-U.S. Free Trade Agreement carves their view of the world in stone.

That is why they are willing, even if they represent grape growing industries or other areas that may be hurt by this agreement, or whether they actually, even in their heart of hearts, believe in some of the social programs—because some Conservatives do, but we remember that some did not—to swallow all this, repress it, and say, "By God, this agreement is a good agreement no matter what, because in this agreement we win the metaphysical argument that we have been having with the NDP for 50 years". They like that.

What they do not realize is that the Canada that they love is a Canada that has been created out of the mix of political traditions that have existed in this country, that have fought with each other, in elections and between elections and in civil society, for a view of what the country is about. We are a different country precisely because we have had those different traditions. We are a different country because we have had a red Tory tradition that the United States never had. We are a different country because we have had a democratic socialist tradition that never got off the ground in the United States. We are a different country for a lot of reasons, and one of the reasons is because we have had the tension that exists between these various political traditions, which exists within parties, between parties, which overlap. Some of us are hybrids. What they do not realize is that in this agreement they are declaring that creative political tension to be over. They are buying forever, if you like, one particular view, which has its place in Canada's political pantheon, if you like, but it has to be a place in Canada's political pantheon and not the only idol in the political sanctuary.

What we are saying, and I will be right up front about this, is that this free trade agreement philosophically makes the kind of Canada impossible that the CCF and the NDP have fought for since 1933, and indeed before that, in the form of the Independent Labour Party and others.

An Hon. Member: Bravo!

Mr. Blaikie: The Member says bravo. That is the point that I want to make. I do not think that any political party has the right, including our own, through an agreement with the United States, an agreement that they sought no mandate for, to declare an end to the political debate that has been going on in Canada.

Mr. McDermid: We can cancel in six months.

Mr. Blaikie: I will get to you in a minute. This is what the members of the Conservative Party propose to do, but they propose to do it not in the open. We have listened to the Parliamentary Secretary today talking about tariffs again. He did not talk about the fact that much of what his colleagues on the other side like about this agreement is that it does make the kind of Canada that the NDP and others have been working for in this political mix impossible. We will never achieve the kind of Canada that only we want, and we never should. But we should be in that mix.

What is happening here is that the Conservatives are about to achieve, by political stealth and deceit, what they would never be able to achieve directly. If they went directly to the Canadian people and said on an issue by issue basis "We want to institute a regime by which we will have unregulated foreign investment", they would be thrown out of office. If they said: "We want to hamstring our national government so we will never ever again be able to have a national energy policy of any kind"—not just the one the Liberals had which was not all that great—then they would be thrown out of office.

• (2040)

Mr. McDermid: We campaigned on that.

Mr. Blaikie: The Tories did not campaign on that. The Conservatives campaigned against the Liberal national energy policy. They did not campaign saying they wanted to sign an agreement which would prevent us from ever having a national energy policy of any kind.

Mr. McDermid: This agreement does not say that.

Mr. Blaikie: It does so. Peter Lougheed said that before the committee. Read it. That is one of the reasons he likes the agreement.

If the Conservatives tried to campaign directly on whether or not we should seek to harmonize our social programs with the United States in any way, shape, or form they would be tossed out of office so fast it would make their heads spin.

What is done in this agreement is an attempt, as I said before, to achieve indirectly what the Conservative Party would never be able to achieve directly, to enshrine in this agreement for a generation their view of Canada, this neo-Conservative view of Canada, which is at odds with the other tradition that exists within the Conservative Party. It is actually more at home with elements of the Liberal Party of Canada, 19th century Liberals, and there are many in the right wing of the Liberal Party who are smiling—most of them in the Senate, but some of them here—because what the Conservative Party is about to do is the dirty work of the right wing of the Liberal Party.

If the Liberal Party ever comes to power, God forbid, the Liberals will sit back and say: "Lads, the Tories did all the dirty work for us. They have done the things that we might not have ever been able to do. Let us just take them as given and go from here".

I know that the last time I criticized the Liberals in the House on the free trade agreement some people phoned me and said: "How can you be critical of the Liberals? They are against the free trade agreement. You guys should stick together". I tell you, Mr. Speaker, the Liberals are not to be trusted on this free trade agreement.

I would say to all those Canadians who are genuinely against this agreement: "Do not trust the Liberals when it comes to this free trade agreement". If they get in, they will as they have done so many times—who are the original continentalists in this country; it is the Liberal Party of Canada—buckle to American pressure as sure as I am standing here, and that six-month clause which the Parliamentary Secretary has been talking about will never be used. It is only the New Democratic Party that sees in this agreement—

Some Hon. Members: Oh!

Mr. Prud'homme: Virtuous.

Mr. Blaikie: It is not a question of virtue. It is a question of this agreement being against what we stand for. I say this agreement is not against what the Liberals stand for. It was the Liberals who allowed all kinds of foreign ownership to take place.

Mr. Prud'homme: Do not preach.

Mr. Blaikie: We remember it was the Liberals who presided over the creation of the branch plant economy which eroded Canadian economic independence.

Mr. Prud'homme: The NDP is in danger in Winnipeg.

Mr. Blaikie: What we have is an attempt to win for all time debates which should exist separately, issues which should be debated separately and I have confidence that the Canadian people will see that this is the case. They will not be able to see that this is the case on the basis of what they have been told by the Government because the Government has concentrated almost entirely on the so-called elimination of tariffs and the opportunities this will create for Canadian businesses.

If you look at the analysis of the Conservatives, Madam Speaker, indeed if you read the Prime Minister's (Mr. Mulroney) book—

Mr. Prud'homme: Do not preach.

Mr. Blaikie: The Member keeps accusing me of preaching. I make no apologies for that. I am preaching against the free trade agreement which I thought he was against, but you see he is a Liberal and maybe he is not really against it, and that is why he is uncomfortable with the vehemence of my style.

Mr. Prud'homme: I rise on a point of order, Madam Speaker. It is a technical point of order. Listening to the Hon. Member I realize now how badly the NDP is in trouble in Winnipeg.

Some Hon. Members: Oh, oh!

The Acting Speaker (Mrs. Champagne): I must tell the Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie) that his time had expired. I feel much happier knowing that his eyesight is getting a lot better and he realized that I was in the Chair for the last 15 minutes or so.

Mr. Hockin: Madam Speaker, I would like to ask the Hon. Member a couple of questions. I am very interested in cosmology. The Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie) is interested in cosmology. He is trying to make this debate about this commercial agreement into a cosmological obsession in the country. He is obsessed with cosmology. He wants to make this that kind of issue, but I have a couple of questions for him.

Mr. Blaikie: I can hardly wait.

Mr. Hockin: They deal with his theory of red Tories. His theory is that they would not support this agreement. I do not know what a red Tory is. I guess Gad Horowitz knows what a red Tory is and Louis Hartz or other people who invented the term. If you are using a term you should know who invented it.

An Hon. Member: He used to be one of them.

Some Hon. Members: Oh, oh!

Mr. Hockin: When you were president of the Young Tories you would have known what a red Tory is. A red Tory, according to Horowitz, is one who believes in protecting the state and protecting the country to make sure that society has cohesion and sensitivity. Also that it is not frozen into place in some sort of static kind of form that does not move dynamically and does not refresh each generation with new challenges. That is a red Tory. It is rather an interesting combination of protecting the collectivity and also giving liberty. That is what a red Tory is. If that is a red Tory, I think most Members of our caucus are red Tories.

An Hon. Member: What about Taylor, Shields and Jepson?

Mr. Hockin: On the Member's collectivist notions, can he name one Crown corporation that is disadvantaged by the free trade agreement? Crown corporations are the NDP's great example of collectivist thought. Can the Member even point to one Crown corporation that is disadvantaged in any real way by the free trade agreement? In fact, if the Hon. Member took a look at the uranium agreement, he would find there is improved access for our Crown corporations into the United States.

The second question is on protecting the state and protecting our ability as a country to forward our national interests. Has the Member read Article 906 of the free trade agreement which says that the parties to this agreement have agreed to allow existing or future incentives for oil and gas exploration, development and related activities in order to maintain the reserve base for these energy resources? Has he read that this is an energy policy? That is the heart of an energy policy. That is the state acting to protect the leverage of a country when it comes to major decisions on energy. Has the Hon. Member read that? How does the Hon. Member square that with what he said?

Third, talking about red Tories, does the Hon. Member not agree that the great problems in the African countries is that they have not developed enough resources to produce the kind of cultural and social programs they would like? It is through wealth and wealth creation that one builds one's culture, builds a reading public and a public for cultural productions and funds the social service programs. If you secure access to the largest market in the world, is it not true for anybody interested cosmologically in red Toryism that there is much more there in terms of resources for future generations as well as present generations culturally, in social services and in every other sense?

• (2050)

The fourth and final question and the most important one is this. Does he not agree, when he looks at this agreement, that we have put ourselves in a position where we have multiplied our leverage with the U.S. ten times with respect to bilateral disputes? For example, on trade remedies we have essentially negotiated equality with the U.S. With respect to sideswiping, when they get annoyed with another foreign country and apply a trade remedy to them, Canada will be exempted. Canada, one-tenth the size of the United States, has gained resources through this agreement, increased its sovereignty, its dignity, and that is what a red Tory or any kind of Tory would believe. In fact, a socialist should believe that as well.

Mr. Blaikie: Mr. Speaker, obviously—

An Hon. Member: Madam Speaker.

Mr. Blaikie: Madam Speaker, it is not because I look at you that I say that; it is because I am not looking at you when I say that.

The Acting Speaker (Mrs. Champagne): I do wish the Hon. Member would look at me when he addresses me.

Mr. Blaikie: The argument arose as to what constitutes a red Tory because I brought it up with respect to the various political and philosophical traditions that make up the Canadian mix which is set to be destroyed by this agreement. I suppose one of the people that comes quickly to my mind is George Grant who in 1963, wrote a book called *Lament for a Nation* in which he lamented the increasing absorption of Canada into what he called the advanced technological capitalism of the U.S. What we have here is the completion, I believe, of the process that he began to lament in 1963 with the defeat of the Diefenbaker Government over its refusal to do the bidding of the U.S. That was his analysis.

Mr. Hockin: Nonsense.

Mr. Blaikie: That was his analysis and I suppose he would be recognized by almost everyone as a red Tory whether they agree with him or not. That is the kind of analysis I was referring to.

The Hon. Minister also asked me to name Crown corporations which might be damaged by the agreement. The fact is that Crown corporations are on the hit list of the Progressive Conservative Government. It sees the elimination of Crown corporations as part and parcel of its whole economic agenda. Free trade, deregulation and privatization are the three thrusts of Tory economic policy.

The Minister asked me what Crown corporations might be damaged by the free trade agreement, as if he cared about Crown corporations. The fact is that he does not or else he would not be privatizing them. The Government would not be trying to sell Air Canada. It would not have the Hon. Member for Lethbridge—Foothills (Mr. Thacker) talking about selling the CNR as he did, not too long ago. It would not have the policies it has with respect to privatization. The Minister mentioned the uranium industry. The Government has already sold off that industry. I do not know how we can damage a Crown corporation that we do not have any more as a result of the privatization policy. It is sheer hypocrisy for these people to get up and pretend they care about Crown corporations.

Mr. McDermid: You did not answer the question.

Mr. Blaikie: I did so. The Minister quoted to me elements of the agreement having to do with energy policy. The key words were "existing policies". We know what the existing policy of the Government is. It is a deregulated energy sector. Of course in a free trade agreement you could agree to preserve existing policies.

Mr. McDermid: And future policies.

Mr. Blaikie: Preserve existing non-policies with respect to regulation of the energy sector.

The Minister asked me about culture, and this is incredible. He said, will it not be nice when the Africans get an economy like ours so they will finally be able to have some culture. I take that to be just the kind of vanity of modern man, if you like, with apologies for not saying "modern persons", that we should say to the people of Africa that the only culture worth having is the kind of culture you can cultivate when you have an advanced capitalist society. I think they have their culture now and they do not need a Progressive Conservative Government in order to have culture in Africa.

The Acting Speaker (Mrs. Champagne): Unfortunately, Madam Speaker must interrupt as the time for questions and comments has now expired.

[*Translation*]

Mr. Gabriel Fontaine (Lévis): Thank you, Madam Speaker. In the remaining three minutes I will try to conclude this historic debate on free trade. I will take a few moments to summarize the position of the Liberal Party and explain the real reason why they are so opposed to free trade. The Leader of the Liberal Party (Mr. Turner) has no choice. He has to get on side with Ontario and Ontario's Liberal Premier. That is the only way he can get the support of a province with 99 seats. That is why the Liberal Party has decided to stick with Premier Peterson. It is politics pure and simple, while Mr. Peterson wants to defend the interests of a province where unemployment is at a mere 3.1 per cent and exports are worth $60 billion.

Mr. Peterson is protecting the interests of his province, but he is a provincial leader. I think it is hard to explain why anyone running for a national party would be so anxious to support the interests of one province—the Liberal interests of that province.

As for the Socialists, Madam Speaker, in any case they are all in bed together! It's one big happy family of people on the left, who live like parasites on thriving free enterprise in this country. Those are the people who nationalize and live off others.

Madam Speaker, the Socialist Leader has to stick with his funding source, and that source is the Vice-President of the New Democratic Party who is the Socialist Leader's boss and gets his funds mainly from the United Auto Workers who have enjoyed the benefits of free trade since 1965. Madam Speaker, $30 billion worth of exports to the United States are connected with the automobile industry and are the result of free trade. There are 840,000 Canadians who make a living thanks to the existing benefits of free trade. Of those 840,000, there are many who pay dues to the United Auto Workers, to Bob White, their president, a man who holds the Socialist Leader hostage because he pays for the advertising on free trade ordered by the Socialist Party.

In concluding, Madam Speaker, I would like to say a few words about Quebec. The province of Quebec is ready for free trade, because in 1960, it started to prepare for more secure access to the American market and better guarantees. We trained business people. We trained accountants and engineers.

In recent years, Madam Speaker, Quebec has built a solid financial infrastructure in co-operation with the two main political parties we have in Quebec. Thanks to this infrastructure, our young people and our businesses are now able to conquer the U.S. market, and that is what Canadians and Quebecers need: the U.S. market, and not a Liberal-Socialist coalition that denies the interests of Canadians and Quebecers. So we challenge you Liberals . . .

• (2100)

The Acting Speaker (Mrs. Champagne): It being 9 p.m., pursuant to order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the third reading stage of the Bill now before the House.

[*English*]

Accordingly, the question is the following one. Ms. McDonald moved:

> That the amendment be amended by deleting the period and adding the following words therefor:
>
> "and its implications on the economic and political sovereignty of Canada".

Is it the pleasure of the House to adopt the amendment to the amendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Champagne): All those in favour of the amendment to the amendment will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

[*Translation*]

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to order made earlier today, the recorded division is deferred until 6 p.m. on Wednesday, August 31, 1988.

[*English*]

Mr. McDermid: Madam Speaker, have we taken a voice vote on all three or just on the amendment to the amendment? Do we do the amendment and the main motion?

The Acting Speaker (Mrs. Champagne): As the House has decided to defer a vote on the amendment to the amendment, I cannot put the amendment and the main motion before the House until we have disposed of the amendment to the amendment.

Mr. McDermid: Thank you.

The Acting Speaker (Mrs. Champagne): It being nine o'clock p.m., pursuant to the order made earlier this day, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

RAILWAYS

TRIBUTE TO PRESIDENT OF CANADIAN RAILWAYS EMPLOYEES' PENSION ASSOCIATION

Mr. Svend J. Robinson (Burnaby) moved:

That this House commend the Canadian Railways Employees' Pension Association and in particular National President J. Earl White for their dedication and tireless efforts on behalf of past, present and future railway employees.

He said: Madam Speaker, it is an honour for me to be able to rise in the House today to pay tribute to the work of the Canadian Railways Employees' Pension Association and, in particular, to their national President J. Earl White. Earl White has put in many hours of dedicated hard work on behalf not only of pensioners today but employees today, beneficiaries of the pension plan, spouses, and survivors.

I feel privileged to be able to draw to the attention of this House the accomplishments which Earl White and the Canadian Railways Employees' Pension Association have made in their efforts on behalf of pensioners. They have helped to draw to the attention of the public a very serious matter involving what I consider to be the legalized theft of literally hundreds of millions of dollars of hard-earned pension funds of railway pensioners across this land.

I have two motions on the Order Paper. The first motion, the one to which I am addressing myself at this time, is that which commends Earl White for the work he has done on behalf of railway pensioners. The second motion calls upon the Government to introduce legislation concerning the pension funds, not only of the Canadian National Railway but also of Canadian Pacific Limited.

This legislation would do two things. First, it would provide that pensions be indexed to the extent that such indexation is actuarially viable with the funds that have been paid into each railway pension plan, the unfunded liabilities of the respective railway companies, and the funds that are being paid into each railway pension plan on a current basis and that, in any event, the minimum indexation to be paid should be indexed to the Consumer Price Index commencing on the retirement date of each pensioner including those currently receiving pensions.

Second, the legislation for which I am calling, and for which Earl White has fought so diligently over the years, would provide that excess earnings on money contributed by employees and former employees must be distributed on an equitable basis to employees and future employees only and not go into corporate coffers.

That is the legislation which New Democrats are calling upon the Government to bring forward to recognize the contribution of pensioners and to recognize the extent to which Canadian National and also Canadian Pacific have been raiding the pension fund for many years. This was accomplished primarily in two successive stages by increasing the assumed rate of interest.

First, on December 31, 1968, CNR increased the assumed rate of interest to be earned on all pension fund assets from 4 per cent per annum to 7.5 per cent per annum, which change in assumption allowed it to reduce its unfunded liability from approximately $671 million to $300 million as of that date. That was the most profitable move ever made by Canadian National Railways for the corporation. At the same time it was the biggest rip-off of employees and pensioners to that date.

In 1987 CNR accomplished the same kind of thing by changing the assumed interest rate from 7 per cent to 7.5 per cent. It turns out that this was the largest single rip-off of a pension fund in the history of private pension funds in Canada. In fact, the pension fund credits received by CNR for the sole benefit of that corporation—not for pensioners, employees, spouses, or beneficiaries, but for the sole benefit of that corporation—during the past seven years are slightly more than $2 billion.

I could go on and talk about the figures for Canadian Pacific Limited. Unfortunately, these figures are not yet available, but I suspect that they will reveal the same kind of raid on pension funds as that which took place with the CNR fund. As Mr. White says, it is really a tie as to which of these two corporations should be designated as the most selfish.

Furthermore, these two corporations, which are trustees of two of the largest private pension funds in Canada, are also two of the oldest private pension funds in Canada having been instituted in 1935 and 1937.

I mentioned the increase in the assumed interest rate from 7 per cent to 7.5 per cent. Increasing the assumed interest rate in this manner caused a credit of $1.4 billion to arise. That basically meant that the obligation of CNR was eliminated and it reduced assets in the pension fund by some 27 per cent by one stroke of the pen.

Ninety-four per cent of 1,600 other pension trust funds have been established on a defined benefits basis and the trustees of those corporations are the trustees of some $150 billion of assets. It is very likely that when they see the example that has been set by CNR and CP Limited for their pensioners they may be tempted to follow that example. The percentage of funds which they might appropriate unto themselves might be a little less, perhaps 25 per cent, but nevertheless that would amount to literally billions and billions of dollars.

After all, moneys that are set aside for pensions are just a form of deferred income. In effect, this is robbery. It is legalized robbery of thousands of employees of Canadian National and Canadian Pacific.

• (2110)

I want to recognize the contribution that Earl White has made in drawing to the attention of the Canadian public, and in particular of railway employees and pensioners, what is a very serious inequity.

I did not bring into the House the literally hundreds of documents that Earl White has produced over the years that attempt to document very clearly the extent to which the pensioners have been the victims of raiding on their pension funds.

I want to say a word about Earl White himself. The motion recognizes his dedication, his tireless efforts on behalf of railway employees, pensioners, spouses, beneficiaries, and survivors. Some may ask who is Earl White, this man who has worked so hard as President of the Canadian Railways Employees' Pension Association.

Earl White is 79 years of age and has dedicated this part of his life to improving the lot of these pensioners. He completed and passed a three-year correspondence course set by the Insurance Institute of Canada. Following that, he completed another correspondence course by the Life Underwriters Association of Canada. After that he went into the Canadian Officers Training Corp and then returned to civilian life and the Canadian National Railways in 1946, having attained the very distinguished rank of Lieutenant-Colonel.

That experience was some 40 to 50 years ago, but certainly the basis upon which life insurance contracts and pension contracts are calculated is the same today as it was 40 to 50 years ago. Earl White is one of the most knowledgeable individuals in this area of railway pensions, and he certainly has studied this very carefully. Indeed, he has based his study on the audited financial statements of the railway companies themselves.

He notes that when a company like the CNR employs a high percentage of new employees between ages 18 and 25, like all employees employed on a permanent basis they are required as a condition of their employment six months after becoming employees to contribute to the CNR pension fund, effective from the beginning of their employment.

That means the CNR would have in its custody the pension funds of all employees for the duration of their working lifetime, plus for their expectation of life commencing on their retirement date. While it can be somewhat technical, the key element in all this discussion about pensions is the interest earned factor. That is the key question.

Effectively, as I mentioned before, CNR raised this assumed rate from 4 per cent to 7.5 per cent in 1968. Basically, the pension fund was reduced by some $371 million. That amount was credited not to pensioners, not to workers, not to their families, but to Canadian National Railways. This meant in practical terms that the assets on hand after 61 years would increase by the factor that Mr. White has set out in his calculations, which is 64 times over.

For Canadian National Railways, Mr. White has only been able to supply figures on the contributions of employees, the contributions of CNR, and investment income on pensions paid each year since January 1, 1960. Prior to 1960, CNR did not publish these figures.

He has provided me with all the figures, the amount by which all contributions, investment income, and realized capital gains exceed pensions paid from January 1, 1960 to December 31, 1987. That figure is over $5 billion.

The fact is that the earnings rate on a market value basis on all assets in the CNR pension trust fund was an average of 14 per cent per annum, from 1976 to 1986. The excess earnings were about $2.367 billion. That is pensioners' money.

The trustees of the CNR pension trust funds for the period for which they published financial statements have actually paid out in pensions less than 32 per cent of the total revenue received in the 28-year period from 1960 to 1988. If that is not legalized theft, I do not know what is.

I want to note that it was Liberal governments and Conservative governments that have avoided passing any legislation whatsoever that would protect employees and pensioners and their pension funds from predatory corporations.

I want to say on behalf of the New Democratic Party that we are committed to passing that kind of legislation. We are committed to passing the kind of legislation that would prohibit corporations from raiding the pensions fund that are contributed by employees, by pensioners. That is our commitment. I speak on behalf of my colleagues. I speak on behalf of my distinguished colleague, the Hon. Member for Regina West (Mr. Benjamin), our transport critic—he is a former railway man himself—who will be participating in this debate shortly.

I speak on behalf of my colleague, the Hon. Member for Winnipeg—Birds Hill (Mr. Blaikie), who has done an extraordinary job in speaking out over the years on behalf of railway pensioners and railway employees. I know that a lot of these people reside in his own constituency. Indeed, as recently as yesterday that Hon. Member spoke in the House on the importance of amending the law and bringing in a new law to recognize that this kind of rip-off must end.

Not just railway pensioners, but all Canadians owe a debt of gratitude to Earl White and to the Canadian Railways Employees' Pension Association for his efforts, his commitment, and his dedication in bringing this to public attention.

Unfortunately, the time I have available to me is running out. I know that some of my colleagues want to speak. I will be interested to hear the Parliamentary Secretary to the Minister of Transport (Mr. Thacker) on this subject.

It is important to note that the onus is squarely on the CNR and Canadian Pacific to respond to Earl White, to respond to the concerns of railway pensioners right across this land who believe that they have been robbed.

This is at a time when the cost of living is going up and pensioners are struggling to survive. They are people who have contributed in many cases 40 and 50 years of their lives. I think of people like one of my own constituents, Ray Carrell, who put a lifetime into the railroad. The corporate executives, the fat cats in Canadian National and Canadian Pacific, get great pensions worth of hundreds of thousands of dollars per year, but the ordinary worker, the Earl Whites and Ray Carrells and other railway pensioners, are being hosed. They are the ones being robbed of the funds that rightfully belong to them.

I could go on further about some of the specific figures. Certainly I would be pleased to make these figures available to any Member of the House, indeed anyone in the public who is interested.

In my view Earl White has set out a very comprehensive and concrete statement of the exact situation affecting railway pensioners. He has the funds clearly set out. I believe that the claims Earl White has made are valid and deserve to be repeated.

I am pleased to have an opportunity to do so in the House. I only wish that we had an opportunity to bring him before a parliamentary committee. When New Democrats are in a position to bring forward legislation that would prevent the raiding of pensions, certainly one of the people who deserves the most credit for this change will be my constituent, Mr. Earl White.

Finally, I repeat that the reason this raid on pensioners' funds has been allowed to take place is that past governments, whether they be Liberal or Conservative, have stood by and allowed it to happen. We are not talking about hundreds of millions of dollars, but about billions of dollars. They have not brought forward legislation that would prevent this kind of rip-off of private pension plans and the pension plans of Canadian National and Canadian Pacific.

• (2120)

In conclusion, once again I want to thank all Members of the House for the opportunity to raise what I consider to be a very serious inequity which affects hundreds of thousands of pensioners, employees, spouses, and beneficiaries. I would also, once again, like to thank Earl White for the tremendous work he has done on behalf of the people right across Canada in drawing this matter to the attention of the public. Let us hope that one of the most important accomplishments of the next Parliament of Canada will be to right this great historic wrong.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Madam Speaker, I am pleased to respond to the motion put before this House, dated August 10, 1988, proposing the commendation of "the Canadian National Railways' Employees' Pension Association and in particular National President J. Earl White for their dedication and tireless efforts on behalf of past, present and future railway employees".

On a personal basis, I would also like to thank my colleague, the Hon. Member for Burnaby (Mr. Robinson), for placing the motion on the Order Paper. It permitted me the opportunity to be briefed thoroughly on this topic and I must say that I found it to be most interesting. I think Members would like me to share with them information about the pensioners of the railways of Canada.

I would like to give some background on the matter of pensions and on this association, in particular. Canadian National embraces some 44,000 pensioners, with a similar number for CP rail and other railways in Canada combined. These are people who the Government recognizes as having spent their lives making the railways of Canada run, railways which were long the lifelines of commerce, the very arteries and veins which bound the nation together in the first place and which still play an important role in getting our products to market—our grain, coal, forest products, and many manufactured goods such as automobiles, steel products, and pulp and paper.

As you well know, Madam Speaker, it is people who make an enterprise run, who are the background of the enterprise. They make it successful, and this is a fundamental truth in the case of our railways—Canadian National, CP Rail, BC Rail, Ontario Northland, and our resource railways like the Quebec Northshore and Labrador, to name just a few. Many of the people who ran some of those railways, indeed, many of those who built some of them, such as the Great Slave Lake Railway, parts of the BC Rail, and other lines, are today represented in the tens of thousands of railway pensioners.

They have worked hard in their careers, men and women alike, as trainmen, carmen, brakemen, porters, stewards on passenger trains, dispatchers, operators, and many, many other careers from maintenance of waymen to engineers. There are many categories which I am sure I did not mention but are no less important and no less worthy of mention.

Since being a Parliamentary Secretary to the Minister of Transport I have noticed among railway men and women a pride in serving their railway which we do not often find in other occupations. They are very proud to be railway people. They do not seem to lose that even when they become pensioners. These numerous pensioners today are represented or have grouped themselves into a large number of local, regional, provincial or national associations, or combinations thereof.

If I may mention some, there are the CN Pensioners' Association and their many councils and locals, the Canadian Pacific Pioneers' Association, the National Council of CN Pensioners' Associations Incorporated, the Saskatchewan CPR Pioneers' Social and Service Association. I suspect my colleague, the Hon. Member for Regina West (Mr. Benjamin), was probably a founding member of the Saskatchewan Pioneers' Association. I would like to mention the Biggar Railway Employees and Pensioners Association and the Ottawa Retired Railway Pension Association. There is even a CNR Lady Pensioners' Association. There are retired members of many unions—the International Brotherhood of Electrical Workers, the International Association of Machinists and Aerospace Workers, the Brotherhood of Railway Carmen of the United States and Canada, to mention but a few.

An important contingent, of course, are members of the Canadian Railways Employees' Pension Association, whose membership totals some 19,000 and which I understand is split about equally between pensioners and active employees. The Canadian Railways Employees' Pension Association has been in existence since December, 1971 and consists of 19 branches of which four are particularly active.

Many of these associations from time to time put forward their views on pension and pensioners' issues. The Canadian Railway Employees' Pension Association has certainly been among the most active in this regard, as has its president, Mr. J. Earl White. Without detracting one moment from the efforts of Mr. White, I think we must also acknowledge that many of the other unions have made similar types of presentations.

However, the Canadian Railways Employees' Pension Association has not been the only pensioner association which has made itself clearly heard. It is important to mention the National Council of Canadian National Pensioners' Associations Inc. This organization, called the National Council, was incorporated in 1974. It represents four regional and thirty-two local councils, some of which date back to the 1940s. At present, through its associations the National Council represents about 15,000 CN pensioners. It is the policy of the National Council to work together with CN for the benefit of its members. Since February, 1984 the National Council President has been one of the three pensioners' representatives of the CN Pension Board.

Many of the these groups have made numerous recommendations on improvements to their pension plans in the past and, over time, these have no doubt contributed to achieving some improvements in the benefits which railways and other pensioners enjoy today.

Not to be ignored in contributing toward improvements in the railway pension plans are the negotiated settlements among active employees with their employers, as well as various government initiatives such as the Pension Benefits Standards Act amendments introduced earlier this year. The former have enabled certain enrichment of plans as part of the collective bargaining process, and the latter government initiative will go a long way to increasing pension benefits.

Railway pension plans, and I can speak particularly for CN's pension plan, have long been among the best in the country. I should take this opportunity to mention to Members of this House the fact that CN's 1959 pension plan is above average. Indeed, by most standards it has been among the top ten plans in Canada and provides benefits that only 25 per cent of members of pension plans in Canada enjoy. CN has also done much in recent years and months to improve various aspects of its plan.

It is through the untiring efforts of employees and pensioners in all walks of life, as represented either directly with their employers or through their unions and associations, that benefits to them and Canadian pensioners as a whole continue to improve over the years. To all these groups and individuals, I would extend recognition and encourage them to work closely with their present or former employers to achieve their goals.

I wish to take this opportunity to express my highest esteem to the railway pensioners throughout Canada and my thanks to them for their significant part in building this great and wonderful nation.

Mr. Bill Blaikie (Winnipeg—Birds Hill): Madam Speaker, I would like to begin by thanking the Hon. Member for Burnaby (Mr. Robinson) for giving the House the opportunity to debate something which we do not often get a chance to debate. I recalled in the House just yesterday that one of the promises made by the Conservatives when they came to power in 1984, was that they would finally do something about the long-standing complaints that various CN pensioners and CN pensioners' associations have had about the inadequacies of the CN plan. I noted yesterday in the House that four years will soon have gone by and nothing had happened. We had the subcommittee make some recommendations. For a variety of reasons, good reasons, I might say, not all CN pensioners, particularly Mr. White, whom we honour tonight by debating this motion of commendation, were happy with the report. Even the recommendations of that report would have been an improvement, yet the Government has chosen to let four years go by without acting. The subcommittee reported a long time ago and absolutely nothing is happening.

• (2130)

There are a lot of CN pensioners out there, people who were pensioners in 1984, who will remember this, and people who have become pensioners since 1984. That, I might say, is a very large group because of the process that the CN has gone through since 1984. Incredible numbers of people have been retired. Many retired early, with or without a handshake. Many, fortunately, retired with a handshake.

It used to be that I knew an entire generation of people who worked for the railway. I now know an entire generation of retired railway workers. Most of them are not 65 yet. Most of them retired early as a result of what has been going on at CN. I might say that many of them are thankful to have been retired when they see what is going on in the railway and the way that the CNR is now being run. Many of them are grateful not just to be retired but grateful not to be having to put up with the way in which the railway is now being run.

As you might know, Madam Speaker, I come from Transcona. Transcona is and was a railway town. It is becoming less so as it has become part and parcel of the greater City of Winnipeg. But it still remains the case that a good many people in Transcona either do or have worked for the railway. A great many CN pensioners live in Transcona or in Elmwood, East Kildonan, or in other nearby areas which are all part of my riding. Without wanting to get into a bidding war with other Members, I would say that I probably have more CN pensioners in my riding than anyone else I could imagine. The main Transcona shops are there. We have had them there ever since 1912.

I also have a personal interest in it, if you like, Madam Speaker. I heard the Hon. Member for Lethbridge—Foothills (Mr. Thacker) mention the Biggar Pensioners Association. My association with the railway goes back to when my grandfather Blaikie started with the railway in Biggar in 1912 as a carman, or what was then known as a car knocker. I can remember in the mid-fifties before my grandfather retired in 1958 being in Biggar and going with him down the track as the trains came in. His job was to hit the wheels with a hammer and listen for cracks, among other things.

My father also joined the railway in Biggar. First, he shovelled coal and then later he went to Transcona to take his apprenticeship as a machinist. He retired in 1986 with 44 years of service in the railway as the Assistant General Superintendent of Equipment for the Prairie Region, Motive Power.

I just took a quick count. I think I have at least a half dozen uncles who are CN pensioners, and two grand-uncles, brothers of my grandfather who are now gone who were also CN pensioners. I have a cousin working in the Transcona Car Shop to this day. For me, the welfare of CN pensioners is not an abstract matter. It is something that I know many people whom I personally know will have to deal with if that plans becomes inadequate. That is why I am on my feet tonight. It is to advocate that something finally be done to change the nature of the plan so that CN pensioners are not forever dependent on the goodwill or the fiat of the CNR for increases in their pensions.

There are a number of things that need to be done. We need to have indexation built into that plan.

People who are retiring now, those who have just retired, and those who are in really tough situations now are those who retired quite a while ago—but regardless of the situation—all need to be alleviated of the uncertainty of wondering whether or not they will receive an appropriate increase when the economic situation demands it. We say, and we have said for a long time, that there needs to be some kind of indexation structured right into the plan so that this kind of economic uncertainty might be removed, so that people might continue to get a pension which has the purchasing value that it had when they retired from the railway. It seems to me that that is only justice. It is only elementary justice that people should not find themselves in a situation several years from now, or for that matter, if they are fortunate to live long, many years after their retirement, in which their pension is worthless. I do not know how anyone can argue against that.

Yet, obviously, nothing has been done. Part of the problem, of course, has been the unwillingness on the part of the Government to challenge the relationship between the company and the pension plan, to challenge this whole question of unfunded liability whereby on the basis of that unfunded liability the CNR feels that it has the right, when the pension plan generates money, to seize that money and to funnel it into the coffers of the CNR instead of either allowing it to accumulate interest or using it in a way that would give it back to the pensioners themselves.

What needs to be done is for the plan to be changed finally in such a way that the company actually contributes instead of sitting and saying: "We will look after the unfunded liability. We will look after it if anything happens". This is a very kind of tenuous way to operate. What if something were to happen to the CN? The very Member who spoke in this debate, the Hon. Member for Lethbridge—Foothills (Mr. Thacker), has said in the House before that the CN should be sold. What if the CNR were sold and in its new private incarnation it ran into economic problems and no longer had the political goodwill of the Government behind it? What would happen to all those pensioners who were depending on this company to provide the unfunded liability in those moments when the pension plan could not meet the commitments of the pension plan? This is a very real concern. There are a good many people out there who have literally bet their retirements on the validity and the solidity of this particular pension plan. The CNR has got away for far too long with this whole unfunded liability business.

I say to the Government and to future Governments—if the NDP were to form a government this is one of the first things that I as a member of that government would be working for—that they must make sure that this kind of change is brought about. I actually had a hope that, knowing as I did some of the members of the Conservative Party who have concerned themselves with this, they might have addressed themselves to it over that four-year period.

But time has come and gone. The problem remains the same. Earl White is four years older now. He is 79 but he has not given up. I am sure that he will not. He and many other CN pensioners, and various pension associations, are going to have to continue the battle to get some justice, to get that plan changed so that people who are retired now and find their pensions to be inadequate, people who are retiring now and have to face the economic uncertainty should inflation come back with any significance, or should any other economic situation be created in which their pensions will no longer have the same purchasing power, will not have to be dependent on what the CNR decides from year to year. As the situation exists now the CNR, could conceivably decide year after year after year not to do anything, not to provide an increase.

I not do see why these pensioners should be at the mercy of that kind of capricious judgment, however generous that judgment might have been from time to time. But it has not been all that generous, I can tell you, Madam Speaker. The Hon. Member said that it was a plan that was above average, or better than most. The fact is that that is a statement about all the other pension plans in the country. It is not a statement about how good the CN pension plan is. It is a statement about how inadequate private pensions are in this country. The time for pension reform is long overdue, and the time for reform of the CN pension plan is even more overdue.

• (2140)

Mr. David Kilgour (Edmonton—Strathcona): Madam Speaker, I would like to say a few words about this motion. Your Honour will perhaps know that Edmonton is a CN town and many of my constituents are CN pensioners, including a neighbour. I do not believe I am overstating the facts to say that thousands and thousands of people in southeast Edmonton have worked for CN in the past, or are working for it now. I believe that they would want me to support strongly the motion of the Hon. Member for Burnaby (Mr. Robinson). I know of Mr. White from past interventions he has made on this issue. I hope that all Members of the House will vote in favour of this motion.

Unfortunately, I do not have Mr. White's representations with me. However, I know, as I am sure you do, Madam Speaker, from your constituents, that there is a concern that the pension situation for CN pensioners is not as good as it should be. I certainly agree with the Hon. Member who just spoke that other pension plans are even more inadequate. There is a concern that indexation is not there. If CN management feels like it, they will give it; if, for one reason or another, the CN management does not feel like it, then it will not be there.

Actuarial studies have shown repeatedly that men and women who have adequate pensions live longer than those who do not. That is an accepted fact throughout the life insurance industry, and it is one that none of us in the House should ever forget.

For a few summers many years ago I worked swinging a pick on a steel gang, as did the Hon. Member for Burnaby, and we both know a little about what it is like to work on a CN or CP section gang or steel gang. It is very hard work. If a person does that work for 30, 40, or 50 years, that person deserves to have indexation. CN pensioners deserve it, and I hope that it will come quickly. In my view the Government should have done it before. Indexation should be made a matter of law or a matter of legal obligation for both railway pension plans.

If CN is taking moneys or profits out of the pension plan that should go to the pensioners and not to CN's capital expansion or higher salaries to executives, that is something which I believe is unacceptable to a vast majority of Canadians.

There is a strong feeling across Canada, as Mr. White has shown to all of us, that the CN pension plan is not being managed adequately. Something has to be done about the CN pension plan.

I commend the Member for bringing this motion to the House tonight. I hope that all Members will vote for the motion and for what is behind it. The Hon. Member is attempting to help Mr. White, who I understand is now 79, to see something concrete, and a general and specific improvement of the CN pension plan for all former CN employees.

Mr. Les Benjamin (Regina West): Madam Speaker, I only wish to take a few moments this evening because I know there is all-Party agreement and support for the motion to recognize J. E. White and the Canadian Railway Employees' Pension Association.

When I came to this place in October, 1968, one of the first things I started trying to do was something about railway pensions. Like others who have spoken, I had a personal interest in the matter. I had been a railroader, and I was the third generation in our family. My grandfather worked for the CPR in Revelstoke in the early 1900s, my father from 1919 to 1950, and I went to work for the CPR in 1947 after I got out of the Army.

I remember when I started my fellow employees, particularly the older ones, my local union officers, and even the local officials of the CPR. Whenever I asked about it or whenever I was at a union meeting, I was always given to understand that every month I put so much into the pension plan, the company put an equal amount into the pension plan, and upon retirement that was my pension.

When I came to Parliament and started looking at the annual reports of Canadian National and Canadian Pacific, each year there was always something called an "unfunded liability". It was in excess of $1 billion for the CPR and almost $2 billion for the CNR. I thought, holy mackerel, that is a lot of money. There is no reason that those companies cannot pay indexed pensions or cannot raise the basic pension. However, I was just an innocent stubble jumping prairie boy. I kept going after the railroads in committee, and I think I have been through seven or eight different Ministers of Transport since I came here. I even asked the Prime Minister one time about my mother's survivor's pension, but that's another story.

It took me several years to realize what "unfunded liability" meant. It meant that the money was not there. After asking questions of the railway officers, listening to actuaries and officials from Health and Welfare, it finally dawned on me that all that meant was that the money was not there. It was what the railroads owed if every employee they had retired the next day, which everybody knows would never happen, could never happen.

Every MP from all Parties received letters galore every year from railway pensioners. Every year we raised it in the committee when we dealt with the CNR's annual report. Every third or fourth year there would be what was called an extra payment of the CNR pension fund. Invariably the CPR did the same thing in direct proportion. The CNR has always been the guinea pig.

Finally, I even got mad at the railway unions. I asked them what they were doing, and why they were not representing their members at the collective bargaining table and fighting. The pension plan is worth a strike, not necessarily a wage increase, but a pension plan for the employees and their brothers and sisters already on pension is worth a strike. Under the law, the railway unions, no matter what they tried, legally they could not represent those on pension because, under our present law, they are not considered part of a collective bargaining unit. Who is to speak for the railway brotherhoods and the railway pensioners? I compliment Members from all Parties who have raised this so often for so many years in the House, but the only ones outside the House who could and did speak for railway pensioners were people such as J. E. White and railway pensioners with whom we met from Moncton, New Brunswick, to Victoria on numerous occasions.

We obtained an order from the House of Commons after 1984, and a subcommittee was struck, half the Standing Committee on Transport. We held hearings in five locations. I wanted us to go to 25 or at least 15. We got to five locations outside Ottawa. Pensioners came for miles from all over, at their own expense, to tell us what they were going through.

• (2150)

There were men and women in their late seventies and early eighties who, when they retired, had a great, big pension. When they retired back in the 1950s and early 1960s, they had a pension of something over $200 a month. That was a fabulous pension then, but 10, 15, or 20 years later they could not live on it. Every once in a while their pensions would be increased by $2, $3, $4, $5 a month, out of what are called excess earnings.

What did I know and what did any other Member in this House know about the difference between a defined benefit plan and a money purchase plan, actuarial assumptions, and excess earnings? We very rarely heard about them. It turns out that there were excess earnings, all right, but they were on paper. It is like the "unfunded liability". The money is not there.

It is not that the CPR and the CNR has done anything illegal under our law. They have abided by the law meticulously. It is immoral and unconscionable that these two magnificent corporations, successive Governments since the 1930s, and Members of Parliament from all political Parties since the 1930s have allowed that to continue. There is no excuse. We all deserve to be blamed and condemned.

We tried in the subcommittee. We had some excellent staff—legal counsel, an actuary, a researcher from the parliamentary library, and an actuary from the Department of National Health and Welfare. They got the figures for us. They showed us what it would cost for full indexing, and it costs a bundle, a lot of money.

It was perfectly obvious that there was no way. It was obvious to all members of the subcommittee and to the whole standing committee that if we were to recommend full indexing of railway pensions, it would (a) not get accepted by this Parliament and (b) not be implemented by the Government. It is not just this Government, but previous ones as well.

We tried to get what we could, and we got a few small things in that subcommittee report which was unanimously adopted by this House.

Here we go again. Some time in the next several months there will be a new Parliament. I hope to be here, if my voters will let me, if I am lucky and honoured enough to be their representative again.

I want to thank my colleague from Burnaby (Mr. Robinson) for this motion and his other motion on the Order Paper. I know that J. E. White is strong enough, angry enough, and ornery enough. He will be here, too, again appearing before a parliamentary committee.

I want to say that my Party and I are committed to the fact that this Parliament, whenever we get the chance, will bring in legislation covering all pension plans under federal jurisdiction that call for two things: First, no longer will any corporation be able to raid a pension plan for any funds or part of funds in that plan. We will recall one of the big multinational food chains headquartered in Toronto which tried to lift tens of millions of dollars out of a pension fund. We say that Parliament must pass legislation that prevents that and makes it unequivocal that every nickel in a pension fund belongs to nobody else but current employees and pensioners and that nobody else can touch it. Second, we stand for full indexing of all pensions under federal jurisdiction.

We got partial success in the minority Parliament of 1972 to 1974. We got indexing of old age pensions and family allowances, which we have since been lost under this Government. War veterans' pensions were indexed, old age pensions were indexed as were the pensions of the RCMP and the Armed Forces. Oh, many a Minister of Finance since would have loved to get out from under that, but it is still in place.

We would have full indexing even if it had to be phased in over two or three years. That is another aspect of pensions under federal jurisdiction that must be brought in and brought in as quickly as possible. Once done by a national Parliament, every other province will have to follow suit or accept their political peril if they do not.

Mr. Gordon Taylor (Bow River): Madam Speaker, I just want to say a word or two. I think that all of us feel very strongly about those who have inadequate pensions, particularly when it was promised. A few years ago when we found that the workers under the Workers' Compensation Board in Alberta were not getting enough to live upon, the Government decided to put money into it out of general revenue and, consequently, those on workers' compensation have been able to get by at least better than they would have had before. I thought that I should mention that, because there are ways of solving these problems.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Question.

Motion (Mr. Robinson) agreed to.

The Acting Speaker (Mrs. Champagne): Is there unanimous consent to call it 10.04 p.m.?

Some Hon. Members: Agreed.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being 10.04 p.m., this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 3(1).

At 10.04 p.m. the House adjourned.

HOUSE OF COMMONS

Wednesday, August 31, 1988

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 21

[*English*]

INDUSTRY

ONTARIO GRAPE AND WINE INDUSTRIES

Mr. Maurice Foster (Algoma): Mr. Speaker, yesterday the Government finally announced its program for grape producers in Ontario that it is putting out of business with the Mulroney trade deal. The Government declared that there will be $100 million of aid, but when we check the details we find that $10 million will be used for tax credits to the wine companies and another $10 million will be used for an annual grape surplus purchase program. That will leave less than $80 million to assist the half of the grape growers who will be put out of business.

The Ontario grape growers have demanded $156 million over the next six years to begin to adjust to the destruction of their farms, their livelihood, and their business. Thus, there will be only one-half of the funds that are needed to assist these grape growers. Worse still, the funds will be provided over 12 years instead of six years.

This is a foretaste of the treatment that workers and businesses which will be destroyed by the Prime Minister's (Mr. Mulroney) trade deal, will receive. It is totally inadequate, unfair to people, too late, insensitive, and lacking in any care for the people whose lives are being destroyed.

* * *

[*Translation*]

TRIBUTE TO THE LATE HONOURABLE JEAN MARCHAND

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, the late Jean Marchand was fond of quoting this sentence by Péguy: "Tout commence par la mystique et finit par la politique". Jean Marchand started with the "mystique" and always came back to it, and his message to us is not to become a slave to politics.

Today, on the day of his funeral, Hon. Members would do well to think about this message, about the role of democracy, the powers of the House of Commons, the legislative authority of the House of Commons, the independence of the Senate and about frankness and honesty.

That would be the most eloquent tribute we could pay Jean Marchand.

* * *

[*English*]

IMMIGRATION

DELAY IN PROCESSING BACKLOG OF REFUGEE STATUS CLAIMS

Mr. Dan Heap (Spadina): Mr. Speaker, last week Immigration Canada stopped examining refugee claimants in Toronto, Windsor, and Vancouver, saying that the new immigration and refugee board would handle all the 50,000 or more cases in the backlog.

• (1405)

This irresponsible action throws still more refugee claimants onto provincial public assistance, although they are eager and able to work. It also leaves them in deepening destructive anxiety about their future.

This week the Chairman of the Immigration and Refugee Board, Gordon Fairweather, declared that his Board has neither the money nor the personnel to handle the backlog. He pointed out that the Cabinet must decide between an amnesty for all in the backlog, an amnesty for only some, such as the former administrative review, or more money and staff for his board.

I call on the Prime Minister (Mr. Mulroney) to remember his promise of compassion toward refugees by breaking this deadlock, allowing refugee claimants to work, and making a clear, quick decision about their future.

* * *

NORTHERN AFFAIRS

OPERATION OF NORTHWESTEL

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, last week giant BCE Inc. of Montreal bought Terra Nova Tel. This week it bought profitable NorthwestTel, the other formerly CN-owned telephone company. BCE, through Bell and its other subsidiaries, now controls some 65 per cent of all telephone lines in Canada and has a monopoly on service north of 60.

S. O. 21

In order to be a good northern corporate citizen, BCE should operate NorthwestTel as an autonomous affiliate, seek ways to ensure northern ownership in NorthwestTel, and have resident northerners both sitting on its board of directors and also in senior management positions.

* * *

IMMIGRATION

EXECUTION OF DEPORTATION ORDER

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, this morning at the Winnipeg International Airport immigration officials executed a deportation order against Miss Sally Espineli, just the latest example of an uncaring, unforgiving attitude which has permeated the Department of Immigration since the Government came to power.

Miss Espineli first came to Canada eight years ago. She was unable to get a job under her married circumstances, and told immigration officials she was single because that was a requirement by the company, even though she is now divorced.

The Canadian Human Rights Commission is currently investigating Miss Espineli's case to determine whether immigration policies have in fact discriminated against the human rights code. This decision will have national implications.

Yet despite presentations by the head of the Human Rights Commission to the Minister directly, and the mock signs of concern, the deportation order was executed. By refusing to display any sense of compassion she has shown herself well suited to the administration of the kind of Draconian immigration policies which have characterized the Government. To use Sally Espineli's own words: "This is my home now, my second country".

The Minister has ensured that this is no longer the case. There is still a final chance. Miss Espineli will not have to leave the Port of Vancouver until five o'clock. I remind everyone of the ancient words of the Talmud: "To save one life as if you saved the whole world.

* * *

[*Translation*]

FREE TRADE

REQUEST THAT SENATE PASS BILL C-130

Mr. Marcel R. Tremblay (Quebec Est): Mr. Speaker, we cannot build a strong Canada, as the Leader of the Opposition (Mr. Turner) would have us do, with a weak economy, a record deficit and record inflation, interest and unemployment rates, which was the situation we had under the previous Government.

To stand on its own two feet and defend its sovereignty, Canada must be strong and it must be respected. The kind of sovereignty to which the Leader of the Opposition referred is theoretical and illusory.

The sovereignty we defend is genuine sovereignty that allows political and economic relations with other countries and at the same time makes Canada stronger.

Mr. Speaker, I hope the Liberals in this House and in the Senate will not take Canadians hostage, because those same Canadians will soon be judging their actions, and that judgment will be merciless.

I also ask the Senators to ratify the agreement within the next few days, because otherwise Canadians will ratify the agreement for them, thus making those Senators redundant.

* * *

[*English*]

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—EFFECT ON NEWFOUNDLAND

Mr. Jack Harris (St. John's East): Mr. Speaker, it was a great surprise to hear the Prime Minister (Mr. Mulroney) yesterday suggest that the trade deal with the United States would enhance Canadian vitality and ensure the expression of our nationhood, and then use Newfoundland's union with Canada in 1949 as an example.

He should know that by joining with Canada in 1949, Newfoundland forever gave up its right to be a sovereign nation and many decisions about Newfoundland's future would be made in Ottawa, not in Newfoundland and Labrador, including social programs and regional development policies.

He should also know that the earned income of Newfoundlanders in 1949 was less than half the Canadian average and now is only slightly better at 55 per cent, after almost 40 years.

It is still the province with the highest unemployment and the least share of regional development funds. Average Newfoundlanders and average Canadians will not benefit from throwing our lot in with the great North American market and tying our hands regarding our future.

Even within Canada, Newfoundlanders must struggle to get treated fairly and obtain economic independence. Newfoundlanders and Canadians need government action to ensure fairness for all regions and all Canadians. They do not need a Conservative Government which gives up this battle.

* * *

• (1410)

AIRPORTS

PEARSON INTERNATIONAL AIRPORT—DISPOSAL OF GARBAGE

Mr. Bob Pennock (Etobicoke North): Mr. Speaker, the Hon. Member for Hamilton East (Ms. Copps) has led this House to believe that Hamilton never agreed to assist Pearson Airport with its waste disposal. For the record, I have a letter dated October 7, 1987, from Hamilton—Wentworth to Air Canada agreeing to assist Pearson. I quote an excerpt: "Regional Council at its meeting on October 6, 1987, approved the committee's recommendations". In July, 1988, only seven and one-half months later, when Pearson was in a bind, it reversed its approval stating: "Give us planes and we will take your garbage". I do not believe Canadians, even Hamiltonians, would consider that fair play.

* * *

AIRPORTS

PEARSON INTERNATIONAL AIRPORT—DISPOSAL OF GARBAGE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I would invite the Member for Etobicoke North (Mr. Pennock) to come into my riding and find out what the people of Hamilton—Wentworth think about his garbage. The fact is that when the initial approval was given, it was claimed there would only be 20 metric tonnes of garbage a week. We then discovered that the airport planned not only on dumping its international garbage on us, but all its garbage, 250 metric tonnes per week.

It was the Member's Government and the Ministry of Agriculture and the Ministry of Transport that misled the people of Hamilton into believing it would only be 20 metric tonnes.

Frankly, I think it is an insult to the people of Hamilton. We are not good enough to fly into. The Member for Etobicoke North says Hamilton is just a small town and someday we may be a big city and people may be able to fly there, but in the meantime he expects us to take his garbage. Well, you can have your garbage, you can the mess from the Toronto International Airport, and you know where you can put it.

S. O. 21

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—SUPPORT FROM SMALL BUSINESSES

Mr. William G. Lesick (Edmonton East): Mr. Speaker, today's vote on third reading of the free trade legislation is greeted with great enthusiasm in Edmonton.

Small businesses and manufacturing firms in my riding of Edmonton East continue to express strong support for this historic trade agreement. For instance, officials at Emery Apparel Canada Inc. of Edmonton have informed me that its 200 employees will benefit greatly from increased commercial access to the U.S. market. They want free trade.

Another small business, Scorpion Small Engine Repair, which employs only five people, wants free trade to eliminate the existing 28 per cent duties on engines and engine parts.

Edmonton and Alberta will thrive because of this historic agreement. Future generations of Albertans will look back upon today as a landmark achievement in Canadian nation building.

* * *

THE PRIME MINISTER

Mr. Les Benjamin (Regina West): Mr. Speaker, there is a Prime Minister (Mr. Mulroney) who said in this House just yesterday that Canada's rivers and lakes are not for sale. I said to myself: "Did I hear that before?" Well, let me tell you, Mr. Speaker, a short story. Once upon a time there was a Prime Minister of Canada who said social programs were a sacred trust. Then he decided that social programs were not a sacred trust and tried to make life harder for many average Canadians.

I will tell you another story, Mr. Speaker. Once upon a time there was a Prime Minister who said that the CBC and Air Canada were not for sale. Then he decided to sell Air Canada. We will see how many Canadians decide to buy shares in their own company which offer no return on their investment.

Who can believe a Prime Minister who wants us to believe in fairy tales? It is a fond hope that for once the right hon. gentleman means what he says. Let us also hope he calls an election immediately so the people of Canada can show how they deal with Prime Ministers who say one thing and mean another.

* * *

THE LEADER OF THE OPPOSITION

Mr. Felix Holtmann (Selkirk—Interlake): Mr. Speaker, I got a telegram from my friend this morning. Here is what it says:

Felix, let the people decide just like they did in '84. Oh, but this time it will be different. No bottom patting, no Liberal hacks appointed because Trudeau cannot make me do it.

He has no option and this time he has no rain-maker again. Looks like his caucus is solidly split behind him.

Felix, can you imagine a galaxy of star candidates from Quebec which appears now to be only a black hole?

After yesterday's performance by Turner and Broadbent, Ma and I are convinced more than ever that we are supporting Mulroney.

Your friend, Bill

* * *

• (1415)

SCIENCE AND TECHNOLOGY

CRITICISM OF GOVERNMENT POLICY

Mr. David Berger (Laurier): Mr. Speaker, we have to refer to Shakespeare to find an apt description of Tory science and technology policy. We remember the famous words of Macbeth about "a tale told by an idiot, full of sound and fury, signifying nothing".

What was the big Canadian news from the International Congress on Genetics held last week? It was not a Canadian scientific discovery, but another Canadian scientist who has discovered the United States.

Huntington Willard, an associate professor at the University of Toronto, surprised a news conference by announcing that he is leaving Canada "due to the lack of resources for the pursuit of fundamental science".

After all the consultations and conferences, after all the talk and palaver, after all the glossy brochures and hyped up announcements, we find the Tory record amounts to nothing. Worse, it is a litany of neglect and broken promises.

ORAL QUESTION PERIOD

[*English*]

DANGEROUS SUBSTANCES

PCB STORAGE SITE AT SAINT-BASILE-LE-GRAND—INSPECTION QUERY

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is addressed to the Minister of the Environment. As he well knows, on June 30 of this year the Minister proclaimed with great fanfare that the Canadian Environmental Protection Act is the law of the land. Canadians could sleep better because senior investigation officers had been appointed to enforce the Act in each regional environment protection office across the land.

Did federal investigators visit the storage site at Saint-Basile-le-Grand and report to the Minister on the status of the facility? If no federal investigator visited the facility, can the Minister explain why?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the short answer to the Hon. Member's question is yes. In fact, officials of my Department were on the scene of the explosion and the fire at Saint-Basile-le-Grand within 30 minutes of the incident. What is more, next to the fire department itself, I think that we were the second on the scene.

POSSIBLE PROSECUTION OF SITE OWNER

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, that means that the grand announcement of last June was that the Government acts upon disaster and not on preventive initiatives. Why did it wait until the disaster took place?

The Minister rejected twice, and he knows it very well, a proposal by the Official Opposition to amend the Environmental Protection Act so as to give the federal Government the power to set national standards for PCB storage and destruction. To make things worse, the Minister rejected our amendment to put into the Act a general prohibition against the release of toxic substances.

Does the Minister now realize that he thus removed with his own hands the Government's capacity to act promptly in prosecuting the owner of the PCB storage site at Saint-Basile-le-Grand? Does he realize that?

• (1420)

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, a full investigation is under way by the federal Government through my Department into the possibility of a violation, by Marc Levy and his company, of federal law, especially the Canadian Environmental Protection Act. We are not encumbered in our capacity to deal with Mr. Levy, if there was a violation or infraction.

To boot, any suggestion by the Hon. Member that anything I did in committee watered down the Bill is sheer nonsense. The Bill is strong, and what is more, it is a lot stronger by virtue of the committee deliberation on the Bill.

I do have authority under Section 35 to take action akin to regulations, but without the time-consuming process surrounding regulations, through the vehicle of an interim order. I have instructed my officials to prepare such an interim order.

Mr. Caccia: Mr. Speaker, the Minister would like the House to believe that, having opposed the general prohibition, he made the legislation stronger. That is a pretty hyperbolic pretension on his part.

[*Translation*]

NATIONAL INVENTORY OF PCB STORAGE SITES—GOVERNMENT POSITION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my third question for the Minister of the Environment is as follows: Last week in the House, the Minister of Labour promised an inventory of all PCB storage facilities in Canada. Yesterday, the Minister of the Environment said in the House, and I quote:

We have prepared a national inventory.

And a few minutes later, he said the inventory was being prepared. My question is, where is the national inventory of PCB storage facilities? Will all Members receive a copy of this inventory tomorrow, before they go back to their ridings?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I hope the Hon. Member for Davenport realizes that the inventory that has been prepared is not specific to the Saint- Basile-le-Grand fire and explosion.

The Department of the Environment has a current, regularly updated inventory of storage sites across the country for PCBs. In light of the widespread interest in this subject, following the accident in Saint-Basile-le-Grand I have caused to have established an interdepartmental mechanism within the federal Government to identify and to update the list of all federal sites for PCB storage facilities.

We are working hand in glove with the provinces to ensure that our national inventory of provincial sites is also as complete as possible.

I am pleased to report to the House that, earlier today, I was talking with the Hon. Edward Connery, the Minister of the Environment for the Province of Manitoba. He is the current Chairman of the Council of Resource and Environmental Ministers. At my request he will convene a federal-provincial conference, a special meeting, within days to review that inventory and to make arrangements for its release.

* * *

[*Translation*]

HEALTH

TESTS FOR FURANS AND DIOXIN—GOVERNMENT POSITION

Mrs. Lucie Pépin (Outremont): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. Yesterday, after the Minister's reply that the Department of Health's disease control laboratory was carrying out tests on blood samples and samples of mother's milk, a subsequent check of this information revealed that the information the Minister gave us was false. The laboratory referred to by the Minister was not the right laboratory, and the laboratory that was supposed to do the testing hasn't started yet.

This morning Dr. Weber, head of the laboratory of the Quebec Department of Health which has the samples, confirmed that none of the calls made to the federal Department of National Health and Welfare since last Friday had been returned. Why did the Minister give us the wrong information, why was his information inaccurate, since the testing for furans and dioxins has not yet started?

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I spoke to my Assistant Deputy Minister of Health at the Health Protection Branch yesterday prior to Question Period. He advised me that some samples of cows milk have been taken for the federal Government, and that testing is being done specifically for furans and dioxins.

In respect to breast milk, I understand that the Quebec Government has advised nursing mothers to stop nursing and to attend at one of the Quebec hospitals to have their milk tested. I believe that is in conformity with what I stated yesterday when the Hon. Member asked a similar question.

[*Translation*]

ANALYSES OF BLOOD AND MOTHER'S MILK—GOVERNMENT POSITION

Mrs. Lucie Pépin (Outremont): Of course the Quebec Department of Health can ask mothers not to nurse their children, but that is beside the point. Did the Department of National Health and Welfare do an analysis of blood samples and samples of mother's milk? His answer was yes, and that is totally inaccurate.

• (1425)

[*English*]

I do not think the Minister's answer is acceptable. Why does the Minister continue to assert that the tests have been carried out? The laboratory which he said yesterday was conducting the tests is the wrong laboratory. The laboratory that should be conducting the tests has not even returned the calls made on behalf of the Government of Quebec. The director of the Food Directorate, Dr. Kirkpatrick, told us this morning that nothing was being done. Why is the Minister misinforming this House and the people of Saint-Basile-le-Grand?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I am not misinforming the House. With respect to breast milk, I gave the Member the information. It goes back to the provincial jurisdiction concerning health.

As I said yesterday, the federal Government with epidemiology and the LCDC are standing by ready to help. Additionally, as I said yesterday to the Hon. Member, the information that I conveyed to her was information that I received from the Assistant Deputy Minister. I will check further as to what additional tests are being done by the Health Protection Branch and I will be willing to give that information to the Member as well.

I do not think the Member should be making statements categorically because I made statements very clearly with respect to what information I received from the Department.

Oral Questions

DANGEROUS SUBSTANCES

PCB STORAGE SITES—NATIONAL STANDARDS—FEDERAL AUTHORITY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have a question for the Minister of the Environment. I hope he will use the occasion to correct the record. Yesterday he misled the House in a rather important way.

Some Hon. Members: Oh, oh!

Mr. Broadbent: I am assuming it was inadvertent and I would like him to be able to clear it up.

Yesterday he said, and I quote from *Hansard*, with reference to the PCB situation and the storage of such a substance:

> We are ensuring that those sites meet the most rigorous national standards for storage.

He went on to say:

> I can tell the Hon. Member that if in any one province any site does not meet national standards for PCB storage, then the federal Government will swoop in and occupy the territory.

Will the Minister now admit that the federal Government has no such authority in law to enforce "national standards"? Second, it has no such authority because the Conservative majority in the committee that dealt with this law voted against an amendment that would have given the Government that authority.

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the premise of the question is patently false. Under Section 35 of the Canadian Environmental Protection Act, I have the authority, as Canada's Minister of the Environment, to seek and obtain an interim order which is equivalent to regulations without the time-consuming process surrounding that option to act in exactly the manner that I described yesterday, both inside the House and outside the House in the form of a scrum.

NATIONAL CONSISTENT LEVELS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I simply say to the Minister that in my judgment what he has just said is categorically false.

Some Hon. Members: Oh, oh!

Mr. Broadbent: Can the Minister support what he has said? If he can support it, will he at the same time explain why the Government rejected the words "national standards" and had put in their place—after a prolonged argument on the point because some of us wanted to control this problem, not evade it—the words "national consistent levels", a nice ambiguous phrase? Why did the Government do that?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Leader of the NDP wants to get into a battle of semantics on the floor of the House of Commons.

Some Hon. Members: Oh, oh!

Mr. McMillan: He says, with all the sanctimony that is characteristic of the NDP these days, that—

Mr. Broadbent: Your official told the truth about it.

Mr. McMillan: —"some of us have been fighting for strong laws on PCBs". In the three years that I have been Minister of the Environment, I have not before received a single question from the Hon. Leader of the NDP on PCBs.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

• (1430)

Mr. Broadbent: Mr. Speaker, I simply want to say to the Minister that in this Party we have effective Members who work on committees, unlike that side which voted down the amendment.

Some Hon. Members: Oh, oh!

Mr. Broadbent: The whole country—

Mr. Speaker: The Hon. Member for Oshawa.

Mr. Broadbent: The whole country will have noted that the Minister refused to answer the question because he had no answer.

[*Translation*]

AID FOR VICTIMS—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my final supplementary question is simply this. A week ago, I asked whether the federal Government intended to offer a compensation program to the families affected by this disaster. At that time, the Government said yes. Today, I would just like to ask if the Government can tell the House of Commons what this answer means and, secondly, would the Minister care to say whether or not the federal Government intends to provide legal assistance for the affected families?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, as the Leader of the NDP probably knows, I did draw the matter to his attention—yesterday, I think, or earlier. The Government does have a program and has long had one, Emergency Preparedness Canada, under which an individual province affected by a disaster or an emergency can apply to the federal Government for direct assistance to people affected by that disaster within the boundaries of the relevant province. There is a formula that either applies or does not. When it does, it pretty well sets the amount of subventions from the federal treasury for the same purpose, depending on the extent of the damage and the population, because it is a per capita formula applied to the province concerned.

Mr. Broadbent: Legal costs?

Mr. McMillan: As I understand it, the Province of Quebec is tallying up all of the costs associated with the Saint-Basile-le-Grand disaster, the costs to the individuals, the costs to the community, the costs to the Government. Based on those calculations, which are yet to be completed, as the Hon. Leader of the NDP would understand, I presume an overture will be forthcoming from the Province of Quebec, and I can tell the Leader of the NDP, on behalf of the Government of Canada, that we will view that overture very favourably indeed.

* * *

IMMIGRATION

EXECUTION OF DEPORTATION ORDER

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I would like to address a question to the Minister of Employment and Immigration. Yesterday in the House in response to questions concerning Miss Sally Espineli, a seamstress from the City of Winnipeg who is presently having a case heard by the Human Rights Tribunal, the Minister promised she would actively investigate the case. This morning immigration officials accompanied Miss Espineli to the Winnipeg airport and are now executing a deportation order against her.

If the Minister had undertaken the investigation, she would know that a Minister of Immigration has discretionary power in cases like this that has been exercised many times in the past, and she would know that the Chief Commissioner of Human Rights has asked specifically that the deportation order be halted until the tribunal has a right to hear the case. I would like to make this question an appeal to the Minister.

Miss Espineli's plane does not leave Vancouver until five o'clock this afternoon Ottawa time. Will the Minister please exercise the discretion the Minister of Immigration possesses and allow Miss Espineli to stay in the country until her case is heard, both for the sake of Miss Espineli and for all the other immigrant domestic workers who have the same rights that are being tested at the tribunal in an important case that will have important implications for thousands of people now living in Canada?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I did undertake to review this case personally, which I did. Let me just explain a little bit about what has happened in this case. I want to assure the Hon. Member that the case went before an independent adjudicator. It went before the Immigration Appeal Board. It was appealed, not once but three times, and heard by the Federal Court. The decisions are all consistent that this person misrepresented a material fact on her application to enter the country.

As the Hon. Member knows, once a deportation order is issued and has been upheld by the Immigration Appeal Board and the Federal Court, the court order must be carried out. My discretion does not extend to that extent.

Let me also say that there are some other elements to this case. The Federal Court was certainly familiar with the human rights case when it heard the case and it was very clear in its decision.

REQUEST THAT MINISTER HALT DEPORTATION

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, as Minister of Immigration, the Minister would well recognize that the question of misrepresentation is in fact what is being tested in front of the tribunal. That was a condition of employment in this country. Second, the Minister has the right to order the person who is under deportation order to be temporarily removed from the country and brought back immediately. Over 200 cases have been so executed by the Minister's Department already this year under those circumstances, because the Minister has the right to exercise compassion and discretion in individual cases where there are extenuating circumstances.

This is clearly a case in which compassion can be exercised and in which there are extenuating circumstances. The Minister has four or five hours to act. Would she please act and have Miss Espineli stay in the country until her case can be heard?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I should point out that this is not a new problem. This woman was granted landed immigrant status in 1980. She came to Winnipeg, she worked for a Winnipeg company at the time when the Hon. Member for Winnipeg—Fort Garry was the Minister of Employment and Immigration and may also have been Minister responsible for the status of women, for all I know.

Some Hon. Members: Oh, oh!

Ms. Copps: Have a heart.

Mr. Axworthy: I was the one who brought in the policy that allowed them to stay, you might remember that.

Mrs. McDougall: There are many, many cases in which compassionate grounds apply. Many immigrant women come to this country and seek employment, and my Department has clear instructions from me that, if there is a problem in terms of any kind of discrimination, it will be investigated, which we will do. However, there are many people who come to this country without misrepresenting themselves whom I also represent.

Mr. Keeper: You forced her to lie; you forced her to lie.

Some Hon. Members: Oh, oh!

[*Translation*]

THE ENVIRONMENT

LIST OF PCB WAREHOUSE SITES—AVAILABILITY TO MEMBERS—GOVERNMENT POSITION

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, my question is for the Minister of the Environment.

The Government promised a list of PCB storage sites for all ridings, for all Members across Canada. Canadians want to know whether PCBs are stored in their riding, in their area, in their neighbourhood.

We are leaving tonight. Will the Government provide all Members with this list before we leave tonight? If not, why not?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I think I made it pretty clear, and if I did not I will use the occasion to do so now, that at the federal level there is an interdepartmental task force identifying all of the PCB storage sites across the country on federal Crown land or under federal jurisdiction. For our part, we are working with the provinces to make sure that the federal Government's national inventory of PCB facilities under provincial jurisdiction is as complete as possible.

I hope to meet with my provincial counterparts in a very few days, certainly within a week, to make sure that the list is in fact as complete as possible. I anticipate, although I cannot speak for the council but can only speak for myself, that in the spirit of the joint management of PCBs in Canada through CREM, the Council of Resource and Environmental Ministers will make that decision, both about the form in which the list will be made public and about when it will be released.

• (1440)

LIST OF SITES

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, last week, when the Leader of my Party asked the question he was told that there would be a list in our hands before the end of the week. I asked the question again earlier this week. I was told that the list existed. The Minister of Labour, who was substituting for the Minister of the Environment, is nodding his head, and that answer is in *Hansard*.

Does this list exist? Is it still being prepared? Are officials going out looking for PCB sites right now? Is there a list? Are we going to have it? Why the cover-up? Canadians want to know. It is important.

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, you can always tell, when the NDP is void of any policy on environmental matters, it resorts to such exaggerated rhetoric.

I want to make it clear to the Hon. Member that we are not preparing a special list in light of the current interest. The federal Government has had an ongoing list which is regularly updated through investigations. However, because of the special public interest in this matter, we are joining forces with the provinces to identify every possible site.

In the past the inventory has been for internal management purposes. We are going to ensure that the list is comprehensive and up to date. It will be made public by the federal Government and, I presume, the provinces through the Council of Resource and Environmental Ministers. I do not think I can be more helpful than that.

* * *

PUBLIC SERVICE

WAGES OF HALIFAX NAVAL DOCKYARD WORKERS

Mr. Howard Crosby (Halifax West): Mr. Speaker, my question is for the Minister of State responsible for the Treasury Board. The Minister is aware of the difficult situation that is taking place at the present at CFB Halifax among the ship repair units and their concern for wage parity between the East Coast and West Coast.

Has the Minister had an opportunity to review the situation? Can he indicate to us the Government's intention with respect to wage parity and whether he is prepared to move on wage parity between the East Coast and West Coast?

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, subsequent to yesterday's Question Period the matter was discussed with Members of Parliament. We checked into the matter and I have found that we are on record as requesting a mediator. We are in favour of a mediator who can look at the difference in pay rates between the East and West Coasts. It is our understanding that the Public Service Staff Relations Board will be in a position to appoint such a mediator in the very near future.

* * *

THE MINISTRY

NATIONAL CITIZENS COALITION—ANNOUNCEMENT OF AWARD TO MINISTER FOR INTERNATIONAL TRADE

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, my question is directed to the Deputy Prime Minister and concerns the integrity of existing and proposed new conflict of interest guidelines now before the House of Commons.

The Deputy Prime Minister is fully aware that the National Citizens Coalition, a right-wing business lobby group that exists solely to attempt to influence government policy in a range of areas, has decided to give the International Trade Minister a $10,000 cash award. The Minister has announced his intention of collecting that award on October 18.

The Deputy Prime Minister is here as the primary custodian of those conflict of interest guidelines, in the Prime Minister's absence. Does he believe, upon reflection, that it is appropriate for any Minister of the Crown, in any portfolio, to accept a cash award from any lobby group, a lobby group being something which exists solely to try to influence government policy?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman is asking a question about a private organization, a legal organization, which has a membership of tens of thousands of citizens of Canada, which operates quite independently from the Government of Canada, and which wanted to honour its founder. It believes that this year I have made the greatest contribution to the economic and political development of Canada by promoting the cause of free trade.

Some Hon. Members: Hear, hear!

Mr. Crosbie: They, therefore, have decided to give the second Colin Brown Award to me, the Minister for International Trade.

If I decide, after listening to Members of the House, that it is proper to accept it—and I see no reason so far why I should refuse it—I will use the money involved in the award for a good cause. It will not be used for me personally but for the cause for which it was awarded, and probably other charitable causes as well. There is nothing in any conflict of interest regulations and nothing in any legislation—

Ms. Copps: Yes there is.

Mr. Crosbie: —that rules against accepting such an award. If I was awarded the Nobel Peace Prize—

Some Hon. Members: Oh, oh!

Mr. Crosbie: —and I well may be one day, should I refuse that?

Mr. Tobin: Mr. Speaker, there is no danger of the Hon. Minister being awarded the Nobel Peace Prize.

CONFLICT OF INTEREST GUIDELINES

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, this is a serious question which goes right to the heart of the intent of the conflict of interest guidelines which were established to avoid real conflicts or the appearance of conflicts. A Minister of the Crown is saying that he has no trouble receiving a $10,000 cash award, whether it is used by him personally or not, from a lobby group. Whether a lobby group is right wing, left wing, or centrist, it is a lobby group, the stated intention of which is to influence government policy to reflect the views which that particular group holds.

I am not interested in the view of the Minister whose hand is itchy for the cheque. I ask the Deputy Prime Minister, who is the custodian in the House today of the conflict of interest guidelines, whether he realizes the danger inherent in the precedent being established by the Minister for International Trade.

Will he and the Prime Minister review this award and the Minister's intention of accepting it, with a view to putting a stop to this kind of activity before it causes problems and a crisis of confidence in this nation in the whole notion of conflict of interest and Ministers acting independent of the views of any lobby group?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, this is just a continuation of a campaign of calumny which was started yesterday. That is quite obvious.

With respect to this matter, the Canadian Labour Congress is an organized lobby group, as are many unions. Do we argue that they should not provide funds to the people they think represent them or any of their views, or have done something good in politics? I wonder how often the Leader of the New Democratic Party has received funding from those kinds of sources.

Mr. Broadbent: Aren't you in the Cabinet? Aren't you a Minister of the Crown?

Mr. Crosbie: The Citizens Coalition, just the same as the Canadian Chamber of Commerce and the Manufacturers Association, is quite in order to operate in this country and to make awards to those to whom it wishes.

If my friend, the Deputy Prime Minister, or the Prime Minister, indicates to me that there is any impropriety in accepting such an award, I would be happy to give it up. I never asked for it in the first place. It came out of the blue and it can go into the blue as far as I am concerned.

* * *

DANGEROUS SUBSTANCES

STORAGE OF PCBS—NATIONAL STANDARDS QUERY

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I want to pursue the PCB issue with the Minister of the Environment. Yesterday in the House of Commons he said:

> We are ensuring that those sites meet the most rigorous national standards for storage.

The Minister has had three opportunities earlier today to respond to my Leader regarding these national standards. Since the Conservative caucus members on the committee voted against including the term "national standards" in the legislation, would the Minister now have the courage to admit that there are no national standards to enforce?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, if anything, the House Leader of the NDP knows even less about this subject than his Leader. The fact is that there was a manual published by the Government of Canada with respect to acceptable standards for storage of PCBs. It had nothing whatever to do with the Canadian Environmental Protection Act. It was in place beforehand.

We are simply saying that all the judgments that our scientists have made, as expressed in this manual, with regard to what the experts say should be done when PCBs are stored, ought to be enforced through regulation at the provincial level because it is their jurisdiction. It has been done in most provinces.

I went on to say that in those provinces where such standards are not enforced, we reserve the right, under the Canadian Environmental Protection Act, specifically Section 35, to take the necessary action at the federal level.

• (1450)

MINISTER'S ANSWERS

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, the Hon. Minister will know full well that what he is talking about are national guidelines that have no status in law whatsoever. The Minister has had three opportunities to respond to my Leader's questions. He had an opportunity to respond to my direct question regarding the existence of enforceable national standards. I can only say that he is deliberately misleading the House on this issue. Will he not have the courage to stand up and say that he is deliberately misleading the people of Canada on this issue?

Mr. Speaker: The Hon. Member, of course, has every right to indicate in a question or in debate that, for whatever reason, any other Hon. Member through mistake, error or otherwise, may be setting up something that the other Member does not agree is correct. He may say that that is misleading, but the Hon. Member knows he cannot say intentionally misleading. I know he would want to withdraw that part of the question.

Mr. Riis: Mr. Speaker, I appreciate your intervention. I must say that I have never used the term "deliberately mislead the House" before. I hope I will never have to use it again. At this point, I cannot withdraw.

Some Hon. Members: Throw him out.

Mr. Speaker: The Hon. Member for York—South Weston.

* * *

APARTHEID

OPERATIONS OF SOUTH AFRICAN COMPANIES IN CANADA

Mr. John Nunziata (York South—Weston): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. In 1985 his Government announced a series of measures to demonstrate opposition to apartheid in South Africa, including the termination of Canadian Government procurement of all South African goods and services.

If the Minister and his Government are committed to these measures, will he explain why two South African companies operating in Canada, Boart Canada International and Long Year Canada, have received grants from the federal Government, and that Long Year and another company linked closely to Boart Canada have received $2 million in government contracts? Does the Minister feel that the Canadian taxpayer should be subsidizing South African companies operating in Canada? How can the Minister purport to be a leader in the fight against apartheid when his Government is taking a business as usual attitude with South African companies operating in Canada?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, at this moment I am not aware of the details of the arrangements that the companies named by the Hon. Member might have with the Government of Canada. I will look into them. If there is any cause for us to act or anything inconsistent with our policy, I will take the appropriate action then.

Mr. Nunziata: I am somewhat surprised that the Minister is not aware of grants made by his own Government.

MINISTER'S POSITION

Mr. John Nunziata (York South—Weston): Mr. Speaker, in December, 1985, the president of one of the companies receiving grants from the Government of Canada snubbed his nose at the Minister and said the following: "Despite the press and posturing of our politicians—" referring to the Minister "—our business with our South African associated companies is proceeding in normal fashion".

Why is the Minister continuing his posturing? When will he stop his posturing, show some real leadership and sever all economic and diplomatic relations with South Africa?

Hon. Robert de Cotret (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, perhaps my hon. colleague was not aware of the details for the very good reason that my hon. friend opposite phoned my office to get the information rather than the office of my colleague.

I have the information. I can tell the House that the Department has not provided any financial assistance to Boart Canada Incorporated. At the moment there are some applications from Boart or Long Year before the Department, that any corporate citizen can make. They are under review and, following the request of my hon. friend opposite, I have requested that these particular cases be brought to my immediate attention.

[*Translation*]

MINES AND MINING

FEDERAL-PROVINCIAL MINERAL DEVELOPMENT AGREEMENTS—GOVERNMENT POSITION

Mr. Guy St-Julien (Abitibi): Mr. Speaker, my question is for the Minister of State for Forestry and Mines. The federal-provincial agreements on mining development are important for the outlying regions of Canada.

Can the Minister tell us in this House whether these federal-provincial agreements will be extended or renewed beyond 1989-90?

[*English*]

Hon. Gerald. S. Merrithew (Minister of State (Forestry and Mines)): Mr. Speaker, I appreciate the Hon. Member's continued interest in mining matters. I can tell the House, and therefore the public, that the matter of renewal of MDA's was a discussion topic at the Ministers' meeting in Quebec City yesterday. I should mention that the Quebec MDA does not expire until 1990, so we have almost two years to deal with that particular issue.

The recent agreement that was signed under Economic Regional Development with the Province of Quebec allowed for a topping up of economic regional development agreements in that province. They may very well wish to tap that particular source.

I might say that the mining sector has been treated fairly well by Governments over the years, through the Canadian Exploration Expense, through flow-through share mechanisms, and, of course, through the $210 million new program for exploration that this Government just announced through the CEIP.

* * *

THE MINISTRY

AIR FLIGHT TO THAILAND BY MINISTER'S SPOUSE—BILL C-114

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is directed to the Deputy Prime Minister. Today this House will debate and pass in principle the Government's conflict of interest Bill. The Prime Minister, upon the introduction of the Bill in February of this year, clearly indicated that while the Bill was not law then, the spirit of the legislation was in effect immediately. In fact, in that Bill there is a clause that requires that a Member's spouse or dependant who receives any gift or benefit must record and table that information with the registrar.

Will the Deputy Prime Minister tell the House exactly what he intends to do in the case of the Minister for International Trade whose wife and daughter received a trip costing about $5,600 on Thai Airlines? What does the Government intend to do about that, when it is a clear violation of the spirit of Bill C-114?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think the Hon. Member knows, and he has correctly pointed out, that public office holders have to disclose any gifts over $200. That was not the case here. If it had been the case, the Minister assures me that he would have complied by providing the notice to the ADRG.

I am also advised by the Hon. Member that if the Bill passes second reading, which is the approval in principle, he will obviously comply with the spirit and intent of Bill C-114. Since it is now public knowledge, always was public knowledge, the Minister examined this consistent with the current conflict of interest guidelines. He is fully prepared to comply with them as well as the future ones that are put forth in the principle enshrined in Bill C-114.

REQUEST THAT MINISTER PAY COST OF FLIGHT

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, it was the Prime Minister who introduced Bill C-114 in the House and who, outside the House, made it crystal clear that in cleaning up the mess that exists in the Government the spirit of Bill C-114 was immediately in effect.

In light of the fact that another Minister in the Ontario Government has quite willingly said he is prepared to pay for the ticket for his wife, is the Minister for International Trade prepared to pay for the tickets for his wife and his daughter? Why do you not follow the example of another Minister of another Government at another level?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, it might be fair if we got this in the proper perspective. Thailand, a country with which we have very good relations and with which we want to do expanding trade, after a negotiation with the Government of Canada and concessions for Canadian airlines, was allowed to start a route from Bangkok to Toronto which will assist both countries and the commerce of both countries.

As is the custom with every airline in the world, they invited the Minister for International Trade to go on their inaugural flight. I could not go, but my wife went in my place, and other Ministers from several provincial Governments and from municipal Governments, known as guests. One Minister paid because he was going on a business trip to the Far East in addition to Thailand.

• (1500)

My wife went to represent me and this country and in furtherance of good relations between this country and Thailand. It is not a gift in the ordinary sense of the word. Therefore, these suggestions are hardly fair, but we don't expect fairness from the Opposition.

With respect to the regulations, if the present conflict of interest Bill passes second reading, we are quite willing to make the necessary declaration to the Registrar General, which I would have done had I gone, in any event. There is no conflict of interest. There is no breach of any present rule. There is no impropriety. This is simply a goodwill gesture between this country and Thailand, the same as has happened with Singapore Airlines, Air Canada, Canadian Airlines, Wardair, and dozens of other airlines in the past.

* * *

IMMIGRATION

PROCESSING OF REFUGEE STATUS CLAIMS—TREATMENT OF BACKLOG

Mr. Sergio Marchi (York West): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. Mr. Gordon Fairweather, Chairman of the new Immigration and Refugee Board just established through the Government's refugee legislation, stated yesterday that his budget for financial and human resources is not enough to process the existing refugee backlog of 55,000, nor would it allow the board even to keep pace with the regular number of claimants. Therefore, if the Minister is committed in her support and promotion of this new system, why did she fail to allocate the necessary resources needed to do an adequate job?

If the Minister wants to prevent the system from breaking down, even before it starts, what plans does the Government have to tackle this huge refugee backlog in the system?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, if the Hon. Member had been paying attention over the last few weeks, he would have known that I have said on several occasions that the backlog will be treated distinctly from the new refugee determination board, the board I am very pleased to have headed by Mr. Fairweather. I know it is going to be an outstanding example of the refugee and immigration tribunals in the world because of the kind of training they will have.

I have said any number of times that I will make a separate announcement about the backlog, that the three options on dealing with the backlog summarized by Mr. Fairweather yesterday are exactly the ones I have been mentioning myself. The only difference is that I have publicly said that there will be no amnesty.

GOVERNMENT POLICY

Mr. Sergio Marchi (York West): Mr. Speaker, just before the passage of the two refugee Bills the Minister kept saying: "Deliver these Bills. That's all I need". She has those Bills. She has been promising Canadians an answer to the backlog, but still she continues this evasive dance about an interest that is uppermost in the minds of many Canadians. The Minister can be as evasive and as sanctimonious as she pleases, but there are basically two general options available to the Government.

Mrs. McDougall: Three.

Mr. Marchi: Will the Government provide additional resources to the new board so it can manage effectively with the backlog? If the Government has an alternative plan with respect to resolving the backlog separately, what is that plan and why the delay? Why not inform the House, and through the House, Canadians, of her plan—

Mr. Speaker: Given the hour, I think the question is long enough. The Hon. Minister.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, we are developing a way of dealing with the backlog. I know it is important to many Canadians, especially those who are involved in the backlog. When I have an announcement, I will make it.

Mr. Speaker: This will be the last question. The Hon. Member for Vancouver East.

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STATUS OF WOMEN

REQUEST THAT ROYAL COMMISSION ON REPRODUCTIVE TECHNOLOGY BE ESTABLISHED

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. A report called "Women and Reproductive Technologies", which was prepared for Status of Women Canada, raises very serious ethical, health, and equality questions with respect to surrogate motherhood, gender selection, artificial insemination, and *in vitro* fertilization. Will the Minister arrange for this report to be made public? And will he tell the House what specific steps he and his Government are taking to establish a Royal Commission on new reproductive technology which, I believe, he favours?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I think it is important, first, to establish what this report is. It is one in a series of papers which is being developed because there is a federal-provincial status of women working group on the issue of women's health, generally, and reproductive technology is part of that. So there will be other papers as well that will be studied by this group in reaching its own conclusions on a separate topic.

POSITION OF MINISTER OF NATIONAL HEALTH AND WELFARE

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is directed to the Minister of National Health and Welfare, who surely recognizes the need for action, and action now, on this whole matter. It is fine that the Status of Women continues to do its thing, but the new technologies—which have been developed primarily by men, I think he would agree—have major impacts on women's health, relationships with children and women's rights, yet women have had no say in these developments. Will the Minister consult with the Minister responsible for the status of women and with women's groups, including the new coalition, and recommend to the Government that a Royal Commission must be established and must be composed of 50 per cent women?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I agree with what the Hon. Member has said with respect to some of the issues she has outlined. I have said that myself on other occasions.

Ms. Mitchell: Get on with it, then.

Mr. Epp (Provencher): In terms of consulting with the Minister responsible for the status of women, that has been ongoing, as well as with some other members of Cabinet who have related responsibilities. With respect to the coalition, I have met with them. They have made their presentation to me and have given the reasons why they feel a Royal Commission should be established.

I have not given them an indication as to what position the Government will take, but I have said in this House and other places that I believe the issues of ethics are important. They should be studied. I think too often in medical science and other sciences, that science gets ahead of the ethics of these issues. But I cannot confirm or give the Member any assurance today that a Royal Commission will be established, either in terms of time or in terms of reference.

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to 51 petitions numbered as follows: 332-4899, 332-4973, 332-5096, 332-5111, 332-5154 to 332-5156 inclusive, 332-5172, 332-5187, 332-5208, 332-5209, 332-5215, 332-5216, 332-5226, 332-5238, 332-5239, 332-5241, 332-5249, 332-5251, 332-5255 to 332-5267 inclusive, 332-5272 to 332-5277 inclusive, 332-5281, 332-5282, 332-5287, 332-5296, 332-5306, 332-5314 to 332-5316 inclusive, 332-5323, 332-5324, 332-5326, 332-5357 and 332-5367.

[*Editor's Note: See today's Votes and Proceedings.*]

[*English*]

• (1510)

CHILD CARE

Mr. Walter Van De Walle (Pembina): Mr. Speaker, it is my duty to present to the House of Commons a duly certified petition. The petitioners are from the communities of Morinville and Legal, Alberta. They humbly pray and call upon Parliament that the child care decisions be left with the parents, where it belongs.

LABELLING OF FOOD INGREDIENTS

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I am sorry that we are not actually bringing forward a Bill. In my hand I have petitions with more than 20,000 signatures supporting Bill C-289, an Act to amend the Food and Drug Act, which would require restaurant labelling on foods to heighten public interest.

I would like to table these petitions with special thanks to the Allergy Information Association and other groups, including the Consumers Association of Canada, the Celiac Association, the Allergy Foundation, the Canadian Society of Allergy and Clinical Immunology, the Canadian Nurses Association, the Canadian Association of Retired Persons, the Canadian Council of Children and Youth, the Allergy Foundation of Canada and the Food and Nutrition Research Foundation, for their special help in gathering these more than 20,000 signatures.

I hope that by the time we get together again it will be post-election and we will be able to do something about it.

IMMIGRATION—SPONSORING OF RELATIVES

Mr. Dan Heap (Spadina): Mr. Speaker, it is my honour and duty to present a petition on behalf of some 75 or more residents of the City of Toronto who are concerned about our immigration policy. Among other things they point out that in 1986 the then Justice Minister promised that the unfair distinction between Canadian citizens and permanent residents of three years or more would be eliminated so that both groups would have equal rights to sponsor parents of any age. Since this promise has not been fulfilled, they call upon Parliament to ensure that the Government fulfil this promise now.

[*Translation*]

RETENTION OF 10-WEEK QUALIFYING PERIOD FOR UNEMPLOYMENT INSURANCE

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, it is also my duty to present a petition to you.

[*English*]

The petitioners are from Bayfield, New Brunswick, Port Elgin, Cape Tormentine and Baie Verte.

[*Translation*]

The signatories of this petition are very concerned about the change that the Minister of Employment and Immigration (Mrs. McDougall) has made to the qualifying period for unemployment insurance.

[*English*]

The petitioners humbly pray and call upon Parliament to bring justice to the situation by keeping in place a 10 week qualifying period for the rural areas of southeast New Brunswick.

DESIGNATION OF ROUGE RIVER VALLEY

Mrs. Pauline Browes (Scarborough Centre): Mr. Speaker, the petition that I wish to present today is headed: "Help Save the Rouge". I table it pursuant to Standing Order 106. It has been certified by the Clerk.

The petitioners state that the Rouge Valley in Scarborough is a unique and precious natural area and that protecting the endangered wildlife and wilderness areas in this particular valley is in the national interest. The petitioners join with the Scarborough City Council, indeed, with the federal Minister of the Environment (Mr. McMillan), the Save the Rouge Valley System, the Coalition of Scarborough Community Associations and also, Mr. Speaker, you, who have given your support to this very worthy cause.

They ask the Government of Canada and the provincial Government to work together to save this very beautiful area as a park.

ACTIONS OF ROMANIAN GOVERNMENT

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I have with me 350 petitions from Canadians who have a Romanian background in which they have pride and in which they have fond memories. They have written to the House with respect to what is taking place in their more than 13,000 villages in Romania which have been destroyed. They have asked the Government to bring to the attention of the Romanian Government their concern in this regard.

The Romanian Government is presently engaging in certain acts which violate basic human and minority rights that are destroying more than half of the 13,000 villages in Romania to build agri-industrial centres, resulting in the loss of a cultural and historical heritage which will deprive not only Romania but also future generations of priceless heritage by annihilating magnificent examples of Roman, Gothic and Reform periods of architecture.

Whereas that same Government has decreed that all geographic designations be changed from the Hungarian and Saxon languages to Romanian thereby seriously violating minority rights; and whereas the Romanian Government's current harassment through interrogation and house searches of the clergy will result in the destruction of both Protestant and Catholic religions, these Canadians of Romanian origin have asked that the Secretary of State for External Affairs (Mr. Clark) bring this concern of the Canadian people to the attention of the Romanian Government.

RESEARCH INTO PREVENTION AND CURE OF SCHIZOPHRENIA

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I have the responsibility and the honour to present two sets of petitions. The first set of petitions declares that schizophrenia is a major illness in Canada, affecting about 1 per cent of the population, causing severe mental anguish and suffering to the patients and their relatives and costing Canadian society more than $3 billion annually in direct health care and other support costs.

The petitioners go on to point out that there is low funding for research in schizophrenia. They therefore call upon Parliament to ensure that research efforts related to schizophrenia will be commensurate in the future with the seriousness of this illness in Canada. The petitioners are from Sudbury, Ontario.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the last group of petitions I have is from residents in Vancouver, British Columbia, Val Caron, Hanmer, Sudbury, Blezard Valley and Capreol, Ontario.

The petitioners point out that the Conservative Government had no mandate from the Canadian people to conclude a free trade agreement with the United States. Whereas the Prime Minister (Mr. Mulroney) promised in the course of the bilateral trade negotiations that Canadian sovereignty would not be compromised; and that in fact the trade agreement negotiated between the Mulroney Government and the Reagan Government threatens the very fabric of Canadian political life, the petitioners therefore call upon Parliament to dissolve now and allow the people of Canada to make the decision with respect to whether or not they want to enter this Mulroney-Reagan trade agreement.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 385, 392, 393, and 408.

[*Text*]

COST OF CARE OF QUADRIPLEGIC PATIENT

Question No. 385—**Mr. Brisco:**

To the knowledge of the Government, what is the average annual cost for (*a*) institutional care (*b*) prescription drugs for a quadriplegic patient?

Hon. Otto Jelinek (Minister of Supply and Services): Statistics Canada reports:

(a) There is no information available on the cost of caring for quadriplegic patients. However, Statistics Canada's Survey of Residential Care Facilities indicates that the average annual cost of maintaining a physically handicapped patient in an institutional setting is approximately $46,000 per year. A quadriplegic patient may be placed in this type of facility.

(b) Information on prescription drugs for a quadriplegic patient is not available from the Government of Canada.

Further information may be obtained from the: National Office, Canadian Paraplegic Association, 520 Sutherland Drive, Toronto, Ontario, M4F 3V9.

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

Question No. 392—**Mr. Epp (Thunder Bay—Nipigon):**

For each fiscal year since 1980-81, have Canadians who grew up in Third World countries been employed by the Canadian International Development Agency as (*a*) professionals (*b*) contractors and, if so, in each case, in what numbers?

Hon. Monique Landry (Minister for External Relations): The Canadian International Development Agency does not keep statistics of the type requested. Personal information obtained by the Agency can under Section 7 of the Privacy Act only be used for the purpose for which it was initially collected or for the purpose of responding to specific circumstances outlined in Section 8 of the Privacy Act. The compilation of the requested statistics would not be consistent with those conditions which must be met before personal information can be disclosed to a third party. Accordingly, it is not possible to assemble the requested statistics.

COLUMBIA RIVER TREATY

Question No. 393—**Mr. Brisco:**

Are any persons (*a*) on the Canadian staff of the International Joint Commission (*b*) on the Canadian staff of the Permanent Engineering Board (*c*) in the Department of the Environment (*d*) in the Department of Fisheries and Oceans (*e*) in the Department of Justice (*f*) in the Department of Energy, Mines and Resources (*g*) in the Department of External Affairs well informed on all elements of the Columbia River Treaty, from the beginning of negotiations between Canada and the United States to the present and, if so, what are their names?

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): I have been informed by several departments as follows:

The Columbia River Treaty was negotiated to resolve issues between Canada and the United States relating to the co-operative development of water resources of the Columbia River basin. It was signed in 1961 and came into effect in 1964.

(a) At present, the individual most familiar with the Columbia River Treaty in the International Joint Commission is Commissioner E. Davie Fulton, who was Minister of Justice of Canada when the treaty was negotiated.

(b) Mr. Gordon M. MacNabb, current Chairman of the Canadian Section of the Permanent Engineering Board.

(c) The Department of the Environment was not established until after the Columbia River Treaty was negociated and ratified. However, Mr. E.M. Clark, Regional Director of the Department's Inland Waters Directorate in Vancouver (although not involved in the negotiations) is well informed on all elements of the treaty. Mr. Clark is also the Secretary of the Canadian Section of the Permanent Engineering Board and the alternate federal member of the Board.

(d) Since 1964, Fisheries and Oceans has had little direct involvement with this Treaty and its operations. Consequently there are no DFO employees with a thorough knowledge on all aspects of the Treaty. However, Mr. Tom Bird can answer questions concerning the fishery impacts of damming rivers and altering water flows. He also can act as a contact for previous DFO employees who were involved with the Columbia River Treaty.

(e) The Department of Justice does not have persons within the Department responsible for advising on the Columbia River Treaty. If legal questions arise from time to time they would be considered on an individual basis and advice given to the appropriate client department, agency or institution.

(f) No.

(g) The officer currently responsible for the Treaty in the Department of External Affairs is Mr. Alan Kessel of the Legal Operations Division.

LIMITED TEST BAN TREATY

Question No. 408—**Mr. Caccia:**

1. Was Canada one of the nations which, on August 5, 1988, in Geneva, formed a group for the purpose of proposing an amendment to the 1963 Partial Test Ban Treaty to ban all nuclear testing in support of a proposal by the Parliamentarians for Global Action and, if not, for what reason?

2. Will Canada be joining this group of nations and (*a*) if so, on what date (*b*) if not, for what reason?

Right Hon. Joe Clark (Secretary of State for External Affairs): 1. No. Canada strongly favours the earliest possible conclusion of a comprehensive test ban treaty (CTBT). In practical terms, an adequately verifiable CTBT can be achieved only through direct negotiations and must be binding on all nuclear weapon states. Such a result cannot be achieved through simple amendment of the Limited Test Ban Treaty of 1963.

2. (a) No. (b) See 1. above.

[*English*]

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered.

MOTIONS FOR PAPERS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I would ask that all Notices of Motions for the Production of Papers be allowed to stand.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, if Question No. 391 could be made an Order for Return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that Question No. 391 be deemed to have been made an Order for Return?

Some Hon. Members: Agreed.

[*Text*]

EXPORT OF GRAINS AND OILSEEDS

Question No. 391—**Mr. Epp (Thunder Bay—Nipigon):**

For each crop year from 1980-81 to 1986-87, have Canadian grains and oilseeds been exported via (*a*) St. Lawrence Seaway ports to Pacific rim countries (*b*) St. Lawrence Seaway ports to European or Mediterranean markets (*c*) St. Lawrence Seaway ports to other markets (*d*) West Coast ports to Pacific Rim markets (*e*) West Coast ports to European or Mediterranean markets (*f*) West Coast ports to other markets and, if so, for each variety (i) in what quantities (ii) at what average price?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

Mr. Boudria: Mr. Speaker, I rise on a point of order. I bring to the attention of the Minister of State who undoubtedly knows that a question that I have had on the Order Paper since March 15 still remains unanswered to this day. I know that the Minister himself usually does his best to ensure that answers are provided. I am just wondering if I could get a commitment from the Minister that he will do his best this afternoon to contact the proper officials so that tomorrow prior to adjournment the answer to a difficult question, granted, but a question which has been on the Order Paper for two and a half months longer than our rules provide, is answered in a manner consistent with the rules of this House.

Mr. Lewis: Mr. Speaker, I would like to respond to the point of order if I may in order to assist my hon. friend and other Members of the House who may wish to pose a question which I am not for a minute suggesting was not a forthright question to which the Hon. Member wanted an answer. The problem is in the wording of the question.

When my hon. friend asks—and I have not got the exact wording although I think I am paraphrasing it properly—"has the Government or any Crown corporation, or any agency"—it is very difficult. A questionnaire then has to go out to all government Ministries, all Crown corporations and all Departments. Until we get all of the answers back it is impossible to answer my hon. friend's question.

• (1520)

If the next time he poses a question which has some specificity to it in that he is after a gentleman who worked for the Ministry of Communications and/or a Crown corporation, it would be of a great deal of assistance to the Ministry, because there is a lot of time and effort involved in answering those questions, if it could be spelled out exactly which Crown corporations or Ministries he was referring to. That type of answer is much easier to obtain.

Mr. Speaker: The Hon. Member on a point of order.

Mr. Boudria: Perhaps there is a compromise which would be available, if the Minister would be willing to give an indication, perhaps privately later, if he thinks he has an answer from 80 or 90 per cent of those agencies that could be tabled, and the House could agree to have a tabling of that answer, and then consider it a complete answer at that point, if that were possible. Perhaps there could be private discussions later and tomorrow at the appropriate time whatever information is available could then be deposited, and perhaps we could close that issue which I have raised in the House approximately 10 or 12 times.

Mr. Speaker: I will leave it with the Member and the Minister of State.

* * *

POINT OF ORDER

WITHDRAWAL OF COMMENT DURING QUESTION PERIOD

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, you may recall during Question Period I was seeking some answers to a question posed to the Hon. Minister of the Environment (Mr. McMillan). Although I felt the answers might have been a little confusing, I used the phrase that he was deliberately misleading the House.

Upon reflection and respect for your chair and your request, Mr. Speaker, and the traditions and the history of this House, I would like to withdraw the use of that term in reference to the comments of the Minister of the Environment.

Mr. Speaker: We all know that sometimes answers, and sometimes questions, are confusing and that leads to remarks that would not otherwise be used.

I want to say to the Hon. Member for Kamloops—Shuswap, the House Leader of his Party, that I appreciate his comments. I wish to put on the record that the Hon. Member has given the Chair very good co-operation at all times, and I thank him.

* * *

BUSINESS OF THE HOUSE

Mr. Lewis: Mr. Speaker, there have been some discussions among the Parties, and there are one or two things I would like to deal with in my comments, so I will go slowly.

First, there have been discussions among the Parties and we have agreed to a change in the order adopted with respect to the business of the House. This afternoon, under Orders of the Day, the Government will call Bill C-143, which is known as the Substance Abuse Centre Bill.

The intention of all Parties is that this Bill will be disposed of this afternoon rather quickly. There will be a change made during the debate on the Bill by the Parliamentary Secretary to change the motion which currently reads to move it to a legislative committee. The motion will change that to move it to a Committee of the Whole House and through Committee of the Whole House, report stage, and third reading today.

We will then proceed with Bill C-114 until six o'clock p.m., at which time we will call the third reading vote and votes on Bill C-130, the free trade Bill.

There has been agreement among the Parties that tomorrow the business of the House will be followed as though it were a Friday. The House will commence at 10 o'clock a.m. with Orders of the Day for the continuation of Bill C-114. The debate on Bill C-114 will be completed at or before 11 o'clock a.m. There will be no further business called by the Government until 11 o'clock a.m., at which time the House will proceed to the normal Statements by Members and Question Period. After Question Period there will be the normal Routine Proceedings. Immediately after Routine Proceedings are finished, which will give Members an opportunity to present petitions, or whatever, the House will adjourn until 11 a.m., September 13, 1988.

Mr. Speaker: The House has heard the terms of the motion. In order that the public can understand, on the basis that this House can do anything, if there is unanimity, tomorrow will be Friday. Is there agreement?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN CENTRE ON SUBSTANCE ABUSE ACT

MEASURE TO ENACT

The House resumed from Friday, August 19, consideration of the motion of Mr. Epp (Provencher) that Bill C-143, an Act to establish the Canadian Centre on Substance Abuse, be read the second time and referred to a legislative committee.

Mr. Hawkes: Mr. Speaker, I rise on a point of order. It is my understanding that there have been consultations with the three Parties that the motion be amended to read "to a Committee of the Whole House" instead of "to a legislative committee", and that would be done on the understanding that the Bill would proceed through the rest of today in all stages without further debate. That is my understanding, and I would like it confirmed. If it is the will of the House to do that unanimously, then I think we could deal with it in that fashion.

Mr. Riis: Mr. Speaker, my understanding is that the Hon. Member for Windsor—Walkerville (Mr. McCurdy) has some time left in his second reading speech. He wishes to put a number of concerns that he has on the record. Following that, we would move to Committee of the Whole and proceed expeditiously without any further debate until the Bill is passed.

Mr. Speaker: The Hon. House Leader has put the situation accurately. The Hon. Member for Windsor—Walkerville.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, it is indeed the case that on August 19 the New Democratic Party Members of this House wished to expedite and facilitate passage of this Bill. Indeed, the Bill would have been passed through all stages that afternoon, except the spokesperson for the Official Opposition chose not to address herself to the contents of the Bill, which are perfectly consistent with the report of the House Committee on Health and Welfare entitled: *Booze, Pills & Dope*, which recommended the creation of such a centre. There could be no question of opposition to it.

Before my intervention was interrupted on August 19, we indicated that while we were sorry that 29 of our 31 recommendations were either neglected or rejected, that did not constitute a reasonable basis for putting impediments in the way of the quickest possible passage of Bill C-143. I can assure you, Madam Speaker, that this afternoon this Party will co-operate in ensuring that the Canadian Centre on Substance Abuse will be implemented through the passage of Bill C-143.

In respect to my intervention during the previous portion of my speech, one of the dramatic findings of our committee was that there was not in fact a drug epidemic in this country which, to those of us who are trained in the field, constitutes an explosive incidence of a disease within a population. Rather, what is at issue is an endemic situation where a large percentage, or a significant percentage of the population is affected by a condition which we are quick to emphasize was not a condition of the abuse of illegal drugs to nearly as great an extent as the abuse of legal drugs, such as alcohol, prescription drugs, and substances which, although not considered to be drugs are abused as drugs, such as glue and propane.

• (1530)

I want to take note of the observation made by the committee that there are a number of agencies in existence in Canada, particularly the Alcoholism and Drug Addiction Research Foundation in Ontario which, in these times of attempts to form centres of excellence in the scientific area in Canada, has been recognized by the World Health Organization as a centre of excellence.

Similarly, we gave recognition to a National Native Alcohol and Drug Abuse Program, the Alberta Alcohol and Drug Commission, the Nova Scotia Commission on Drug Dependency and other agencies, provincial or otherwise, in Canada, which have made a significant contribution with respect to drug abuse prevention, rehabilitation and treatment. We recognize the view shared by many organizations in this country that there should exist a similar sort of organization at the national level which would co-ordinate these kinds of activities nation-wide and make available information on those subjects to all of Canada in order to facilitate our attack on substance abuse.

With that, it is not my intention to delay but to complete what I initiated on August 19. I express my support and my Party's support for this legislation, and give my assurance that we will do everything to ensure that we can complete Committee of the Whole consideration and third reading this afternoon.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mrs. Champagne in the chair.

The Assistant Deputy Chairman: Order. House in Committee of the Whole on Bill C-143, an Act to establish the Canadian Centre on Substance Abuse.

Clauses 2 to 6 inclusive agreed to.

The Assistant Deputy Chairman: Shall Clause 7 carry?

On Clause 7—*First Board*

Ms. Copps: Madam Chairman, I would like to have some clarification as to whether the board is subject to the usual Order in Council review. I want to know whether it is subject to the usual Order in Council appointments process. Are the appointments by the Minister or by Order in Council?

Mr. Epp (Provencher): Madam Chairman, six of the board members are by recommendation from the Minister, GICs, and the remainder are by recommendation from the board.

Ms. Copps: They are not reviewable? They are not Order in Council appointments and, therefore, they are not reviewable?

Mr. Epp (Provencher): Madam Chairman, if I would be given the liberty by Hon. Members to direct their attention to Clauses 6, 7 and 8 rather than one clause, that would help me in my explanations, if that is acceptable. If Hon. Members look to Clause 6, the six members that are referred to are the chairperson and the five additional board members. Additional board members will be appointed to the board, if one would look at the board of directors. Under Clause 6, the Hon. Member will find that there can be additional ones appointed whose backgrounds or experience would assist the centre with the fulfilment of its purpose, and they would be reviewable, as other review—I will check that.

Ms. Copps: I understand that in Clause 8 the chairman and up to five other directors are appointed by Governor in Council, so they are reviewable. The nine directors who are appointed by the board, because they are not Governor in Council appointments, are not reviewable.

Mr. Boudria: Otherwise, how could they be referred?

Mr. Epp (Provencher): Madam Chairman, they are not reviewable by the Governor in Council. That is correct. It is the arm's-length approach that we are trying to build into the board, having both GICs and the separate board members. It is the second group that would not be reviewable.

Mr. Boudria: If I may, Madam Chairman, I just want to clarify this in my own mind. There may be good reason for this, but I am trying to identify how it works. The Governor in Council appointment review process is now called the experimental process, but it will probably become permanent in the future In any case, a process has existed for a few years whereby the Privy Council Office sends the names of the appointees to a parliamentary committee for it to review and comment on within 30 days. That will apply to the people who are appointed by the Governor in Council. The others, as far as I can see, are not referred to the Privy Council Office at all. The Privy Council Office cannot send them for review because they are not Governor in Council appointments. I want to be clear. Am I interpreting that clause of the Bill correctly?

Mr. Epp (Provencher): Madam Chairman, I believe that the Hon. Member is reviewing it correctly. We are in this experimental period. If we also look at the rules of the House covering committees, Standing Order 103(1) and (2), I believe that under those rules any committee of Parliament can also review appointments. If it is only restricted to GICs, then maybe the Hon. Member could indicate to the House what other route they may be considering. It is the arm's length that the Government is trying to build in, according to the recommendations made to the Government, that some of the members of the board would in fact be at arm's length.

Mr. Boudria: There is one possible alternative which I offer to the Minister as a possible suggestion. The Bill would say in this clause that the Governor in Council would appoint members upon recommendation of the board. Those additional members would technically be Order in Council appointments, but they would only be made upon recommendation of the board. You would have in that regard the independence that the Minister is looking for and at the same time they would be accountable to Parliament pursuant to the McGrath Report, which was later ratified by a decision of the Prime Minister, as announced in this House.

I do not think that it is a very complicated amendment. I offer it as a suggestion to the Minister, and he or his official may want to propose something.

Perhaps we can stand that clause momentarily and go through the other clauses in order to have a few minutes for the Minister's legislative draftsman or expert who are accompanying him today, and then we could have a review process, the kind of process that we have described, in order to make it consistent with the policy of the Government and of this House.

• (1540)

Mr. Epp (Provencher): Madam Chairman, I do not think there is any conflict between what the Hon. Member is saying and what we are trying to achieve. I think the question is does Clause 8 achieve what we are trying to build in?

Under the Governor in Council appointments, as that procedure is established in Clause 7, the Minister is obligated under Clause 8 to have consultations with the board prior to making recommendations. That is in Clause 8 now in order to meet the various requirements, be they linguistic, cultural, professional and so forth. Whether or not an amendment should be considered whereby the arm's-length is retained, which we all want and which is consistent with the recommendations and whether or not Clause 8(b) does that, is the question. Possibly to help the committee move on, if it is acceptable that we stand Clause 8, we will go through the other clauses and look at whether or not there is some method by which we can meet what I think seems to be an agreement on both sides of the House.

The Assistant Deputy Chairman: Shall clause 7 carry?

Some Hon. Members: Agreed.

Clause 7 agreed to.

The Assistant Deputy Chairman: Shall clause 8 carry?

Some Hon. Members: No.

The Assistant Deputy Chairman: It was agreed that clause 8 would be stayed for a while.

Clauses 9 to 12 inclusive agreed to.

The Assistant Deputy Chairman: Shall clause 13 carry?

On Clause 13—*Principal Office*

Ms. Copps: Madam Chairman, could the Minister give us the rationale behind the suggestions that the principal office shall be in the National Capital Region?

Mr. Epp (Provencher): Madam Chairman, the centre is not expected to be housed in a separate building as such. In other words, what we are dealing with is not a mortar and bricks entity. We will be dealing with a small staff of professionals and we will be relying on a great amount of interchange within Departments, federal-provincial as well as professional. We feel as a Government it is best to have the office in the National Capital Region because of the expertise available, if not only in Ottawa but at least because of the communication that takes place in Ottawa on a number of health-related issues.

Ms. Copps: Madam Chairman, I am not questioning the rationale for it, although there are certainly other centres of expertise in terms of the problems of substance abuse. I just wonder about the procedure of putting that into the legislation. It seems to me that if the National Capital Region is the most logical place for it, then that can be determined by the Minister. Actually, to lock that in in the legislation I think is highly unusual. That sort of thing is not usually written into any piece of legislation. Would the Minister give the rationale for having it? It kind of handcuffs the office. The Addiction Research Foundation has many operations in other parts of the country other than Ottawa.

Mr. Epp (Provencher): Madam Chairman, I think the clause is drafted in such a way that while the National Capital Region is mentioned, I am sure the board would want to look at whether the National Capital Region is the best site. There are reasons that one could put forward why it is the best site. One could also mention the matter of the legislation that is drafted relative to Crown corporations if an example is needed. If the Hon. Member looks at the last part of Clause 13 she will see as well that there is discretion as to location. I think both eventualities are actually covered.

Mr. Nunziata: Madam Chairman, the clause refers to a principal office which would suggest that there would be other offices in Canada. Can the Minister indicate what he envisions with respect to the centre once it is in full operation? Does he envision offices in major cities throughout the country? Does he envision more than one head office?

Mr. Epp (Provencher): Madam Chairman, it is not the intention at this time or our visualization that there will be offices across the country but rather one office working as a clearing house, working in liaison and working with interchange. If the board in its wisdom decides to have additional presence in other locations of Canada than where the principal office would be located, that would be a decision for the board to take. I think the board has to take it on the basis of delivery of service. That I think should be the criteria rather than the legislation dictating to the board where different offices might be located.

Mr. Nunziata: Madam Chairman, can the Minister indicate what type of budget the centre will have? Does the Minister have some figures for the first year of operation? If he does, can he give us some examples of how money will be spent by the new centre?

Mr. Epp (Provencher): Yes, Madam Chairman. There is a budget allocated for national drug strategy. There was a recommendation at one time of $1.4 million. The standing committee recommended that that should be reconsidered and it should be somewhat higher. We have allocated a budget of up to $2 million annually for the centre at this time.

Mr. Nunziata: Madam Chairman, exactly what does the Minister expect to do with $2 million? It seems to me that that is a small amount of money in relation to the magnitude of the problem. If you are only allocating $2 million to the centre, how much advertising could you possibly do with $2 million? How much promotion could you actually do? Presumably the centre would have to pay salaries, rent and other such matters just to be in operation. Can the Minister indicate exactly what will be done with the $2 million, and does he feel that $2 million is enough or is it just a token amount?

Mr. Epp (Provencher): No, Madam Chairman, I do not regard it as a token amount. If the Hon. Member would go back to the recommendations that were made by Mr. Archibald with respect to the setting up of a substance abuse centre, I think the recommendations are inherent in the Bill and the amount of money I have mentioned is in keeping with the recommendations.

Second, it is not the purpose of the Centre to "run the federal Government's drug program". As the Hon. Member knows, that is a drug program of $210 million over a five-year period. What was identified and needed was a clearing house for various types of information and activities, and while we have passed Clause 3, if I could direct the Hon. Member to Clause 3 as to the purpose of the centre, I could go through the five sections but they are listed in Clause 3.

Clauses 13 to 26 inclusive agreed to.

• (1550)

On Clause 27—*Registered Charity*

Mr. Nunziata: Madam Chairman, Clause 27 indicates that the centre, for the purposes of the Income Tax Act, shall be deemed to be a registered charity within the meaning of that expression for the purposes of that Act. Does the Minister anticipate that the centre will be on a fund-raising drive of sorts? Will individual Canadians and organizations be in a position to make donations to this centre? Does it expect to operate, to some extent, through public donations?

Mr. Epp (Provencher): Madam Chairman, as I indicated earlier, up to $2 million has been allocated for the running of the centre. The recommendations from Mr. Archibald were that there should also be corporate and public participation in the funding of the centre, and so Clause 27 was inserted in such a way that those who make donations to the centre would get the same tax consideration as those who donate to other charities.

The Assistant Deputy Chairman: Shall Clause 27 carry?

Some Hon. Members: Agreed.

Clause 27 agreed to.

Clauses 28 to 32 agreed to.

On Clause 33—*Evaluation*

Ms. Copps: Madam Chairman, I would like to ask the Minister why there is legislation which calls for review only after the fourth anniversary of the coming into force of the Act. Why would there not be a review after the first anniversary, or does the Minister not intend to bring this on stream for four years?

Mr. Epp (Provencher): Madam Chairman, there will be annual reports, and as the Hon. Member knows, annual reports are subject to review by Parliament and specifically by Standing Committees. If she were to check back to the national drugs strategy, she would see that there was a comprehensive review mechanism built into that after the fourth year as to the continuation of the program. This is parallel to that.

The Hon. Member asked if we intend to bring the Substance Abuse Centre into place after four years. No, we intend to get the legislation passed and the Substance Abuse Centre established this year, possibly even flowing into this fiscal year.

Ms. Copps: Madam Chairman, it seems to me that if the Minister's intention is to coincide the evaluation of the centre with the evaluation of the national drugs strategy, he should call for an evaluation of the centre in two years. Presumably the national drugs strategy has been in operation for almost a year and a half and the evaluation process should then occur in 1990. Therefore, the Minister will be two years out of sync according to his own Act.

Mr. Epp (Provencher): Madam Chairman, no, I do not think that there would be enough time for the Substance Abuse Centre to have established itself or to have an evaluation that comprehensive so soon. I think it is better to give it a five-year program as we do with other fiscal arrangements to get it established, although there will be annual reports which are obviously important and will be studied by Parliament each year.

Mr. Nunziata: Madam Chairman, I have a question or two on the reporting procedure under Clause 31. It indicates that the chief executive officer shall, within three months after the financial year of the centre, submit to the board a report. It indicates that the report should be available to the public at the principal office of the centre and then it says that a month after that, the Minister of National Health and Welfare would be provided with the report. This seems to suggest that the public will get a copy of the report before Parliament, and then the Minister is required to report to Parliament. Why is the reporting procedure laid out in the way it is? Would the Minister not agree that it would be far more beneficial to have the board report directly to Parliament without all these intervening steps?

Mr. Epp (Provencher): Madam Chairman, I believe the Minister of National Health and Welfare is responsible, under the Financial Administration Act, for the moneys that flow under this legislation, if passed, and therefore I am responsible for its reporting and also answerable to Parliament through that reporting mechanism, and this is parallel to other reporting mechanisms.

The Assistant Deputy Chairman: Shall Clause 33 carry?

Some Hon. Members: Agreed.

Clause 33 agreed to.

Clause 34 agreed to.

The Assistant Deputy Chairman: I believe the committee should now go back to Clause 8.

On Clause 8—*Appointment to the Board*

Mr. Epp (Provencher): Madam Chairman, I have asked for a further check on whether Clause 8 in fact meets the requirements of Members opposite and the intentions of the Government. Standing Order 96 refers to powers of standing committees and reads:

> Standing committees shall be severally empowered to examine and enquire into all such matters as may be referred to them by the House, to report from time to time, and except when the House otherwise orders, to send for persons, papers and records, to sit while the House is sitting . . .
>
> (2) The standing committees, except those set out in sections (3) and (4) of the Standing Order shall, in addition to the powers granted to them pursuant to section (1) of this Standing Order and pursuant to Standing Order 82(15), be empowered to study and report on all matters relating to the mandate, management and operation of the department or departments of government which are assigned to them from time to time by the House. In general, the committees shall be severally empowered to review and report on:
>
> (a) the statute law relating to the department assigned to them;—

I understand from that that while it is at arm's length, the committee and specifically Parliament through the committee can in fact review those appointments.

Ms. Copps: Madam Chairman, that is absolutely false. Of course, any committee is empowered to subpoena anybody under any circumstance, but the principle of review of appointments has been endorsed as it relates to Order in Council appointments. Clearly the appointments are not Order in Council appointments and they are not automatically referred.

Obviously the Minister must realize that making an order of the nature he is suggesting under the Standing Order he related would only occur in the case of a national emergency on an issue and would probably then not be passed. The point that was made is that while we appreciate the fact that the executive board is reviewable, we feel that all positions should be reviewable by a parliamentary committee and we are sorry that the Minister chose to derogate from the principle of parliamentary review of all appointments in relation to the nine directors. We feel that they should also be reviewed by Governor in Council and we feel that would be a very easy amendment for the Minister to choose to make.

Mr. Hawkes: Madam Chairman, as a former committee chairman, I think the important principle coming out of parliamentary reform is that significant appointments made by the Government, decisions made by the Cabinet, appear in *The Canada Gazette* and there is an automatic ministerial reference to the House of the named individuals and a further responsibility to provide résumés and things to assist the committee in its work. In a number of statutes, there are other kinds of groups that are appointed by the board itself. There is quite often a power to set up subcommittees of the board to appoint people to the board to do certain tasks. There are generally appointment powers for all kinds of Crown corporations and other organizations.

The members of the Parliamentary Reform Committee and the Members of this House, in the revision of the Standing Orders on the issue of permanent reference, gave committees not just the power but the responsibility to review all matters which fall on the administrative side as well as the policy side.

• (1600)

We are dealing here with an administrative matter. The appointment of board members by the board itself is an administrative matter in the hands of the board and not in the hands of the Government. I think it would be appropriate for the members of a standing committee, in this case the members of the Committee on National Health and Welfare, to consider whether or not they want to examine the board's behaviour, and that takes them to the issue of the nine members that it is possible to appoint under this statute.

Under the clauses of this Bill the Government is responsible for notification of the House and committee of all of the board decisions which the Government makes. That is consistent with the other statutes that we have had in recent times. However, it is up to the committee itself, under Standing Order 96, to look into administrative matters of the board which would include the board's power to appoint an additional nine people. I think it would be a mistake to change this clause.

Ms. Copps: Madam Chairman, obviously that is within the power of the committee. I am willing to lodge our protest and have this clause pass on division. We are talking here about the

creation of a new centre, not the established practice for centres that have existed in the past. The fact is that Parliament has endorsed the principle that Parliament, not the Minister and not an elite group, however competent it may be, but the people of Canada have an opportunity, through their elected representatives, to review all appointments to government boards and agencies. This, unfortunately, is in violation of that principle. We have registered our protest and are willing to pass it on division.

The Assistant Deputy Chairman: Shall Clause 8 carry?

Some Hon. Members: Agreed.

Some Hon. Members: On division.

Clause 8 agreed to.

On Clause 1—

Ms. Copps: Since we are discussing the over-all intent and spirit of the Bill I would like to ask the Minister a question. First, I think there should be recognition made of the work of David Archibald and those in the field who have been working for a long time for the creation of a centre of this type. This goes back to the days when the former Minister of National Health and Welfare, John Munro, almost achieved the creation of this type of centre.

Why did the Minister leave the false impression with several people in the health community that the Liberal Party was in fact opposed to this Bill when in fact the Liberal Member on the committee which looked into this issue argued most vehemently in favour of the creation of the centre? Why would the Minister leave that false impression?

Mr. Epp (Provencher): I do not want to leave any false impression. If I was wrong and the Liberal Party was not opposed to it, I withdraw that. I just regret that the Hon. Member has not been able to fulfil the deals which her Party made. That is the point which must be stressed again.

Mr. McCurdy: Madam Chairman, if it is the decision of the spokesperson for the Liberal Party that it was the Liberals on the Committee on National Health and Welfare who initiated or were preponderant in the consideration or recommendation of this or any other matter in committee, let me assert here and now that the deliberations of the committee involved an equal participation of all sides. All sides were unanimous in all recommendations and most of us shared the concern that the Government has failed to address the other recommendations which were made.

Some 29 of 31 recommendations have been substantially ignored or rejected. We are all concerned about that. However, I think the self-serving discussion which is now taking place on a matter which we promised on August 19 and today would be passed to the House in as quick a fashion as possible is just unacceptable.

Mr. Epp (Provencher): Madam Speaker, I do not want to prolong this. I will go through this very quickly because that which the Hon. Member has been saying is simply not true. Of the recommendations which were made, recommendations 1, 4, 7, 6, 17, 18, 28 to 31, 26, and 27 have been implemented. Implemented through a different strategy and a common goal were recommendations 2, 3, 9, 11 to 14, 15, 16, 24, and 25. Under active review are recommendations 5, 8, 10, 22, and 23. Recommendation 23 is covered by the private Members' Bill dealing with head shops. We lack jurisdiction for recommendations 12 and 20. The Government has rejected recommendations 19 and 21. Therefore, what has been said is patently wrong and I think Hon. Members should understand that.

Ms. Copps: Madam Chairman, in response to the comments of the Member for Windsor—Walkerville, I am shocked that the representative of the NDP is saying that they are working so hard in the area of drug abuse when that Party supports the legal sale of cocaine spoons and other illegal drug paraphernalia. I am very sorry that the Member has not fought the good fight in his Party and has not let his Party know that the sale of cocaine spoons and other illegal paraphernalia should be outlawed as was recommended in the report to which the Minister just referred. I wish the Member would spend his time talking to his colleagues as opposed to speaking out in the House about all the things his Party is doing when in fact it refused to support a private Member's Bill to make the sale of cocaine spoons and other paraphernalia illegal.

Mr. McCurdy: Madam Chairman, the Hon. Member has gone from duplicity to falsehood. The committee, as she very well knows, specifically rejected the proposal to ban the sale of specific utensils. The committee did recommend that consideration be given to the elimination of head shops. That is quite different from the elimination of spoons. Of course, even after lengthy deliberations, the Hon. Liberal Member learned very little and would not know that a cocaine spoon is no different from any other kind of spoon, that a cocaine razor blade is no different from any other kind of razor blade, and that a marijuana paper is no different from a tobacco paper. Of course, that is a complex matter beyond her understanding.

We were able to agree, however, that a place that was predominantly devoted to the sale of a number of items, books or whatever, which would encourage the use of drugs, should in fact be regulated. My Party, every member of my caucus, and I presume every member of the Party across the nation, shares the common sense view that substance abuse in this country needs to be controlled and attacked and agrees that alcohol is the preponderant substance of abuse in this country and that prescription drugs are a significant substance of abuse in this country. Symbolic actions to which we may say we are devoted, which are going to accomplish nothing in the effort to do something about the drug problem, do no good.

I thought all members of the committee agreed upon that. It surprises me that the Hon. Member, whose Party agreed that this Bill would be facilitated in its passage on August 19 yet deliberately delayed passage on that day and continues to do so today, would introduce an argument of this sort at a time when one significant recommendation which we made is about to be dealt with by the passage of this legislation.

Mr. Nunziata: Madam Chairman, the Hon. Member says that a cocaine spoon is no different from any other spoon. Has he ever tried to eat Shreddies from a cocaine spoon? There is one use for a cocaine spoon and that is for the purpose of using cocaine.

Mrs. Sparrow: Space-size Shreddies.

Mr. Nunziata: Yes, space-size Shreddies. Seriously speaking, to set the record straight, I was on the committee that dealt with the Private Member's Bill to outlaw drug paraphernalia. The New Democratic Party did not participate at any of the meetings. There was not a single New Democratic Party Member who attended the meetings. In addition to that, they tried to obstruct in this House the passage of the legislation which would outlaw drug paraphernalia. I say that only to set the record straight.

The Assistant Deputy Chairman: Order. I must call the committee to order. That which happens in standing committees does not have a place here. The rule of relevancy is being abused today and I believe we should get back to the Bill we are studying.

• (1610)

Clause 1 agreed to.

Title agreed to.

Bill reported, concurred in, read the third time and passed.

* * *

MEMBERS OF THE SENATE AND HOUSE OF COMMONS CONFLICT OF INTEREST ACT

MEASURE TO ENACT

Hon. Doug Lewis (for the Prime Minister) moved that Bill C-114, an Act to provide for greater certainty in the reconciliation of the personal interests and duties of office of Members of the Senate and of the House of Commons, to establish a Conflict of Interest Commission and to make consequential amendments to other Acts, be read the second time and referred to a legislative committee.

He said: Madam Speaker, I welcome the opportunity to participate today in the debate on Bill C-114, which is known as the Members of the Senate and of the House of Commons Conflict of Interest Act. This Bill is important not only to Parliamentarians themselves, to whom it is principally directed, but also to the Canadian public who want the operation of their Government to work properly, fairly and above reproach for the benefit of all Canadians.

I believe it is fair to say that at all levels we want that for our democratically elected institutions. Canadians are concerned about the issue of ethics in government and high standards of behaviour in Canadian public life. I suggest that no one Party has a monopoly on that concern, nor does any one Party have a monopoly on solutions. We must work together to develop these solutions.

Because of these concerns and the public interest in the integrity in the Government decision-making process, this has given rise to ever increasing demands for openness and accountability in the conduct of Government. Parliament and all of its Members, both in the House of Commons and the Senate, is under an intense and very legitimate scrutiny, scrutiny by the media and by the people of Canada, on this very important issue.

Our Government welcomes this scrutiny with all of its consequences. It is right and appropriate that we who hold public office should be judged against very high standards of conduct, standards which Canadians believe demonstrate the health, vigour and integrity of our parliamentary democracy.

The principle that no one in public office should use that office to further his or her private interests is fundamental to those standards and to our system of democratic parliamentary Government. This basic principle is one which the Bill before us is designed to uphold and to strengthen.

[*Translation*]

Madam Speaker, the Bill before the House of Commons today seeks to strike a delicate but necessary balance: to preserve and respect the individual responsibility and privacy of every Member of Parliament, while maintaining and promoting the highest standards of conduct among all Parliamentarians in the performance of their duties.

[*English*]

As we all understand, and as Chief Justice Parker noted in his report to the Government on the issue of conflict of interest, ethical conduct is fundamentally a matter of personal conscience and individual behaviour. In his comments on this question, Chief Justice Parker said "Public trust and confidence in the integrity of Government depends upon the integrity of individual public office holders and their individual sense of honour".

[*Translation*]

Canadians have a right to expect Members of the House of Commons and Senators to be persons of honour and integrity. The purpose of these new proposals to deal with conflicts of interest is to help those who are well-intentioned to conform to our standards, while at the same time as far as possible respecting the right of those who choose to serve the people of Canada to a minimum of privacy.

In short, Madam Speaker, this piece of legislation is unprecedented in Canada's federal public sector. It is unprecedented in that its purpose is to help Members of Parliament to avoid conflict of interest situations. It is unprecedented because it provides for administrative assistance, and it is unprecedented because it invites all Parliamentarians to close ranks and show the public that we are determined to maintain the highest standards of conduct in Canadian public life. There is, of course, other legislation besides this Bill that deals with the matter.

Finally, Madam Speaker, it is very important to be aware of the underlying principles on which this Bill is based, and of this Government's commitment to ensure that all Parliamentarians meet the expectations of Canadians.

[*English*]

In our debate today, we must not lose sight of the fact that the spirit of this Bill is in accord with the policies that have been adopted by this Government since it assumed office in September, 1984. In my comments today I want to set the context of the Bill in a wide scope so that Canadians will understand not only its important provisions but its place in the comprehensive approach our Government has taken on the question of integrity in public life.

Since 1984, my colleagues in caucus and Cabinet have been diligently working on a number of political reforms to ensure fairness and openness in government. I believe if you examine what we have done and what we are trying to do, it can be said that this is a Government committed to reform and more active in that respect than any of its predecessors.

I want to deal with some of the reforms that we have initiated and their implications for Parliament in particular and for Canadian political life in general. For years, the most significant development in our system of Government has been the perceived increase of Cabinet power, with the apparent resultant decline in the influences and effectiveness of Parliament. It is a favourite subject of editorialists. They lament the fact that there has been a loss of power by the Members. But I believe we have been the first Government in our history to try to reverse that trend with any measurable degree of success, and we have done that since 1984.

• (1620)

I want to point out some examples. I start with the McGrath committee. As a result of an exhaustive study and non-partisan effort—I point out this was a committee of all Members of the House and there were excellent contributions from all sides—what we did through that committee was strengthen the role of the Member of Parliament and parliamentary committees. We enhanced both the position of the Member of Parliament and his or her contribution and effectiveness on committees. I see here today the Hon. Member for Mississauga South (Mr. Blenkarn) who epitomizes what has been done by this Parliament and what can now be done by a parliamentary committee under the new rules.

Some Hon. Members: Hear, hear!

Mr. Lewis: Under the chairmanship of my colleague there have been far-reaching reforms with respect to what a parliamentary committee can do. We all know the leading role that has been taken by the Standing Committee on Finance and Economic Affairs, under my friend's chairmanship, and what we want to see in the next Parliament is a continuation of that role and an expansion of all standing committees. Members of Parliament will then have that sense of fulfilment that has been prevalent in the finance committee and other committees. That was the first step. The second step, and it has been referred to today, was to give parliamentary committees the power to review appointments, to bring appointments of the Governor in Council and Government before a parliamentary committee and have it examine the background of the person. Why is he or she an appropriate appointment for this committee?

I have to say there was some concern that we would find this process devolving into the way it is handled in the United States. I make no criticism of our neighbours to the south, but I find their appointment review process to be something I would not want to see copied in Canada. The appointment review system is a very good examination of some people. The Opposition has acted very responsibly. It has not called for every appointment to come before a committee. It has chosen to examine some appointments and not others. I think that has been healthy for the political process.

As you will know, Madam Speaker, the House of Commons now chooses the Speaker itself with a free vote by all Members. That was an excellent process and we ended up, I might say, as one of the combatants, with an excellent representative of all the Members of the House. Our Speaker has served the House well from the day of his election. And I think the election itself was healthy. We wanted to do that.

I have to say that there have been times through the process of appointments, and through the efforts of my friend, who was so energetic on the Finance Committee, when there was a little discomfort on the part of Government. There were things being done that caused several phone calls to my office. The caller usually started out by asking: "Why are they doing that?" I would try to explain to someone why they were doing that and the phone calls soon stopped. I think the whole process is healthier because of that.

I suggest to you, Madam Speaker, that there have been many other changes, minor changes, which have affected the way Parliament works. It is my personal opinion that this Parliament will be remembered for many things, but basically because of the Prime Minister's (Mr. Mulroney) complete and absolute determination to change the way things worked.

Mr. Rodriguez: Don't make me laugh.

Mr. Lewis: It is not difficult to make my friend laugh. It is easily done.

[*Translation*]

It is our objective to make the political process easier to implement and easier to understand for political Parties and their candidates and for Canada's electorate.

Our goal must be to encourage well-intentioned people to seek public office and to prevent such office from jeopardizing the reputation and solvency of the incumbent.

The proposed legislation is part of our effort to have a political system where the views and desires of Members are taken into consideration in the debate that takes place in Parliament and in the decisions that are made there.

To have an open, fair and equitable political system, the Government has tabled legislation to regulate the activities of professional lobbyists.

The Bill was passed by the House of Commons and is now in the other Chamber, where we hope the Senators will adopt the legislation without delay.

We feel it is important for the puplic to know what lobbyists are and what interests they represent, if our system of government is to function in an open and fair manner.

It is therefore important that this legislation should become effective as soon as possible.

[*English*]

There have been other initiatives of reform. Some time ago the Government announced a new system for the selection of federally Governor appointed judges. In designing and developing the process, we were acutely aware of two principles by which Canadians expect their judicial selection process to be governed. First, to ensure that the outcome of the process will be judicial appointments of outstanding capability and undoubted merit. The second principle is to ensure that the workings of the process be fair and open, moreover, that they be seen to be fair and open. Similar principles, merit and value, fairness and openness, have guided our thinking in fashioning a series of improvements to the federal Government's procurement process. In designing these improvements, we have been determined to ensure that at all times suppliers receive a fair opportunity to compete for government contracts and that they are made aware of the rules of the game so they can see for themselves they are being dealt with fairly and even handedly by the Government.

I want to say something about appointments. There have been various allegations of patronage to which the media has devoted so much attention.

Mr. Boudria: And government back-benchers.

Mr. Lewis: One should know that government appointments to agencies, boards, commissions and foreign service postings, are the exclusive prerogative of the Prime Minister, as they have been in the past. There has been no change in that system. The Government in Council appointments involve some 2,613 jobs on government agencies, boards and commissions. That is 1.1 per cent of the total Public Service population of some 231,000. Of the 2,613 appointments to these agencies, boards and commissions, only 377 are full-time jobs. Therefore, the Prime Minister of Canada, whether it is the present Prime Minister or past Prime Minister, has the authority to appoint 0.2 per cent of the number of full-time public servants. It is not as though that is all a Prime Minister spends his or her time doing.

I could review for the House a list of outstanding appointments, but I just want to refer to the last two. The last two appointments are the appointment of Yves Fortier to be the Canadian Ambassador to the United Nations—

Mr. Rodriguez: How about McDermott?

Mr. Lewis: I will get to Mr. McDermott in a moment—or Ian Deans. And Donald Macdonald who will be the Canadian High Commissioner to the United Kingdom.

Mr. Boudria: I want to hear all about Gil Christie.

Mr. Rodriguez: Yes, Gil Christie.

Mr. Lewis: That demonstrates the Prime Minister's commitment to make appointments that are firmly based on merit and not political affiliations. Both my hon. friends opposite may want to denigrate the appointments of Yves Fortier, Ian Deans and Dennis McDermott, but I do not think that is fair. All those gentlemen served their country. My friends may want to denigrate their appointments, but I do not think it is fair. They are not here to protect themselves. I am rather disappointed that the Hon. Member for Nickel Belt (Mr. Rodriguez) and the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) would want to denigrate those appointments in that way.

• (1630)

[*Translation*]

Madam Speaker, we have before the House today a piece of legislation dealing with conflict of interest. As soon as the Bill becomes law, it will affect all Parliamentarians, both in the House of Commons and in the Senate. As my colleagues have explained in greater detail, the Conflict of Interest Commission, an independent body consisting of three members, will monitor the implementation of these provisions. The Commission will report to Parliament. Members of Parliament, their spouses and their dependents will be required to disclose fully all personal interests to the Commission.

[*English*]

The Act is quite complete. It provides, for example, for definitions to conflict of interest and permitted private interests. It details the obligations of Members of Parliament. It details how contracts and benefits to former Members of Parliament should be handled. It prohibits the carrying on of business by certain Members of Parliament. It establishes a conflict of interest commission, as I said, to oversee the Act, to regulate, to provide opinion, to investigate and to report. Members will be required to furnish a personal information statement within 60 days of their election, and they must report material changes. Any infractions under the Act have to be reported to the House of Commons, and they must be considered by the House of Commons within 15 sitting days.

Before I wrap up my speech I wish to refer to my experience in my business career prior to becoming a Member of Parliament. I want to suggest that no one should enter public life with the idea that there is a great deal of money to be made unjustly, or that there is an influence to be used unjustly. I think it is fair to say that we all seek to serve the public and hope that during our years of service we will emerge with our reputations unscathed. Unfortunately, that is not always possible, whether by reason of human frailties, unfortunate circumstances or a lack of knowledge of the rules. The rules of conflict of interest are, unfortunately, not always as clear as one might think. Errors in judgment can be made in good faith which, examined in retrospect, indicate a potential conflict of interest which was not there on the first examination.

As a lawyer in a small city I was often faced in business with potential conflicts of interest. Usually, they were easy to determine and we could avoid the conflict. We might get into an action, a proceeding or a transaction on behalf of a client and find that the lawyer on the other side was a partner. That would be an immediate conflict of interest, no difficulty in determining it. So we would have to resolve it, whether by advising all concerned of the conflict of interest and securing agreement to go ahead, or in the alternative by saying: "Look, someone has to seek advice from another source". Occasionally, we even started out knowing that there was a conflict of interest but had the agreement of the clients on all sides for us to act on both sides because they wanted either me or my firm to put the deal together.

Those were situations in which we knew what the conflict was. It was evident at the start, or it became evident. I say to you, Madam Speaker, that when I practised law I knew where the conflicts of interest were. But I say to you, Madam Speaker, at the same time, that in politics, acting as an elected representative, it is not always that easy to determine at the start. I have compared it, if one looks for a comparison which can be understood, to playing football on a field where the goal-lines are easy to determine but the sidelines are either indistinct or continually being redrawn.

Everybody who enters public life and runs for office seeks to reach the goal-line at the end of one's career. That goal-line is to end up one's career without any conflicts of interest, without besmirching one's reputation. But often we find that the sidelines are either disappearing on us or being redrawn. I think it is fair to say that in the past four years of my life as a Member of Parliament there has been more found out about conflict of interest and potential conflicts of interests than in the first five years because we are learning. We are learning how to protect ourselves and how to see those sidelines while still seeking the goal-line. We all do. But we are learning more about how to draw the sidelines so that we protect ourselves and do not go out of bounds. I suggest that that is what we are going to do with this Bill. Nobody would suggest it is perfect. However, it is an effort.

The other personal thing I want to say is that there may be even yet other areas that we should look at, not within this Bill but I want to go back to my days as the Chairman of the Public Accounts Committee when we examined the report of the Auditor General with respect to Canadair. Members from all sides on the committee found that there were some potential conflicts of interest which did not even involve money or influence. This is where public servants were appointed to the boards of Crown corporations and there was a very definite conflict of duties, not with any compensation, not with any intention that anybody do anything incorrect or favour one rather than the other. Public servants were being placed in untenable positions. I suggest that we are still learning about conflict of interest.

There are some who think that these new requirements will discourage Canadians from seeking public office because maybe the regime we propose is too rigorous. I am confident that that will not be the case. My conclusion is that after the conflict of interest regulations and requirements are put in place people will become familiar with the regime, it will be accepted and be welcomed as a necessary part of political life. There are sacrifices to be made, but I think there are many men and women of good will and dedication who will accept these discomforts as part of what one has to do in order to serve the interests of Canada.

I think that we have managed to strike a sensible balance between the public need for openness and the politician's acceptable right to some privacy in their private and financial affairs. I believe that the record of this Government will show, with our acknowledged imperfections and human failings, that we have made good beginnings in this important area of political reform. We understand and we appreciate that there is more to be done. But we expect that this Act will address the expectations of all Members of Parliament. We invite discussion in committee as to how it might be improved. We also hope that Canadians will put these reforms in perspective and appreciate the efforts which our Government has made over the course of the last four years.

We have made these efforts to fulfil our commitments and to respond to the concerns of the public. We believe that we have listened to the hopes and wishes and the criticisms of Canadians. In doing so we will continue the reform process of the political system, a commitment made by the Prime Minister prior to his being elected, a commitment which I think has distinguished this Government from its first days in office.

We do not suggest for a minute that all of the work is done. But with the support of Canadians our Government will continue to make effective political reform a reality for Parliament and for Canada.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, it is with mixed emotion that I speak today on Bill C-114. In a way I am happy to say that the Government is proposing in a certain measure some of the things that I have been advocating for some time. The Bill, of course, is not complete, and I will get into the details of how it is deficient later.

There is in one part that sense of happiness. But there is also a sense of sadness that, in fact, such legislation is required at all. Unfortunately, the legislation is required.

Why is it required? We could speculate on that for the rest of the afternoon and probably for the next weeks and months and never arrive at a final conclusion. In so far as I am concerned, I am of the opinion that these stricter rules are necessary because of the fact that rules in the past have been looked through much like an accountant goes through the taxation Act, in other words, attempting to find loopholes rather than the spirit of the legislation. When that happens it is unfortunate because, of course, if one Member of the House is found to be in a situation of conflict of interest in a certain measure, albeit not totally, that casts a dark shadow over all Members of Parliament.

• (1640)

Nevertheless, as an opposition Member, if we on this side of the House, or for that matter, a government Member is of the opinion that another Member has in any way abused the privileges that were given to him or her by the electors, it is of course his or her duty to report that publicly in order that the people of Canada can judge upon it. It is also the duty of that Member not to make allegations which would be unfounded, because that would cast the dark shadow, to which I referred earlier, unnecessarily and without foundation. That would ultimately ruin the credibility, not only of the person who made the accusation, but also many times of an innocent victim.

Today we are discussing Bill C-114, a Bill introduced in the House on February 24, 1988. How did we get into this mess? Well, it is difficult to say. Let me read a few quotes which would perhaps assist the House and Canadians in understanding about conflict of interest, abuse of power, and patronage.

On May 24, 1983, a prominent Canadian stated: "There'll be jobs for Liberals and NDPers too after I've been Prime Minister for 15 years and I can't find a living breathing Tory in the country". That was printed in *The Globe and Mail* on May 24, 1983.

On July 9, 1984, the same prominent Canadian stated: "I commit myself to set up criteria for quality which will impress the Canadian people. I think that what took place is completely unacceptable in an open democratic society. We are going to reform this instrument of our national life", referring to patronage.

On July 16, 1984, the same prominent Canadian said about patronage that it is a "fraud, a deceit and a sham". On that same date, the same prominent Canadian stated: "The method of making appointments could be corrected by dramatic measures . . . We are going to bring in a brand new dimension to them of objectivity and representation and fairness for all Canadians". On the same day, this Canadian, referring to his previous speech of May 24, 1983, stated: "I was talking to Tories then and that's what they want to hear. Talking to the Canadian public during an election campaign is something else".

Mr. Rodriguez: Who said that?

Mr. Boudria: An Hon. Member asks who said that. In July, 1984, the same person said about a political appointee: "There's no whore like an old whore".

Mr. Rodriguez: I know who that is.

Mr. Boudria: I am not sure if those words are parliamentary, but I am sure of who made the statements to which I have just referred.

Mr. Rodriguez: Now I know.

Mr. Boudria: Let me quote a statement made on July 19, 1984, considering patronage. The same individual stated that he would "never resort to that kind of attitude". On July 20, 1984, the same prominent Canadian stated: "The overriding criteria will be competence and a willingness to serve Canada". Again, that statement was about patronage.

When talking about 19 political appointees on July 25, 1984, the same Canadian stated to his opponent in a television debate: "The least you should do is apologize for having made these horrible appointments".

I think the Hon. Member for Nickel Belt (Mr. Rodriguez) has already guessed who this prominent Canadian is. I think you have also, Madam Speaker, and I think most Canadians have. Indeed, the gentleman who made all those statements is now the Prime Minister (Mr. Mulroney) of our country. Perhaps that explains in part why we are in the mess that we are in regarding the credibility of public office holders, and regarding the attitude that public office holders are to have *vis-à-vis* conflict of interest.

Mrs. Mailly: Nonsense. We are in this mess because you are irresponsible.

Mr. Boudria: The Member opposite can say "nonsense". I challenge her to rise in her place and tell me which one of those quotes is erroneous.

Mrs. Mailly: Or out of context.

Mr. Boudria: I challenge the Hon. Member, and she knows, as I do, that every one of those quotes is precise, not out of context, and made to the people of Canada, or for the people of Canada to hear or read.

[*Translation*]

Madam Speaker, no legislation can be effective enough to prevent the abuses we have witnessed in the last few years. However, as a Member of Parliament, I accept this new legislation, although with some reservations that I will mention in a moment. The legislation is somewhat like Ontario's, except that Ontario's is superior, in my opinion, to what the Prime Minister has presented to us. The legislation covers Members as well as Ministers. It covers spouses to a lesser degree and, unfortunately, it does not cover the political assistants of Ministers and Members at all.

As I said, we have some concerns about the way the Bill applies to spouses. I still feel that the Bill should require public disclosure of Members' assets, instead of secret statements. I believe that the parliamentary committee should have some powers, and we know that the committee's powers are not too clear in the Bill. For compliance measures to work, public statements should be required, and the legislation is rather confusing on this point.

[*English*]

Some people will claim that, if conflict of interest rules are strict, or if government ethic rules are strict, this would discourage people from seeking public office. To all those people who are of the belief that stricter rules discourage people from seeking public office, I wish to quote from the Hon. W. D. Parker's *Commission of Inquiry into the Facts of Allegations of Conflict of Interest Concerning the Honourable Sinclair M. Stevens* which states at page 350:

> By all accounts the U.S. disclosure requirements are working reasonably well. There have been criticisms relating to investigation and enforcement, but the requirements in principle have received wide-ranging approval.
>
> I was particularly interested to learn that the disclosure requirements have not discouraged "good people" from entering politics or running for public office. For example, a study of members of the U.S. House of Representatives and Senate conducted by the Center for Responsive Politics in 1985 found no one who felt that financial disclosure affected his or her decision to seek public office.

In other words, there is no evidence to support the contention that some people might have that conflict of interest rules, in particular public disclosure of assets, would discourage people from seeking public office.

I would like to argue the contrary, that, in fact, good and appropriate rules would probably encourage people to seek public office, knowing that their reputation will be enhanced once they are in office rather than observing the sad spectacle which we sometimes see today. One of the things that this Bill does not do, as I said previously, is that it does not provide for public disclosure. Justice Parker, in his report, insisted that this be a component of any new legislation or code regarding conflict of interest. He also said that public disclosure has to apply not only to the spouse and to the Parliamentarian, but that there should also be a disclosure of assets for spouses of Parliamentarians.

• (1650)

I read here from page 357 of the Parker Commission report, where His Honour, Justice Parker, said:

> In light of these views, and despite any apparent unease men may have about being publicly scrutinized because of their wives' public profile, I am satisfied that a modern conflict of interest regime requires public disclosure of the financial interests of spouses, whether male or female. I am fortified in this conclusion by the fact that all Canadian provinces with rules for disclosure by office holders apply a disclosure requirement to spouses as well.

In other words, what Justice Parker is telling us is that, at the provincial level, where rules exist concerning the disclosure of assets by public office holders, the spouse of the public office holder is always covered.

What the Government is proposing in this Bill is a mild form, if you wish, of the same thing. It is interesting to note that it is that proposal in the legislation which has caused the most uproar, particularly from spouses of Members opposite.

The Minister seemed to suggest a while ago that in fact this Government had invented rules on public sector ethics, as if it was a normal process of evolution of Governments whereby this Government established all kinds of new rules and that it is the fault of not having rules there which made the situation what it is today. First of all, that is totally incorrect. This Government did not invent the rules. I must say that in my opinion this Government needs more rules than any other. Be that as it may, the first conflict of interest guidelines that were introduced—and I have a copy of them at hand—were introduced in Parliament on November 8, 1974—

An Hon. Member: There was no law for 18 years.

Mr. Boudria: —by then Prime Minister Trudeau. On August 7, 1979, the Right Hon. Secretary of State for External Affairs (Mr. Clark), when he was the Prime Minister, introduced a new set of guidelines. They were not a law either, but we forgive him for that. He introduced guidelines in 1979, when he was the Prime Minister of Canada. I now hear Conservatives across the way saying, "Those were not laws". That is true. It is quite correct to say that the Right Hon. Secretary of State, when he was Prime Minister, failed to introduce a law, just like everyone else. So if the Parliamentary Secretary, who is making these funny noises across the way, is suggesting that, I agree with her.

On April 28, 1980, the Liberal Government, when it came back into power, introduced new and tougher guidelines. These guidelines were getting more and more complex, as they should have been in order to ensure that Governments were behaving in the way that they should. The same Government commissioned a working group in order to produce a report.

[*Translation*]

I have in my hand here a copy of the report from the conflict of interest task force chaired by the Hon. Michael Starr and the Hon. Mitchell Sharp—they were co-chairmen—and the executive director of the project was a man by the name of J. Patrick Boyer, who is now a Member of this House. This report was tabled in Parliament and it recommended reforms of ethics in the public sector. Well, all this to say, Madam Speaker, that this matter has been under consideration for a long time. Several successive Governments have presented different initiatives. So the Minister who just presented his Bill to us was a little mistaken, to say the least, when he suggested that his Government had invented the wheel. This Government has not invented much, as we know, Madam Speaker.

Now, on September 9, 1985, after a series of scandals embarrassed this Government, the Prime Minister rose in the House and presented a new code of conduct for public office holders. He presented this whole package, this new morality kit, all wrapped in a blue ribbon, and set it here on the Clerk's Table in the House. I have in my hand this so-called code of conduct for public office holders. It is quite an interesting document and we know that Judge Parker addressed the issue of how well or badly some Ministers followed the code presented in September 1985.

Now, in September 1985, the Prime Minister made some statements. On one hand, he sent a letter to MPs and Senators; on the other, he also proposed measures related to public morality in areas not covered by the code of conduct for public office holders. First, he proposed a code governing conflicts of interest; second, on September 9, 1985, he proposed new rules for the awarding of jobs or contracts. This concerned Ministers—I won't name anyone—who were sometimes tempted to hire their relatives, like their son as a lawyer, say, or their brother, brother-in-law, sister-in-law, and so on. This has happened in some cases.

There was also a new code of ethics for MPs and Senators set forth in a letter the Prime Minister sent to them. Another provision of this code of ethics was parliamentary review of Order-in-Council appointments. So this was established.

There was a Bill on lobbying. Madam Speaker, I am sure you remember it took me 15 questions in the House, over a period of two years, to convince the Government to proceed with this measure. Finally, it did. There were further steps, such as the advice to Crown corporations to stop hiring lobbyists. We all know that Frank Moores was hired by a number of Crown corporations to lobby the Government, and this while Mr. Moores was a friend of the Prime Minister, and so forth.

In concluding, the Prime Minister said in his letter, and I am quoting here from page 11—he mentioned this new code of ethics. He said: "This package of reforms is evidence of the Government's intent to adopt ethical standards worthy of the respect of the Canadian people . . . ". And we know what happened next. In so doing, we wish to further the process of national renewal by revitalizing the faith of the citizens of this country in their institutions of government. Many of these steps are long overdue, and heaven knows this Government has had cause to regret their absence." That is well said, Madam Speaker." But now they are in place, or in the process of being put in place, and we can look forward together to the dawning of a new day of trust and confidence." That was September 9, 1985.

Later on I will talk about what has happened since September 9, 1985. I may remind all Members of this House and all Canadians of what I just read: The dawning of a new day of trust and confidence.

So as of September 1985, we had this set of codes, a set of new rules governing or regulating the conduct of public office holders, and so forth.

• (1700)

[*English*]

If one did not know any better and if one had left Canada that day or perhaps had left the planet for somewhere else and come back this afternoon, one would believe that everything worked well after September 9, 1985, that no Conservative Cabinet Minister got himself or herself into trouble, that no accusations of conflict of interest had been made that a contract had been awarded improperly—

Mrs. Mailly: That is garbage!

Mr. Boudria: —that no people were charged with criminal wrongdoing or anything of the sort. We cannot comment on the people who have been charged individually except that the process will take care of itself. We know that has happened. We can talk about the other issues, particularly those involving conflict of interest.

I see the Member across the way is becoming rather excited because I am talking about the conflict of interest rules. I know it is an exciting topic. Perhaps her colleagues can contain her for a few minutes while I finish my remarks.

Mr. Siddon: What you are doing is cowardly slander!

Mr. Boudria: I want to read from a September 9, 1985 article that appeared in *The Ottawa Citizen*. This was two days before the code of September 9 was introduced. The article is entitled "Firm Hires PM's Pal, $200,000 Job Follows." It reads like this:

> A Toronto law firm was awarded $200,000-a-year worth of federal government legal work shortly after one of Prime Minister Brian Mulroney's closest friends joined it earlier this year, *The Citizen* has learned.

It goes on to describe how Mr. Sam Wakim was hired by a Toronto law firm and by coincidence a lot of government contracts followed in that direction.

On October 2, 1986 there was another article—

[*Translation*]

Ms. Mailly: Point of order, Madam Speaker.

The Acting Speaker (Mrs. Champagne): The Hon. Member for Gatineau (Ms. Mailly), on a point of order.

Ms. Mailly: Madam Speaker, I am starting to wonder about the relevance of what the Member is saying. He makes allegations about what some people who are not Members of Parliament might have done. The Bill we are considering today concerns conflicts of interest involving Members of Parliament and their spouses. I believe that he is having a great time, but I do not think it has anything to do with the Bill. Besides, it is his irresponsible attitude that has put us in the situation we are in today and not the Bill.

[*English*]

Mr. Boudria: Madam Speaker, I am sorry if the Hon. Member is not hearing clearly what I was saying. I will attempt to speak more slowly to make sure she understands everything in the future.

Mrs. Mailly: Go outside and say it.

Mr. Boudria: Again, perhaps I will repeat so that even the Hon. Member for Gatineau (Mrs. Mailly) will understand.

The Member across the way and some of her colleagues are saying that I am insinuating and making false accusations.

Mr. Siddon: Total innuendo.

Mr. Boudria: I suppose the RCMP is making false accusations and that the Conservative Members of Parliament who, over the last 10 days, have made all kinds of comments in the House are making false accusations. In other words, the Member is probably suggesting that everyone who disagrees is crazy but everyone who agrees with her is all right.

Mrs. Mailly: What you have just said is morally bankrupt.

Mr. Boudria: That "I am all right, Jack" attitude, Madam Speaker, is totally inadequate. Canadians have had enough of it.

I have a newspaper article for September 23, 1987. I can provide this article for Members opposite if it pleases them. In this one we read:

> At 8.45 a.m. this morning, David Kilgour was still stewing.
>
> He has been stewing now for 173 days, ever since that Saturday in April when he warned the government it had better clean up its act or else.

The article continues:

> Kilgour said he would either cross the floor or else quit altogether if the government failed to meet his two conditions: (i) Pay attention to the economic woes of Western Canada, and (ii) Come up with some suitable conflict-of-interest guidelines.

An Hon. Member: What are you referring to?

Mr. Boudria: I think I am referring to conflict of interest guidelines. I am even referring to a request that a Conservative Member made. Surely I have the right to make that speech and I have the right to be heard. If the Member wants to be heard, I can yield the floor to her momentarily, she can make her point and I can come back to my speech provided that time is deducted from the amount of time that has been allotted to me. I know she will have ample opportunity to speak later.

As I was saying, the Hon. Member for Edmonton—Strathcona (Mr. Kilgour) was saying that the Government had to come up with some suitable conflict of interest guidelines. Those remarks came from a September 23, 1987 newspaper article from *The Ottawa Citizen* written by one Roy MacGregor. This was not the only case. There have been others. I could read on and on from newspaper clippings of various cases involving conflict of interest. I could refer to Members individually but it is not the purpose of what we are doing today. We are trying to propose rules which are better. If I am provoked by the Member across, we could get into this further.

I want to indicate to the House and to the Government that what is proposed to us today may be part of the answer, but it is certainly not the full picture. The Government has offered us only a partial set of rules involving conflict of interest, not a total package, and it has left many questions unanswered.

I have been asking myself, Madam Speaker, and you have probably wondered about this too, as I am sure most Canadians have, why this Bill was presented to us on February 24, 1988. Shortly before that, in 1988, there had been a number of issues raised in the House of Commons concerning conflict of interest. The Prime Minister, in the Throne Speech of 1986, had promised a new set of conflict of interest rules. It is interesting to note why we needed a new set of conflict of interest rules in 1986 when the Prime Minister had invented a new set in 1985 which he said were the best in the western world. If they were the best, how would they need to be fixed up? In any event, in 1986 in the fall Throne Speech here we were again with the Government committing itself to new rules regarding conflict of interest.

Lo and behold, the Government forgot about the necessity of having new conflict of interest rules until a few other problems arose, namely the Commission of Inquiry into Facts of Allegations of Conflict of Interest Concerning the Honourable Sinclair M. Stevens. This report was tabled last year and after it was tabled the Government presented us with a Bill on February 24, 1988, the same Bill that we are reviewing today, Bill C-114, entitled an Act to provide for greater certainty in the reconciliation of the personal interests and duties of office of Members of the Senate and of the House of Commons, to establish a Conflict of Interest Commission and to make consequential amendments to other Acts. This is the Bill that was presented to us on February 24, 1988.

• (1710)

On that date, the Prime Minister wrote to the Leader of the Opposition (Mr. Turner), and presumably to the Leader of the third Party as well, and this is what he said in the letter that he sent to my Leader:

> Dear Mr. Turner,
>
> I enclose a copy of a Bill dealing with conflict of interest for Members of the Senate and the House of Commons, which I intend to table later today.
>
> The Bill sets forth the Government's proposals in respect of conflict of interest. Its provisions, which affect the rights and privileges of all Parliamentarians, address some of the most difficult and complex issues facing persons in public life today. It deserves the most careful scrutiny by all Parliamentarians, and I invite you, as I am also inviting Mr. Broadbent, to join with me in asking all our colleagues in both Houses to review these proposals in the constructive spirit with which they are being put forward by the Government.

Listen to the next sentence, Madam Speaker:

I believe it is in the public interest that consideration of these proposals should proceed expeditiously so that the Bill may be enacted and proclaimed as soon as is prudently possible—

A few weeks later, I rose in my place in the House of Commons and asked the Prime Minister why it was that if this Bill had to be dealt with expeditiously, we were not proceeding with it. The Prime Minister ignored the question, answered something insignificant and just kept on going. The issue died. We did not hear about it for months.

Then a member of the governing Party, a former member of the government Cabinet, started making very serious allegations to the media, not to a Member of this House but to the media. After that, the Prime Minister decided that this Bill has become an urgent issue again. One must wonder, is the Bill urgently required because it is required or is it required because the media have started to ask questions once again? I do not know the answer, but I will let you speculate on it, Madam Speaker.

One must also ask what was the cause of the delay between February 24, 1988, and today, August 31 of the same year, in dealing with a Bill that was supposed to be urgent. I think there are answers to that question. Let me describe what I believe are some of those answers.

I have a newspaper article here entitled "Tory MP calls ethics law 'monstrosity' ". The article indicates that a Conservative Member of Parliament from Nova Scotia claimed that this Bill was a monstrosity and that it violated the Charter of Rights and Freedoms. This was not a member of the Opposition but a member of the Government. He said, according to the article, the following:

"As far as I'm concerned, this bill runs totally against the fundamentals of Parliament," he said.

I read further from the same article written by Stephen Bindman:

One Conservative MP, who did not want to be identified, told Canadian Press he questions whether the government wants a vote on the stiff new rules, considering the possibility of a caucus split.

The article concludes:

And former speaker John Bosley said in an interview there is "quite a bit" of opposition in the Tory caucus to the legislation as it stands.

It appears that some Members of Parliament were objecting and objecting strenuously to the passage of this Bill. Some people would be misled into believing that it was members of the Opposition who were obstructing the Bill. Sometimes people believe that of members of the Opposition, but that was not so. Every one of the Members of Parliament mentioned in this article are members of the governing Party.

It appears quite clearly that Members of Parliament on the government side did not want the enactment of this legislation.

Mrs. Mailly: Who says that? It's in a newspaper.

Mr. Boudria: The Hon. Member for Gatineau has asked me who said that. These are quotes of individual Members of Parliament.

Mrs. Mailly: In a newspaper.

Mr. Boudria: I will go further, if the Hon. Member for Gatineau would calm down and listen for a minute. I myself participated in a debate at CJOH Television in Ottawa. I was there with the wife of a Conservative Member of Parliament and she was there to present a case on behalf of the Conservative Spouses' Association as to why we should never enact Bill C-114. That is available on video tape. I was there supporting the Government's Bill.

Mr. Turner (Ottawa—Carleton): Who was that, Mrs. Who?

Mrs. Mailly: It was her right, it's a democracy.

Mr. Boudria: I can certainly state who it was. It was the President of the PC Spouses' Association.

Mr. Turner (Ottawa—Carleton): Who's that?

Mr. Boudria: The lady's name was Mrs. Schellenberg, and I am sorry, but I forget her first name.

We had this debate on CJOH and the person in question was saying that these rules should not be enacted. The point I am making is that it is that kind of lobbying in the background from Conservative Members of Parliament and from the PC Spouses' Association which has caused this Bill not to have been called for second reading debate until today. It was not because members of the Opposition would not co-operate.

The minute we were asked to go along with the passage of this Bill, we agreed to it and we will deal with this Bill in two short days of debate in the House of Commons. We will have three hours of debate on second reading of this very important piece of legislation. That is the co-operation the Opposition has given to the Government, and I do not take credit for that myself. It is the same for all opposition Members. This has been unanimously agreed to. However, it took almost seven months for the Government to move on this Bill, no doubt because of the lobbying it was subjected to from Conservative Members of Parliament and from the PC Spouses' Association.

This does not mean that the Bill as proposed is perfect, because obviously it is not. Like most things that Members of Parliament look at, we want to offer amendments to it and we want to offer our input into trying to make the Bill better. In the short minutes left to me, I will just describe some of the amendments for which I am looking.

First, this Bill does not require full disclosure. The amount of disclosure is set by Cabinet. The Bill does not prohibit blind trusts, which I do not think work in any circumstances. Chiefs of staff are not included but the spouses and children of Members of Parliament are. I think that is inconsistent and we need a statement by the Government as to whether or not chiefs of staff will remain covered by the present conflict of interest code.

Members are allowed to accept fees and gifts as long as these gifts are disclosed. We will want to examine practices in other jurisdictions to see if we should not prohibit the acceptance rather than require disclosure. I think that should be examined in committee, and I invite the input of all Hon. Members. The Bill does not prevent such things as loans or gifts from political Parties. Need I remind Hon. Members of the bill paid to redecorate 24 Sussex Drive? That particular issue involved the sum of $308,000.

The Bill in question is vague. We will want to tighten it up sufficiently. In closing, I want to thank you, Madam Speaker, for the time that has been given to me today. I invite all Hon. Members to support speedy passage of this Bill. Let us send it to committee so we can have full and thorough hearings on this very important piece of legislation.

Mr. Layton: Madam Speaker, I rise on a point of order. I believe that there is consent from all my colleagues on all sides of the House for me to present a report from committee.

The Acting Speaker (Mrs. Champagne): Is there unanimous consent that the Hon. Member table a report from a committee?

Some Hon. Members: Agreed.

• (1720)

ROUTINE PROCEEDINGS

[*English*]

BROADCASTING ACT

PRESENTATION OF REPORT OF LEGISLATIVE COMMITTEE

Hon. Bob Layton (Lachine): Madam Speaker, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication.

[*Editor's Note: See today's Votes and Proceedings.*]

GOVERNMENT ORDERS

[*English*]

MEMBERS OF THE SENATE AND HOUSE OF COMMONS CONFLICT OF INTEREST ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mulroney that Bill C-114, an Act to provide for greater certainty in the reconciliation of the personal interests and duties of office of Members of the Senate and of the House of Commons, to establish a Conflict of Interest Commission and to make consequential amendments to other Acts, be read the second time and referred to a legislative committee.

Mr. John R. Rodriguez (Nickel Belt): Madam Speaker, I want to participate in this debate because I have been a close observer of what was supposed to be a brand new era. The Tories swept out the Liberals because the Liberals had done so many bad things. They had established bad practices like toll-gating, patronage, and pork-barreling. I was here when the Liberals were in power and every time they got up we sang "Roll Out the Barrel".

We all remember very vividly when, in the leadership debate, the Prime Minister (Mr. Mulroney) recited the list of appointments which Mr. Trudeau had made, to which the Leader of the Liberal Party (Mr. Turner) had not objected. He pointed at him and said those memorable words, "You had an option, Sir". Everyone said that that was the turning point, and I believed it because I observed that debate. The Prime Minister established himself as a harbinger of new beginnings, of a clean slate. There would be no more of this dirty stuff, we were going to have Mr. Clean in spades. The honeymoon of the Tories with the people of Canada lasted six short months. Then we saw the deluge.

I listened to the Minister who introduced this second reading debate. To hear him tell it, Bill C-114 is somehow or other a normal evolutionary process of Conservatives on the way to becoming clean, cleaner, and cleanest. That is the impression he left. The Prime Minister is lying on his bed crying out for absolution. He is saying, *"Mea culpa, mea culpa, mea maxima culpa, ideo precor beatam Mariam virgine"*. That has not been brought about by any evolutionary process but because of a list of scandals.

We had the Sinc Stevens scandal. The taxpayers of this country know full well that the Parker inquiry has cost them millions of dollars. They know who picked up Mr. Stevens' bills. It was the taxpayers of Canada. They know of the stonewalling that went on in this House for weeks by Erik Nielsen. He stonewalled day after day as the Opposition ferreted out the facts one after the other. The Government was pushed into establishing the Parker Commission inquiry.

We have not forgotten the Bissonnette affair, the Côté affair, the Frank Moores affair, or the toll-gating claims made by the former Minister only a couple of weekends ago. The most recent one happened in July and was raised in the House today. The wife and daughter of the Minister for International Trade (Mr. Crosbie) accepted two freebie tickets worth over $5,600. The Minister said that she does not have to declare that.

In an open letter to me and to all Members of Parliament written on September 9, 1985, the Prime Minister said the following about ethics: "It is a great principle of public administration, I could even say an imperative, that to function effectively the Government and public service of a democracy must have the trust and confidence of the public they serve. In order to reinforce that trust, the Government must be able to provide competent management and, above all, to be guided by the highest standards of conduct".

The height of their standards is the gutter. We have seen evidence of that. These are not figments of the imagination and the people of Canada are responding to it.

I suggest that you read the latest polls. When asked which leader reflects honesty and integrity the Prime Minister is not the first choice. He does not emulate those qualities. He does not show leadership in those qualities for Canadians. After all, 26 million Canadians cannot be wrong.

Expecting me to believe that Bill C-114 has arrived on our desks for debate as a result of an evolutionary process is like expecting me to believe that Moby Dick once existed as a minnow. That is crazy. There is no Canadian in this country who would believe that.

Let me give you another example. Everyone heard about the Gucci shoes. The Prime Minister received a $158,000 loan from the PC Canada Fund. The guidelines said that loans had to be declared. That came out as a result of the Côté deal. It was then discovered that the Prime Minister got a loan. He said that it was not a loan but an advance. When is a loan an advance, Mr. Speaker? When the Prime Minister gets it. Then he said that he paid it back. If you give me an advance and I pay it back, is that not a loan? Of course it is a loan. Canadians are not simple-minded, they understand that. One of the clauses in this Bill is called the Gucci clause.

Mrs. Mailly: Mr. Speaker, we are very much amused but we are afraid our colleague will have another heart attack. He is not being relevant to the Bill, apart from the fact that he is being dishonest in the way he is presenting his so-called facts. I would like him at least to be relevant while he is entertaining us.

The Acting Speaker (Mr. McKinnon): I am sure the Hon. Member is going to touch on the Bill occasionally during his oration.

Mr. Rodriguez: Mr. Speaker, I can understand why the Conservatives are so sensitive. We are debating principle on Bill C-114 which talks about truth and honesty, and that is what I am talking about. They are trying to tell me that the Gucci shoes did not exist. Of course they did.

The Minister who introduced this Bill for second reading and spoke on it first compared it to a football game. I want to compare it to a boxing match. The image is that Bill C-114 is a peak-a-boo Bill, now you see it, now you don't. It's the Cassius Clay stance, the peak-a-boo stance. Every time you think it's there, it is not. When you think you have an opening to take a punch, you find it is closed, the gloves are there and your punch gets picked off.

Some Hon. Members: Oh, oh!

Mr. Rodriguez: It is obvious that I have them on the ropes, Mr. Speaker, and now I am going to deliver the knock-out punch. I am going to give them the left upper-cut. Of course it will be a left upper-cut. This Bill was introduced by the Prime Minister himself back in February. It is now August, the dying days of this Parliament, and at the eleventh hour Bill C-114 is put forward for debate and we have some more scandals brewing.

• (1730)

We heard the Member for LaSalle (Mr. Lanthier) talk about crumbs falling off the table. One Member said that if he told what he knew he could put 12 people in jail.

An Hon. Member: Oh, come on!

Mr. Rodriguez: It is not New Democrats who are saying that. It is Conservatives. They are not only shooting themselves in the foot, but in the head. That is not difficult if they can find it.

Why have the Conservatives brought the Bill in at this last minute? They do not want to pass the Bill. It is as simple as that. They want no change in the rules. They are not even being honest about Bill C-114.

Some Hon. Members: Oh, oh!

Mr. Rodriguez: They do not want an effective conflict of interest law. You know that the Bill will not pass when an election is called within the next couple of weeks.

We paid several million dollars for the Parker Commission report. Maybe we ought to look at what Justice Parker had to say about conflict of interest. I want to quote Justice Parker. Justice Parker said that the key—

Mr. Stevens: Mr. Speaker, I rise on a point of order. Can the Hon. Member give us the page he is quoting in the Parker report?

The Acting Speaker (Mr. McKinnon): The Hon. Member for Nickel Belt (Mr. Rodriguez).

Mr. Rodriguez: Justice Parker said: "In my view—"

Mr. Stevens: A point of order, Mr. Speaker.

Mr. Riis: That is not a point of order.

Mr. Stevens: Can the Hon. Member give us the page that he is quoting from in the Parker report so that we are assured he is not reading it out of context?

The Acting Speaker (Mr. McKinnon): That is not a proper point of order. It is up to the Hon. Member whether he does or does not do so.

Mr. Rodriguez: Mr. Speaker, Justice Parker said: "In my view, public disclosure should be the cornerstone of a modern conflict of interest code".

Mr. Stevens: What page?

Mr. Rodriguez: Justice Parker has said that that question of disclosure is the very essence of a modern conflict of interest code. One would think that the Prime Minister, having read this report, would in fact incorporate that suggestion into this conflict of interest legislation.

Mr. Stevens: Have you read the report?

Mr. Rodriguez: But it is not there. In the United States, they have full disclosure in their conflict of interest rules. In Great Britain there are full disclosure rules. In many provinces in Canada there are full disclosure rules. In municipal council there are full disclosure rules. But is there full disclosure in Bill C-114?

If the principle of the Bill is conflict of interest, then it ought to be based on a cornerstone, which is that public disclosure is the essence of any conflict of interest law.

In fact, Bill C-114 is diametrically opposed to that because it only requires Members of Parliament to reveal their assets to a registrar who may or may not make public any or all of the information provided by the Member. In fact, this is no disclosure at all. What has been inserted into this equation now is a bureaucrat. The bureaucrat and the Member will decide what, if anything, shall be disclosed.

That is not fulfilling what Justice Parker has said and has discovered in a very exhaustive hearing is essential to a conflict of interest guideline. What is being offered here is something called reasonable privacy of Members. That is a variation on the theme of full disclosure. It is not even consistent.

In fact, we in the New Democratic Party cannot accept that idea which is contained in Bill C-114. We criticize it for that because, in fact, it sets up a filtering system and some bureaucrat will filter what exactly the public should know. You cannot have a transparent system with that kind of filtering plant.

In fact, that is what is in effect now. The ADRG registers the assets. He does not have to reveal them. They are not public knowledge. Surely we should be aiming for something better than what we have had and what has failed us in the past. That is our first grave concern.

The second shortcoming of the Bill as far as we New Democrats see it is the whole question of requiring Members to make a public declaration of conflicts and withdraw from debate or discussion of the particular issue in which they have a conflict. When I was on municipal council, one had to declare publicly what the conflict was. Then one could not participate in the debate or in the vote.

According to the present Standing Orders of the House, the Member does not participate in the vote, but there is no public declaration of the pecuniary interest the Member has in the legislation that is before Parliament. As far as I am concerned, there must be a provision in the Bill that has some declaratory powers.

The third shortcoming of the Bill as we see it is the question of blind trusts. Again, Justice Parker has said—

Mr. Stevens: At what page?

Mr. Rodriguez: —quite strongly, one of his recommendations—

Mr. Stevens: At what page?

Mr. Rodriguez: You should know the page. You ought to know the Parker Commission report inside out. You should not be asking me the page, and I am pointing to Mr. Sinclair Stevens.

Why is he asking? He is better acquainted with Justice Parker than I am. He has spent more time with him. He spent more time with him, at my expense, so do not ask me the page. Do not ask me the page.

An Hon. Member: Go eat a banana, John.

The Acting Speaker (Mr. McKinnon): This is creating a considerable amount of disorder in the Chamber. I would be most appreciative if the Hon. Member for Nickel Belt (Mr. Rodriguez) would refrain from using pronouns in the first person.

Mr. Rodriguez: Thank you, Mr. Speaker. I observe that. You have given me a chance to cool down. But here is a guy on 14 counts—not one, two or three, but 14 counts of conflict of interest—

Mr. Brisco: A point of order.

Mr. Rodriguez: He spent more time with Justice Parker and he is asking me what page the recommendation is on. Buddy, what did I pay that lawyer for, who is now a judge? What did I pay Sopinka for? Let him tell you the page. Call Sopinka. I will pay the dime.

Mr. Brisco: A point of order.

The Acting Speaker (Mr. McKinnon): I would appreciate if the Hon. Member for Nickel Belt (Mr. Rodriguez) in the last minute he has, would refrain from using pronouns and speak through the Chair.

Mr. Brisco: Mr. Speaker, I rise on a point of order. I do not wish to take from the Hon. Member's last moments in his speech, but out of regard for the Hon. Member when he is outside the Chamber, I remind him that if he exercises himself too passionately he may well be addressing the House in his last moments. He should have some due regard for his own welfare.

Mr. Rodriguez: When I consider this cause that I am on the public interest—

Some Hon. Members: Oh, oh!

Mr. Rodriguez: The Tories are laughing. They think this is a joke. They do not know what it is to feel passionately about some issue. That is Tories for you, Mr. Speaker. No wonder they are in the mess they are in today. No wonder we need strong conflict of interest guidelines.

• (1740)

The Acting Speaker (Mr. McKinnon): I would like to tell the Hon. Member that I am rising, through no fault of his, at this time to admit that there was a mistake and he has another 20 minutes if he so wishes.

Mr. Rodriguez: I thought I had to run through the speech, now I can savour each moment. Justice Parker in one of his recommendations said, key to our opposition: "In my view, the blind trust should be abolished". We paid millions of dollars for this kind of high-falutin' recommendation. We New Democrats think that it is a pretty smart recommendation, so why has the Government not included the abolition of blind trusts in the legislation?

It is the Cassius Clay stance. You think you have blind trust, but you notice the guard is still up and you are bobbing and weaving and it catches you a punch and you flick it off. It is because of this filtering system where one goes to a commissioner of trusts and you tell him what you owe. Then he says: "Sit down, my son, now which one of these things do you think we can make public?" He wants to know: "Should we make your 50,000 shares in Christ coins public?" You reply: "No, I do not think we should do that". He asks: "How about the Sunday newspaper you have in Ottawa? Should we make that one public?" There it is. It is as effective as a roaring rabbit. Of course, no one can challenge the decision of the commissioner, so there is no one to watch the watchdog. Who watches the watchdogs? No one. So we do not have an abolition of blind trusts.

Mr. Shields: Mr. Speaker, I have been listening with a great deal of interest to my hon. friend opposite. I know he studied Bill C-114, the conflict of interest Bill very carefully. I wonder if he would like to comment on whether the Bill goes far enough so that it will stop the laundering practices of the New Democratic Party, which launders money through the Elections Act to the municipal—

Some Hon. Members: Hear, hear!

Mr. Gormley: How much money did you clean last month?

Mr. Rodriguez: Mr. Speaker, what do they call that? Remember the guard is up. What do they call it?

Mr. Shields: Answer the question.

Mrs. Mailly: Why don't you answer it?

Mr. Rodriguez: They call it reasonable privacy. Nothing that embarrasses. Nothing that really makes life tough for an elected politician, no, Sir. And who decides the reasonable privacy? The Member and the buddy the Government appointed as the commissioner, probably a Tory.

The Prime Minister (Mr. Mulroney) said it has never been an acceptable practice. He said he would never make it a practice to buy Canadians with their own money, and we all know Mr. Clean is in the House—

Mr. King: What about laundering, John?

Mr. Rodriguez: —and that hundreds and millions of dollars were spent to win a by-election.

Mr. Boudria: It was $162.8 million, to be exact. But who is counting?

Mr. Rodriguez: That is right, $162.8 million.

Mr. King: What about the laundering, John?

Mr. Rodriguez: We have another problem, Mr. Speaker, with this Bill. We New Democrats have a problem, and that is the clause in the Bill which we call the Gucci clause.

Mr. McCurdy: What is the Gucci clause?

Mr. Rodriguez: The Member asks me what the Gucci clause is. I want to prove to these Members that I have read Bill C-114 and I am relevant to Bill C-114. The Gucci clause refers to the Leaders of the political Parties in the House of Commons who do not have to reveal any moneys they receive from their national Parties. We all remember the $158,000, the loan/advance to the Prime Minister. That is a euphemism. English is not my first language but I think we call it a "euphemism" for a loan. It is an advance. But then I ask, why would you pay back an advance? He pays it back. The answer is: "Because I think it is a loan". You see, Mr. Speaker, you cannot have two laws, one for the Prime Minister, the Leader of the Official Opposition and the New Democratic Party, and the rest for us small fry in the back benches. We cannot operate that way. We have to be even-handed. Of course, this is something the Tories do not understand. I could see my Party giving me an advance. I could see the Tory Party giving some of those Tory hacks in the back some advances. I know the Liberal Party does not have any money to give. It is looking for some money for itself.

Mr. Stevens: Mr. Speaker, I rise on a point of order. I am just wondering if the Hon. Member, who is in such full flight, could perhaps fill us in on the $1.345 million his Party received from unions in this country. That is $42,000 for himself.

Mr. McCurdy: Everyone knows about that.

Mr. Boudria: Point of order.

The Acting Speaker (Mrs. Champagne): The Chair has a lot of difficulty with what is going on right now. It becomes very difficult when Hon. Members keep getting up on points of order which are not points of order, and which the Chair has to judge, and those Hon. Members do know that the point which they are going to bring up is not a point of order. There are only a few minutes left before six o'clock and I would expect the House to come to order. The Hon. Member for Nickel Belt (Mr. Rodriguez).

Mr. Rodriguez: Thank you, Madam Speaker. That is the first legitimate question we have had and I will answer that question. I think it is an important question. I want to point out that the million odd dollars that unions contribute to the New Democratic Party is given openly and by vote. It is a democratic process. I want to say that that is not the same as the banks of Canada contributing money to the Liberals and Tories when they do not take a vote of their shareholders. They take it right out of the pockets of their shareholders. They starve to death because they take $80,000 and give it to the Tories.

Let us get back to the Gucci clause. We have a problem with the Gucci clause. We do not think there should be any exemptions. Since he said that the Minister had to step down as a Minister because he did not record his loan, the Hon. Member from Quebec Est did not declare his loan and the Prime Minister should have declared his loan—his loan/advance. We have problems.

• (1750)

However, we have another problem with this Bill because what the Bill is setting up is a quasi-judicial agency. This commissioner of trusts is a quasi-judicial agency. When the Prime Minister wrote to me and to all the lowly Members of Parliament in this House in 1985 he was very clear. This is what he said, and I want to put it on the record. In his letter of 1985 one of the things he said to us was: "You will find no quasi-independent agencies in this code that will allow the Government to shirk its responsibility by saying the problem belongs to someone else. Nor will you find anything that will relieve me and my colleagues of the necessity of exercising judgment". The man was telling us that in fact he would not pass off the responsibility of Government to any quasi-judicial agency. In fact he, the Prime Minister, was going to call the shots.

What have we got in Bill C-114? We have a quasi-judicial agency, a commissioner of trusts, a bureaucrat whose decisions will never be appealable and who will be appointed by Tories—hopefully they can pass the Bill before they get defeated. We cannot accept that in the Bill.

One of the other things with which we have some difficulties is the question of the spouses. In this Bill it requires that the spouses must declare their assets. We believe that there is a necessity to balance the right to privacy of spouses with the public interest. This is of great concern, particularly to women since the majority of spouses are women—just look at this House—and also a concern as we want to have greater equality in the House. It would serve as a barrier to having greater participation and equality in the House of Commons. What we are saying here is that the Government has to look at this particular clause again. We are prepared to introduce, when we get into committee, an amendment that would state that spouses disclose only those kinds of interests that might reasonably be said to give rise to concerns regarding conflict of interest.

Some Hon. Members: Oh, oh!

Mr. Rodriguez: I think that is a particular area that has to be examined closely. We have a Charter of Rights in this country now. We cannot trample on the rights of spouses of Members of Parliament. That is not to deny public disclosure. I made a very important distinction.

Madam Speaker, I want to conclude—

Some Hon. Members: Good!

Mr. Rodriguez: They are in the mood of trying to paint themselves white.

Some Hon. Members: Oh, oh!

Mr. Rodriguez: I hear you, Howard. They want to paint themselves blue—bluer than the driven snow. Look at what we have had. We have had no changes to the Election Expenses Act. We have heard Tories talking about: "Oh, we will not take contributions from corporations. We have clean hands". Yet they have 14 pockets in their coats. Then they pass a resolution which states: but it's voluntary.

Some Hon. Members: Oh, oh!

Ms. Copps: What about the unions?

Mr. Rodriguez: They do not have to take it. So there have not been any important changes to the Election Expenses Act so we can have another Masse affair by all Members.

Second, look at what we passed for a lobby registry Bill. It has so many loopholes in it that a herd of elephants could walk through. Is that creating transparency? No wonder a recent poll the other day—March, 1988—

Ms. Copps: The other day?

Mr. Rodriguez: It was a few months ago. That is in Liberal time. We know how long it takes for Liberals to do anything.

The majority of Canadians look with some askance at the integrity of Parliamentarians. Honesty of Parliamentarians is not high on the list of those we govern. Of course not. Because they look and see these things. In fact, there is an Election Expenses Act by which one can two-track and spend all kinds of money. Then there is a lobby registry Bill that allows every Tom, Dick and Harry to do whatever he wants. One does not

have to declare the issue and how much one spends on the lobbying activity. We have had problems with that. Ask Frankie baby how much a fishing licence is. He will tell you: "It's $3,000 if I talk to the Minister. It's $5,000 if I get it for you". Ask Gary Ouellet, the man who has written 14 books on magic. He is the man who has a tuxedo with 16 pockets in its jacket. He can make a deck of cards disappear. As a matter of fact, I think the Prime Minister wishes he had him on the team. He could make some of those Tories disappear. It would make life easier for him. Needless to say, poor old John, he wishes he had him.

In conclusion—

Some Hon. Members: Oh, oh!

Mr. Rodriguez: Madam Speaker, I am persuaded that there are a couple of things more that I want to say in conclusion.

This Government will be judged not on whether it brought the unemployment rate down, not on whether it brought the interest rate down, not on whether it brought inflation down—

Some Hon. Members: Hear, hear!

Mr. Rodriguez: —but it is going to be judged on honesty and integrity. That is where Members opposite score zero—zero. In fact, I think that those guys should start plodding over to the Chateau, have a shadow Cabinet where members of the Party can plan to get rid of their Leader. The Party may be running ahead of the Leader.

It is clear that what Canadians are looking for and what they looked for after the 1984 election was a new beginning. They have not had a new beginning. They have had old Liberal ways in spades. I know they will point to the odd NDPer, the odd sterling NDPer who has been appointed, like Ian Deans and Stephen Lewis, as an excuse for appointing 50,000 Tory hacks. They appointed Gail Christie to the board of Air Canada. When asked what her qualifications for working on the board were she said: "I have a driver's licence". The other day I got on a plane. The first thing I did was to go went into the cockpit. I said: "Is there anybody here named Gail Christie?" Not a word came back. They were all too busy trying to buy Air Canada shares.

We are told one thing and something else happens. We were told that Air Canada is not for sale. Then, before we knew it, it was: "How much?" Water was not for sale. Then, lo and behold, it was there in the deal. The man said he was not for free trade. I do not know what kind of kinky ideas he has got. He said voting for free trade was like going to bed with an elephant. It blows my mind. If the elephant twitches and rolls over you're a dead person. He was right.

Some Hon. Members: Question.

Mr. Rodriguez: Madam Speaker, in conclusion, we will support the Bill and look for changes in committee and at report stage.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mrs. Champagne): It being 6 p.m., pursuant to order made Tuesday, August 30, 1988, the House will now proceed to the taking of the deferred division on the subamendment in relation to Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America.

* * *

CANADA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

MEASURE TO ENACT

The House resumed from Tuesday, August 30, consideration of the motion of Mr. Crosbie that Bill C-130, an Act to implement the free trade agreement between Canada and the United States of America, be read the third time and passed; and the amendment of Mr. Axworthy:

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

"Bill-130, an Act to implement the free trade agreement between Canada and the United States of America, be not now read a third time but be referred back to the legislative committee for the purpose of reconsidering Clause 8.

The Acting Speaker (Mrs. Champagne): Call in the Members.

• (1820)

And the division bells having rung:

Mr. Axworthy: Mr. Speaker, I rise on a point of privilege. Just coming into the House I was handed a statement made by Mr. Bruce Rawson, who is the Deputy Minister of Western Diversification, which clearly shows that this vote is being taken under false pretences because—

Some Hon. Members: Order!

Mr. Speaker: May I ask Hon. Members to keep in mind that whatever may be or however Members may feel about a particular issue, under the rules the Chair is now required to put all the votes. This is, after all, the way these matters are determined. I would ask Hon. Members to co-operate with the Chair. I know that there may be some wish to indicate Members' feelings during the vote, but I would ask that Members exercise the appropriate constraints and assist the Chair in keeping order in the Chamber.

The first question is on the amendment to the amendment.

Ms. McDonald moved:

That the amendment be amended by deleting the period at the end thereof and adding the following:

"and its implications on the economic and political sovereignty of Canada."

The House divided on the amendment to the amendment (Ms. McDonald), which was negatived on the following division:

During the taking of the vote:

Mr. Speaker: I hesitate to interrupt the vote but I am bound by the rules of this place. May I ask Hon. Members, having made the point, to co-operate with the Chair and take down the flags.

Some Hon. Members: Oh, oh!

Mr. Speaker: I know that all Hon. Members know that this is the end of a debate which is of great importance to the country and to this House. But there is another issue here, and that is how we handle ourselves. I would ask the co-operation of Hon. Members.

Perhaps I can ask other Hon. Members, in return for the co-operation of some others, to remove the buttons.

(*Division No. 568*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Baker
Benjamin
Berger
Blackburn
(Brant)
Blaikie
Boudria
Broadbent
Caccia
Cassidy
Copps
de Jong
Dewar
Epp
(Thunder Bay—
Nipigon)
Finestone
Foster
Fulton
Gagliano
Garneau
Gauthier
Gray
(Windsor West)
Guilbault
(Saint-Jacques)
Harris
Heap
Hopkins
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Killens
Langdon
Lapierre
MacLellan
Manly
Marchi
McCurdy
McDonald
(Broadview—
Greenwood)
McLaughlin
Mitchell
Murphy
Nicholson
(Trinity)
Nunziata
Nystrom
Orlikow
Ouellet
Parry
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Rompkey
Rossi
Skelly
Tardif
(Richmond—Wolfe)
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—64

NAYS

Members

Andre
Attewell
Beatty
Belsher
Bernier
Bertrand
Bissonnette
Blackburn
(Jonquière)
Blais
Blenkarn
Blouin
Bosley
Bouchard
(Roberval)
Bouchard
(Lac-Saint-Jean)
Bourgault
Boyer
Bradley
Brightwell
Brisco
Browes
Cadieux
Caldwell
Cardiff
Champagne
(Saint-Hyacinthe—
Bagot)
Champagne
(Champlain)
Charest
Chartrand
Clark
(Yellowhead)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crofton
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Della Noce
Desjardins
Domm
Dorin
Duguay
Edwards
Ellis
Epp
(Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Friesen
Gass
Gervais
Girard
Gormley
Gottselig
Graham
Gray
(Bonaventure—Îles-de-
la-Madeleine)
Grisé
Guilbault
(Drummond)
Gurbin
Gustafson
Halliday
Hamelin
Hamilton
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Howie
Hudon
Jacques
James
Jardine
Jepson
Johnson
(Bonavista—Trinity—
Conception)
Johnston
(Saint-Henri—
Westmount)
Joncas
Jourdenais
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lanthier
Layton
Leblanc
Lesick
Lewis
Lopez
MacDonald
(Kingston and
the Islands)
MacDougall
(Timiskaming)
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McCuish
McDermid
McInnes
McKinnon
McKnight
McLean
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nickerson
Oberle
O'Neil
Oostrom
Paproski
Pennock
Peterson
Pietz
Plourde
Porter
Price
Ravis
Redway
Reid
Reimer
Ricard
Roman
St. Germain
St-Julien
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scowen
Shields
Siddon
Sparrow
Stackhouse
Stevens
Stewart
Suluk
Tardif
(Charlesbourg)
Taylor
Thacker
Toupin
Towers
Tremblay
(Québec-Est)
Tremblay
(Lotbinière)
Tupper
Turner
(Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Weiner
Wenman
White
Wilson
(Swift Current
—Maple Creek)
Wilson
(Etobicoke
Centre)
Winegard
Wise
Witer—179

● (1830)

Mr. Speaker: I declare the amendment to the amendment lost.

I would ask for the attention of Hon. Members for just a moment. The rules of decorum in this place are primarily designed to maintain order. There is no magic precedent for what on another occasion was allowed or not allowed. I have asked Hon. Members to co-operate, and for the most part they have. There are some Hon. Members who are not yet co-

operating, and they are creating disorder. I would ask that the pins be removed, and I would ask that the flags be held down.

• (1840)

The next question is on the amendment of Mr. Axworthy. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour of the amendment will please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the amendment (Mr. Axworthy), which was negatived on the following division:

(*Division No. 569*)

YEAS

Members

Allmand
Althouse
Angus
Axworthy
Baker
Benjamin
Berger
Blackburn (Brant)
Blaikie
Boudria
Broadbent
Caccia
Cassidy
Copps
de Jong
Dewar
Epp (Thunder Bay—Nipigon)
Finestone
Foster
Fulton
Gagliano
Garneau
Gauthier
Gray (Windsor West)
Guilbault (Saint-Jacques)
Harris
Heap
Hopkins
Hovdebo
Isabelle
Jewett
Kaplan
Keeper
Killens
Langdon
Lapierre
MacLellan
Manly
Marchi
McCurdy
McDonald (Broadview—Greenwood)
McLaughlin
Mitchell
Murphy
Nicholson (Trinity)
Nunziata
Nystrom
Orlikow
Ouellet
Parry
Pépin
Prud'homme
Riis
Robichaud
Robinson
Rodriguez
Rompkey
Rossi
Skelly
Tardif (Richmond—Wolfe)
Tobin
Turner (Vancouver Quadra)
Waddell
Young—64

NAYS

Members

Andre
Attewell
Beatty
Belsher
Bernier
Bertrand
Bissonnette
Blackburn (Jonquière)
Blais
Blenkarn
Blouin
Bosley
Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)
Bourgault
Boyer
Bradley
Brightwell
Brisco
Browes
Cadieux
Caldwell
Cardiff
Champagne (Saint-Hyacinthe—Bagot)
Champagne (Champlain)
Charest
Chartrand
Clark (Yellowhead)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crofton
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Della Noce
Desjardins
Domm
Dorin
Duguay
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Friesen
Gass
Gervais
Girard
Gormley
Gottselig
Graham
Gray (Bonaventure—Îles-de-la-Madeleine)
Grisé
Guilbault (Drummond)
Gurbin
Gustafson
Halliday
Hamelin
Hamilton
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Hudon
Jacques
James
Jardine
Jepson
Johnson (Bonavista—Trinity—Conception)
Johnston (Saint-Henri—Westmount)
Joncas
Jourdenais
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lanthier
Layton
Leblanc
Lesick
Lewis
Lopez
MacDonald (Kingston and the Islands)
MacDougall (Timiskaming)
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McCuish
McDermid
McInnes
McKinnon
McKnight
McLean
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nickerson
Oberle
O'Neil
Oostrom
Paproski
Pennock
Peterson
Pietz
Plourde
Porter
Price
Ravis
Redway
Reid
Reimer
Ricard
Roman
St. Germain
St-Julien
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scowen
Shields
Siddon
Sparrow
Stackhouse
Stevens
Stewart
Suluk
Tardif (Charlesbourg)
Taylor
Thacker
Toupin
Towers
Tremblay (Québec-Est)
Tremblay (Lotbinière)
Tupper
Turner (Ottawa—Carleton)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Weiner
Wenman
White
Wilson (Swift Current—Maple Creek)
Wilson (Etobicoke Centre)
Winegard
Wise
Witer—178

• (1850)

Mr. Speaker: I declare the amendment lost.

The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the yeas have it.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Crosbie), which was agreed to on the following division:

During the taking of the vote:

Some Hon. Members: Oh, oh!

Mr. Speaker: I would remind Hon. Members that one thing just leads to another, and we will be here quite a long time. I would ask Hon. Members to desist.

• (1900)

[*Editors Note: Whereupon all Hon. Members rose and sang O Canada*]

Some Hon. Members: We want an election.

Mr. Speaker: The Clerk will carry on with the voting.

(*Division No. 570*)

YEAS

Members

Andre
Attewell
Beatty
Belsher
Bernier
Bertrand
Bissonnette
Blackburn (Jonquière)
Blais
Blenkarn
Blouin
Bosley
Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)
Bourgault
Boyer
Bradley
Brightwell
Brisco
Browes
Cadieux
Caldwell
Cardiff
Champagne (Saint-Hyacinthe—Bagot)
Champagne (Champlain)
Charest
Chartrand
Clark (Yellowhead)
Clifford
Clinch
Coates
Cochrane
Collins
Comeau
Cook
Corbett
Cossitt
Crofton
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Dantzer
Darling
Daubney
de Cotret
Della Noce
Desjardins
Domm
Dorin
Duguay
Edwards
Ellis
Epp (Provencher)
Ferland
Fontaine
Forrestall
Fraleigh
Fretz
Friesen
Gass
Gervais
Girard
Gormley
Gottselig
Graham
Grisé
Guilbault (Drummond)
Gurbin
Gustafson
Halliday
Hamelin
Hamilton
Hardey
Harvey
Hawkes
Hees
Hicks
Hnatyshyn
Hockin
Holtmann
Horner
Hudon
Jacques
James
Jardine
Jepson
Johnson (Bonavista—Trinity—Conception)
Johnston (Saint-Henri—Westmount)
Joncas
Jourdenais
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lanthier
Layton
Leblanc
Lesick
Lewis
Lopez
MacDonald (Kingston and the Islands)
MacDougall (Timiskaming)
Mailly
Malone
Mantha
Marin
Martin
Masse
Mayer
Mazankowski
McCain
McCrossan
McCuish
McDermid
McInnes
McKinnon
McKnight
McLean
McMillan
Merrithew
Minaker
Mitges
Moore
Mulroney
Nickerson
Oberle
O'Neil
Oostrom
Paproski
Pennock
Peterson
Pietz
Plourde
Porter
Price
Ravis
Redway
Reid
Reimer
Ricard
Roman
St. Germain
St-Julien
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scowen
Shields
Siddon
Sparrow
Stackhouse
Stevens
Stewart
Suluk
Tardif (Charlesbourg)
Taylor
Thacker
Toupin
Towers
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Tremblay (Lotbinière)
Tupper
Turner (Ottawa—Carleton)
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Angus
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Cassidy
Copps
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Dewar
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Finestone
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Gray (Windsor West)
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McDonald (Broadview—Greenwood)
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	(Vancouver Quadra)	

Mr. Speaker: I declare the motion carried.

The House stands adjourned until tomorrow at 10 a.m.

The House adjourned at 7.11 p.m.

HOUSE OF COMMONS

Thursday, September 1, 1988

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

MEMBERS OF THE SENATE AND HOUSE OF COMMONS CONFLICT OF INTEREST ACT

MEASURE TO AMEND

The House resumed from Wednesday, August 31, consideration of the motion of Mr. Mulroney that Bill C-114, an Act to provide for greater certainty in the reconciliation of the personal interests and duties of the office of the Members of the Senate and of the House of Commons, to establish a Conflict of Interest Commission and to make consequential amendments to other Acts, be read the second time and referred to a legislative committee.

Hon. Lucien Bouchard (Secretary of State of Canada): Madam Speaker, I welcome this opportunity to take part in this debate concerning the adoption of Bill C-114 which deals with conflict of interest. The purpose of this Bill is, basically, to establish a system under which the obligation to observe certain imperative directives on conflict of interest becomes binding by law and which provides for an administrative framework that did not exist under the old system which was a set of basic directives.

I believe that this debate and this legislation are of crucial importance, since the subject matter raises the debate above party considerations. I think we all have a duty to approach this fundamental issue with a sense of co-operation and solidarity, whatever our political stripe. We are dealing here with an essential attribute of democracy. If there is any place at all in Canada where we can talk about democracy seriously, without fear of ridicule, it is within these precincts where we have been sent as the elective representatives of the Canadian people.

When we talk about democracy, we are talking about something that is part of the very essence of our civilization. With democracy a new concept was born, the concept that political leaders had to have and deserve the trust of those elected by the people. The concept is not brand new. Democracy was born in Athens, and it was Pericles who was first faced with a demand for openness and accountability. There is a rather amusing story that says a great deal about the perennial obligations and problems governments must face.

In the 5th century B.C., Pericles decided to build the Parthenon, and since Athens was very wealthy at the time and had considerable resources and especially a lot of gold, he had instructed Phidias, the famous sculptor and architect, to make a huge statue of Pallas Athena and to cover Athena with a mantle of gold. Since Athens had a lot of gold, this was not a problem. Phidias followed his instructions and covered this huge statue which was 30 feet high with a fairly thick mantle of gold. Subsequently, the opposition parties, since Athens was a democracy, accused Pericles of keeping back part of the gold. They ordered him to show he had not kept any of the gold for himself and had not given any to his mistress, his courtesans, his wife, his friends or his immediate entourage or, I imagine, to those who helped elect him.

But Pericles, who invented democracy, also knew its difficulties and tribulations, and he had the intelligence and cunning to see to it that Athena's gold mantle could be taken apart in pieces. And once the accusation was made, he took apart the gold mantle and had the pieces of gold weighed that corresonded exactly to the weight of the gold given to Phidias.

This is a lesson that we should all have learned from the history of Athens, Madam Speaker. But we know that this question of conflict of interest and public trust is perennial; it goes back to the beginning of democracy. When there is a tyrant or tyranny, no one cares about the trust that should be placed in tyrants. Tyrants rule by terror.

Remember the maxim of Dionysius, the tyrant of Sicily: *oderint dum metuant*, let them hate me, as long as they fear me. He governed by means of terror, as do all the world's tyrants.

But we are in a democracy, and even in Rome, at the beginning of the Republic, Madam Speaker, you will remember that one of the ways for an ambitious young man to go into politics was to accuse a proconsul returning from a distant province in order to force him to account for his management. That is how Cicero, for example, distinguished himself in his fight against Verres, a proconsul of a Roman province who had lined his own pockets and had to make restitution after Cicero, an eager young lawyer and ambitious politician, had convicted him.

We are dealing here with a basic responsibility and we know that the obligation of integrity for elected officials concerns not only the traditional rules of morality and the traditional virtues. Of course, these are constraining, but politicians are

more obliged to be honest, to use a general term, than an individual in private life is required to be honest with his employer. This is because politics also affects the stability of institutions and the very essence of democracy. Every time a politician does something wrong, not only are ethical standards violated, but the strength and credibility of the State are also affected. This is very serious and it imposes an additional obligation.

One must also realize that things have evolved, of course. Like it or not, we all sometimes say, "when I was young," or "In my father's or grandfather's day, people were more honest." I do not believe that is true. I believe that we are really witnessing a positive development in institutions and public attitudes. For instance, it is very obvious that morals have evolved and have become more refined as democratic standards have grown more sophisticated, to the extent that what was acceptable 50 years ago no longer is so these days. The extremely clear and evident outcome is that politicians—men and women alike—simply have to be better, if you will, more rigorous than their predecessors.

From day to day, from one year to the next, and from one Government to another, an extremely difficult adaptation has to be made in keeping with the rising expectations of the people, and these expectations can readily be perceived with respect to controls, for example. One of the essential controls these days—not the only one, yet patently basic—is the one exercised by the media.

The media are ever more vigilant. I, for one, do not believe they ought to be taken to task, for they are the realistic image of a parallel phenomenon between public expectations, higher democratic standards, and additional media responsibilities. As guardians of public life and of a minimum of integrity and decency in public endeavours, the media as well must shoulder heavier responsibilities in response to the expectations of the people.

Of course this highlights the fact that public life is becoming ever more trying, that sometimes one wonders why anybody would want to go into politics, that sometimes when a decision has to be made one would even ask the question: should I jump into this lion's den? Should I agree to give up most of my own private activities to meet the new requirements of political life? And so we now find ourselves in a position such that we have to make an assessment in the context of the rules governing public life.

• (1010)

Madam Speaker, you are looking at a Bill introduced by a Government which did experience some difficulties and did make the odd mistake with respect to problems of this kind. If we forget all about the acrimonious political and biased debates, if we forget all about the passions which prevail in our obviously partisan proceedings in a venue such as this one, and when we take a closer look at ourselves, we come to realize that such problems have always been part and parcel of political activities and that, generally speaking, they have been much more complex than others we may have experienced during the first years of this Government.

I suggest it would be frivolous and vain to put on trial all Governments which preceded us in Ottawa. We could list names and identify people. We are all aware of the facts of public life. We have all been affected by the news which were published in the newspapers. We could mention a series of episodes throughout the Canadian history, but we will not, Madam Speaker, for fear of losing sight of the main purpose of this legislative initiative.

Madam Speaker, the main purpose is to look to the future, to meet the expectations of Canadian citizens, in order to prevent a repetition of what happened under a Government in 1910, under another Government in 1920 and again in the years after that. And the perfect place to start is right here.

It is not the newspapermen and reporters who can devise an enforceable system. It is not our fellow citizens watching television in their own homes who can change things. This is our responsibility. If we cannot achieve this here, nobody will. The buck stops here! If we should allow the system to continue as it has until now, Madam Speaker, we are well aware that all the Governments which will follow us, because they are made up of fallible human beings, will be exposed to temptations. All Governments are made up of human beings.

An Hon. Member: Oh, oh!

Mr. Bouchard (Lac-Saint-Jean): Listen! I know that the person who has the floor should remain indifferent to all these shouts, but since I am not as thick-skinned as my hon. colleagues, I should like to be able to say quietly what I have to say, without being interrupted by all these untimely remarks, Madam Speaker. This is undoubtedly the rule of the game here and one should be able to accept that. However, I am extremely disappointed to realize that it is impossible in this House to say anything significant, to deal with basic issues, and to meet the expectations of Canadian voters. I was chosen by 50,000 people and sent here to say what I have to say, and I should like to be able to do so without being exposed to constant harassment.

Some Hon. Members: Hear, hear.

Mr. Bouchard (Lac-Saint-Jean): I know, Madam Speaker, that this will not stop people from screaming, but I will go on.

I was saying, Madam Speaker, that every one of us, wherever we sit in this Chamber, will be held accountable by history for this exercise we are engaged in. Little by little, we are in the process together, whether we agree or not, of making things progress, of advancing the exercise of democracy in Canada.

Considering what we have done in the past two years, although I was not here, I believe I have reason enough to be proud of being a Member of this Government which, for the first time, has enacted regulations under which the process for the appointment of judges will be more impartial and objective than ever before. I am not saying, far from it, that bad appoitments have been made, that judges who are now dispensing justice in Canada are not good judges.

On the contrary. I have practiced law for 20 years and I can testify that justice in Canada is in good hands, that we have judges who are responsible and at all times aware of their obligations. That being said, the situation must also be perceived as being such; citizens must be certain that the judges appointment process creates the widest possible range of options. We must put an end to the practice of appointing judges because they happen to be members of a Party. We could keep on appointing the best judicial minds within a party and they would prove to be very good judges. However, people would not like a criterion based on partisan politics. The judges appointment process must be diversified. I will not name any names; I do not want to hark back to the past. I believe that we must keep improving the system.

This Government is the first Government in the history of Canada, the first Government in the history of this democracy that has enacted regulations stipulating that eligibility lists must be made up without any intervention by the Government in order to allow a better selection.

An Hon. Member: Not true!

Mr. Bouchard (Lac-Saint-Jean): It is also this Government, Madam Speaker, which introduced the very important bill on lobbyists registration, in an attempt to deal with a phenomenon common to all democracies in the world, which is the fact that powerful interests can afford to be represented in the national capital by people who are well acquainted with the government machinery, who often know decision makers personally and can therefore sometimes have more influence on a decision, good or bad, than ordinary citizens in the course of their daily occupations who, of course, have no such influence.

It is therefore very important. We cannot prevent people from being represented here, from promoting their points of view. It is a fundamental rule of our democracy that everyone must have freedom of expression. But those whose interests can be represented on a systematic basis must at least be forced to indentify themselves. People must know who is lobbying here, and for what interests and the extent to which they can influence decision making. Here is a government that, for the first time in the history of Canada, has accomplished that. And now this Government wants to go one step further and pass this bill, as I hope it will, with the unanimous support of all Members of this House who can hardly object to legislation so beneficial for democracy.

There was a code of conduct, a code of ethics referred to as a conflict of interest code, but it was not backed by legislation. In a society like ours, there is no substitute for the rule of law. The rule of law is democracy at its best, because it is lasting, because it can be supervised by the courts and because it provides all the necessary guarantees that the desired goals will be reached.

What is being proposed to the House and the citizens of Canada is a set of very important restrictions that this country's elected representatives who are here today will apply to themselves and, through this legislation, to subsequent governments and parliamentarians. I believe it is a measure whose time has come. I do not believe it will make things any easier for people, but we need it just the same. Not just because we think people are dishonest, but there are always exceptions, and we must keep those exceptions to a minimum. The parties themselves must be very vigilant with respect to their own members, each individual must be personally vigilant. We must realize that people have to protect themselves. We have to protect the public, of course, but we must also protect their elective representatives.

We are living at a time, and I have seen this in the four months I have been here . . . I have done a number of things in my life. I have been involved in the private sector, where I practised law for a number of years. I was in Paris, where I had the privilege of representing Canada as its Ambassador to France. I know what it's like to be under pressure and to be rushed all the time, but I never imagined, Madam Speaker, that political life could be as stressful, as arduous and as disruptive as it is. Major decisions are made daily in Cabinet and in the House, fundamental decisions that affect Canada's future. They are sometimes taken very quickly, and there are all kinds of priorities that intervene in the life of a man or a woman who is involved in politics. It is very easy to overlook something. And it is very easy to forget the importance of how we are perceived. In politics, perception is far more than just that.

Some people think politics have become a matter of image. I agree that the emphasis on image has been increasing. Yesterday, for instance, we saw people who took advantage of the visual aspect of our proceedings to show the Canadian flag and to wave it as if it were their personal flag and as if Members who did not have a flag in their hands, in front of the camera, were excluded from that national identity. No, I agree the emphasis on image has increased. However, in politics image is far more than that, just as perception is more than perception. In politics, perception is one aspect of reality. When Canadians see the Government at work and when they see all the inner workings of that Government which are so complicated and so difficult to control, they must have the assurance that there are controls and guidelines to which men and women in public life, to which politicians can refer in their daily decision-making.

That is why I believe we must vote in favour of this legislation which will protect us, which will give us control, and which seeks to strike a balance with a concept that is equally delicate: the concept of privacy.

• (1020)

Last week, the Canadian Bar Association held a convention and a conference in Montreal. The main conference was on the limits of privacy for politicians in relation to the media. And a Member of this House, a Member of an Opposition Party, also attended this extremely interesting discussion. Perhaps since it took place outside this Chamber, it was at least somewhat unemotional and objective. There was a very worth-while exchange of views with distinguished representatives of the Canadian media also present. It was clearly apparent that there was a fundamental problem, which I believe this Bill is trying to correct, because we all recognize more and more that respect for individual rights and liberties in a society like ours implies that anyone is entitled to his or her freedom and privacy.

On the other hand, we all know too that the press has an extremely important role to play in watching over politicians and what they do. But where do the rights of one stop and the obligations of the other begin? That is a good question, an extremely important one. So it is a dangerous situation if in future being a politician means giving up one's private life. I find that prospect horrifying and personally, I do not agree that we can ask politicians to give up their private lives, because without it, they would become monsters. You cannot live without at least some private life. I believe that it would be very dangerous to have people who had to give up their private lives controlling the levers of power. They could easily become unbalanced and lose sight of reality; they need to keep in touch with poetry, with nature and with the real world.

Now, this Bill seeks to strike a balance by requiring politicians to disclose their assets. If this is done publicly, it may violate one's privacy. A commission is therefore created to receive this information, which it will have to keep secret. I think that this combines the obligations of democracy and respect for privacy very well.

I see that my time is almost up. I will have to try to conclude. I shall conclude, if you allow me, Madam Speaker. We have a very important decision to make. I hope that we can set aside our partisan differences. I hope that we will not lose sight of the fundamental interests of this country and of democracy. I hope that when we vote on this Bill, we look to the future—the distant future, not the immediate future—not the future of partisan concerns, but the future of the public interest of Canada. That is what we are all here for.

Ms. Copps: Madam Speaker, just how much credibility can this Bill generate if we consider that the former Minister, the Hon. Member for York—Peel (Mr. Stevens), who was found guilty in 14 cases of conflicts of interests, will be running as a candidate in the forthcoming election, with the blessing of the Prime Minister? So where is the credibility in this measure?

[*English*]

Mr. Bouchard (Lac-Saint-Jean): Madam Speaker, I would remind everyone in the House that what we are dealing with today is a measure to establish a system which will look to and address the problems of the future. We are trying to prevent any Government—ours or Governments formed by other Parties—from having the type of problems that we have seen over the course of the history of Canada.

I was a witness to what happened in Quebec. During the forties and fifties the Government of Quebec was very much considered all over Canada, as well as in Quebec itself by many people, as being corrupt. It was a very bad thing for the image of Quebec. It stained the image of Quebec. I was very young at that time. Many people like myself admired people such as Jean Marchand, Pierre Elliott Trudeau, Gérard Pelletier, Claude Ryan, and René Lévesque. Many of those people fought against the Government then in power in Quebec, and suffered a lot from the image that that gave to Quebec.

• (1030)

In Quebec in the 1960s and 1970s we adopted laws such as this one which succeeded in cleaning up the image of Quebec. For many years now Quebec has been a model of honesty. I hope it will always be the same. It is the case because people in Quebec had the courage to stand up in the House and propose legislation such as this.

Mr. Rodriguez: The Secretary of State (Mr. Bouchard) made a very nice speech. No one could disagree with some of the sentiments expressed: a clean slate, look to the future, bad practices of the past, and politics should not be image. Fine words!

The Hon. Minister belongs to a Party that made image the issue. Everyone knows in this country that the Prime Minister (Mr. Mulroney) was a great believer in the image-maker. The Minister's presence in Parliament followed a by-election where the Government and the Prime Minister had stated we should never buy voters with their own money. He bought his seat in the House with over $100 million.

When this Bill leaves so many loopholes, how can the Minister say "look to the future", when there is what we call the "Gucci" clause which eliminates the declaration of moneys loaned or advanced to Party leaders? Why does the Bill have the loophole that there be no public disclosure? Why does the Bill set up a quasi-judicial body, a bureaucrat, to decide what will be made public, if anything at all? Why is there no abandonment of the blind trust, after Justice Parker, with millions of dollars of taxpayers' money, gave us advice on what a Bill such as this should contain? How can the Minister talk about looking to the future when we have a Bill that is so obviously flawed, or is it just empty rhetoric and nice professorial treatises about what a conflict of interest Bill should contain? I would ask the Minister to come to grips with those types of questions before lecturing Canadians.

Mr. Bouchard (Lac-Saint-Jean): I essentially thank the Hon. Member for giving me the opportunity to say what I think about a few things. First, those sleazy sayings about the Prime Minister, and the "Gucci" clause, and things like that, I am sure are some of the reasons for which many good people will always refuse to become involved in politics and serve Canada. When they see that those things can be said in the House, false things—

Mr. Rodriguez: Come on!

Mr. Bouchard (Lac-Saint-Jean): I personally know the Prime Minister. He is one of the most honest men I know in the world. He is a friend of 25 years. I would not be in politics and be here if I did not believe that the Prime Minister is a man of great honesty. It is completely disgraceful that people in the House of Commons, at this great historical moment when we speak about adoption of great legislation for the future, think about the shoes of the Prime Minister.

There is one further thing I want to say about my election. I could not answer any questions previously, because nobody ever asked a question before in the House and I have been here for four months. I read all the rubbish in the newspapers about the fact that my seat was bought. A few days ago in the newspaper I read that $1.5 billion was spent to buy my election in Lac-Saint-Jean. That is awful. It was a perfectly clean election, and no money was spent to buy anything.

The Minister of Transport (Mr. Bouchard) simply announced that the pavement of the airport would be redone. That has been a project for four years, and it simply came up at that time, and it is only $1.10 million. We established a fund of $1.4 billion to create jobs, and that is all, and a few things like that.

Ms. Copps: A few millions here and a few millions there.

Mr. Bouchard (Lac-Saint-Jean): The Opposition attempts to make the people believe that the federal-provincial announcement of $120 million for the development of the region of Saguenay, Lac-Saint-Jean, was tied to my election. It is ridiculous, everybody knows that, and the opposition Members know it themselves perfectly well. It was simply the renewal of the framework agreement between Quebec and Ottawa, signed each five years, for the development of the regions of Quebec. It was late, it was due, and it has been waited for and expected for four or five months, and it was only announced then.

It was also announced that the Government would spend $100 million for the cleaning of the St. Lawrence River. Opposition Members all attribute that to my election. I must say that I am very proud that the Government assumed its responsibilities for the environment and the cleaning of the St. Lawrence. It would be a scandal not to do so.

In conclusion, one has to accept such things in politics, and I know it. It is very difficult. I am sure more and more we will see fewer people ready to accept it.

[*Translation*]

The Acting Speaker (Mrs. Champagne): Order, please. The question and comment period has expired. Resuming debate. The Hon. Member for Hamilton East (Ms. Copps).

Ms. Sheila Copps (Hamilton East): Madam Speaker, I am damned surprised that a Minister of the Crown would deliver . . .

The Acting Speaker (Mrs. Champagne): I am sure the Hon. Member would want to use the kind of language which is suitable for the House of Commons.

Ms. Copps: Madam Speaker, I am bloody surprised that a Minister of the Crown would have us believe that expenditures of $1 billion here and $1 billion there in Lac-Saint-Jean were sheer coincidence.

Madam Speaker, this statement by the Minister is one of the reasons why we are having this debate on conflicts of interests, and this has to be an unbelievable joke on the part of a Government whose recent history spells corruption of people who sought to take full advantage of the system.

I am not surprised that the Minister chose not to answer my question concerning a Member and former Minister, Sinclair Stevens, for we on this side are getting used to hearing the Prime Minister claim that he will introduce a Bill on conflicts of interests while at the same time he has no qualms whatsoever about supporting as a Conservative Party representative a Member whom a Tory-appointed judge found guilty of 14 conflicts of interests. This man is highly regarded and still belongs to the Conservative caucus, yet even his colleagues did not ask that he be thrown out as they did in the case of others who found themselves in a similar predicament.

So it is false to pretend that we will regroup here as one big family.—For instance, the Minister mentioned a big statue in Athens, the statue was weighed at Athens to see whether the gold would weigh the same before and after the insults about conflicts of interests, but I would like to tell the Minister that the $2.1 million statue which was loaned to the wife of a former Minister of the Crown was not visible. It was money tied to an interest-free loan made directly to the wife of a Conservative Minister of the Crown because of his responsibilities. Moreover, the Minister claimed in his speech that several other Governments found themselves in the same predicament. Let him name them, because according to Mr. J.M.S. Careless, who ranks among the best-known Canadian historians or it is not the Liberal Party or the New Democratic Party, but J.M.S. Careless who wrote a few months ago that this is the first time in Canadian history that Ministers and Members have been trying to benefit from Government funds, something Mr. Sinclair Stevens who is going to run again under the Tory banner during the forthcoming federal election did shamelessly.

• (1040)

[*English*]

The Acting Speaker (Mrs. Champagne): On a point of order, the Hon. Member for Athabasca.

Mr. Shields: That Member knows full well that you do not refer to Members in this House by name. You refer to them in this House by their riding, and she should know that. I know that she continually breaks the rules of this House, but I think that is deliberately—

Some Hon. Members: Oh, oh!

Mr. Shields: It is reprehensible that she would continue to do this knowing full well she is breaking the rules of this House.

The Acting Speaker (Mrs. Champagne): The Hon. Member for Hamilton East is well aware—

An Hon. Member: What was your husband doing in this office? You forget about that.

The Acting Speaker (Mrs. Champagne): Order.

An Hon. Member: Why don't you turkeys go home?

An Hon. Member: What is the history of your Party?

The Acting Speaker (Mrs. Champagne): Order. I wish all Hon. Members would refrain from throwing insults across the floor of the House of Commons. It is not helping the debate in any way. That goes for Members from all sides. As far as the Hon. Member for Hamilton East is concerned, she is well aware of how to proceed, after four years of the rule which says that all Hon. Members should be referred to by the name of their riding. I am sure that she will abide by that rule from now on and help the Chair.

Ms. Copps: Madam Speaker, I am sorry that I used the words "Sinc Stevens" in this House. I realize it is unparliamentary.

An Hon. Member: You just did it again.

An Hon. Member: A complete disgrace to this Chamber, day after day.

The Acting Speaker (Mrs. Champagne): The Chair is wondering why the Hon. Members would make life so difficult for everyone in the Chamber by willingly going against the rules.

Ms. Copps: Thank you, Madam Speaker. I can understand why the Members of the Conservative Party are so touchy on this issue. As far as I am concerned, the conflict of interest legislation that is before this House remains an absolute farce as long as the Prime Minister (Mr. Mulroney) refuses to accept his responsibilities—

[*Translation*]

—concerning the Hon. Member for York Simcoe.

[*English*]

—and all that anybody across Canada has to say. I did not say that you had an option. I did not set myself up as the patron goddess of purity, as did the Prime Minister in the debate in 1984. But in fact, it was not the Liberal Party; it was J.M.S. Careless, an eminent Canadian historian, who, when writing about the history of this Government over the last four years, said that it was the first time in the history of Canada that the tone of patronage had changed. In the past, he wrote, Members were trying to do things for their ridings. In this case, you have clear-cut situations of members of the Government, of the Conservative Party, using their parliamentary privilege to fatten their own pocket-books, to take advantage and to receive personal gain.

The Criminal Code does not stop anyone from robbing a bank. If the Criminal Code stopped everyone from robbing a bank, we would have no bank robbers in Canada. Anybody who expects the conflict of interest legislation that is currently before us to absolve this Government of a litany of corruption, a litany of scandals and a litany of self-aggrandizement and self-benefit, really does not understand, that to quote the words of the democratic candidate—

An Hon. Member: Run a business out of your office.

The Acting Speaker (Mrs. Champagne): Order.

[*Translation*]

Mr. Fontaine: Madam Speaker, I rise on a point of order.

The Acting Speaker (Mrs. Champagne): The Hon. Member for Lévis (Mr. Fontaine) rises on a point of order.

Mr. Fontaine: Madam Speaker, I should like to find out whether it is proper for an employee or a Member of the House to provide his or her spouse with an office to carry out business of his or her own? Do the conflict of interest guidelines apply to that?

The Acting Speaker (Mrs. Champagne): The Hon. Member for Lévis is well aware that he was not raising on a point of order to seek an information, but to interrupt the person who had the floor. What is unacceptable for one side of the House is also unacceptable for the other.

The Hon. Member for Hamilton East (Mrs. Copps) has the floor.

Ms. Copps: All I am asking, Madam Speaker, and I can understand why the Tories become very irritated whenever we refer to the issue which my friend the Hon. Member for Nickel Belt (Mr. Rodriguez) quite properly designated as the Gucci article . . .

[*English*]

—refers to lavish spending on personals. There was the incident of the Prime Minister and two other former Ministers of the Crown eavesdropping on opposition caucus meetings by the former Deputy Prime Minister of the House of Commons. There was influence peddling, insider land speculation, failing to disclose personal loans, awarding government contracts to friends, patronage. The list goes on and on and on, and any type of defence that the Government intends to provide is totally destroyed when we see the name of the Member from York—Simcoe—which is synonymous with the rip-offs of this Government—continues to stand as a candidate with the blessing of the Prime Minister. He is going to be waving that Conservative banner in the next federal election. There were 14 charges of conflict of interest that were levied, not by the Opposition, not by the Liberal Party, but by a judge appointed by the Prime Minister.

The Canadian public spent over a million dollars. In fact, I think it was in the neighbourhood of $3 million that was spent in taxpayers' money to examine the situation, and it was not at the request of the Opposition. We sought a parliamentary committee. It was the request of the Member from York-Simcoe to be exonerated. The Prime Minister said that the judge would exonerate him, but the judge did not. He found him guilty on 14 counts of conflict of interest, according to the conflict of interest guidelines which were described by the Prime Minister in 1985 as the strongest guidelines in the western world. He came out in this House—

The Acting Speaker (Mrs. Champagne): On a point of order, the Hon. Member for Edmonton South.

Mr. Edwards: I know that the Hon. Member is trying to score some partisan points, but I would remind her that she strays dangerously close to being in contempt of court. I understand her to have said that charges have been laid and that a party has been found guilty. I think, in the case that she is referring to, that that is not the case at all.

Ms. Copps: What are you talking about? I do not know what case the Member is referring to. I was referring to the findings of the Parker Commission which were tabled in this House. There were 14 counts of conflict of interest found by Judge Parker against the former Minister for the interest-free $2.1 million loan that his wife received for her company business.

Mr. Edwards: Madam Speaker, the point that I am making is that the Hon. Member should choose her words more carefully. I heard her say "charges" and "guilty". She is leaving a false impression in the minds of Members and the public.

• (1050)

Mr. Nunziata: Madam Speaker, Mr. Justice Parker, a Justice of the Supreme Court of Ontario, after a lengthy and costly royal commission of inquiry, found quite clearly that the former Minister had breached the conflict of interest guidelines on 14 separate occasions. In effect, he found the Minister guilty of breaching the conflict of interest code. That was the finding of a Justice of the Supreme Court of Ontario. For the Member to suggest that that is not the case is absolute nonsense. He should go back and read the report which ended up costing the taxpayers of Canada millions of dollars because the former Minister was so crooked he could not follow them.

Some Hon. Members: Order.

The Acting Speaker (Mrs. Champagne): The Hon. Member for Hamilton East.

Ms. Copps: Madam Speaker, to come back to my remarks, I think the ultimate point to be considered is that the Criminal Code does not stop people from robbing banks. Let us examine the history of this Government.

I will accept the fact that the current Member for Lac-Saint-Jean (Mr. Bouchard) may be coming at this with a bit of naivety. I hope he is not as naive as he sounded in his comments. In 1985 I was sitting in this House, as were other Members, when the Prime Minister (Mr. Mulroney) came out with a very thick book. It was covered and wrapped in a lovely blue ribbon. He brandished and flourished it and said: "These are the toughest conflict of interest guidelines in the western world". That was before we saw Minister after Minister after Minister resign under a cloud. The Hon. Member for Lac-Saint-Jean said: "Let's wipe the slate clean. Let's start all over again in a very non-partisan way and bring in conflict of interest guidelines". But we cannot legislate a personal code of ethics.

The current Member for Halifax had a trustee in a so-called blind trust who had twenty-twenty vision. His trustee was found guilty by the Investment Dealers Association of Canada for not operating a blind trust, yet he continued to be his trustee. Is that covered under the conflict of interest legislation that is before us? No, because the Prime Minister ignored the recommendation of the Parker Commission to abolish these so-called blind trusts where people have friends, relatives and other people in so-called arm's length relationships actually acting in the case of the blind trust with twenty-twenty vision. That has not been dealt with in this legislation.

For members of the Government to suggest that somehow the Parker Commission did not exist, that the Hon. Member for York Simcoe (Mr. Stevens) was not found guilty of 14 counts of conflict of interest, and the Prime Minister is not, in fact, endorsing that conduct by welcoming him with open arms as the continuing Conservative candidate in that particular riding makes this whole exercise of conflict of interest guidelines seem to be a sham.

I was talking about the Democratic presidential campaign in the United States. There is a saying drawn from the Greek language, "the fish rots from the head down". It is also very true that in the area of cabinet appointments, let us remember one thing, those people are appointed by the Prime Minister. If

you were the chief executive officer of a company and you consistently put people in senior positions who were there not to benefit the company, not to assist the taxpayers, not to help ordinary people in getting by in their day-to-day lives but to rip off the system, then should you not accept responsibility for that? In the case of the Hon. Member for York Simcoe it was not the Opposition that demanded that he be thrown out of the Conservative caucus but the Quebec caucus of the Conservative Party. Yet the Prime Minister ignored that recommendation, and is the Government, in claiming to be introducing conflict of interest guidelines yet keeping that Member as part of the team, not making a mockery of the whole notion of conflict of interest?

Mr. Ricard: Sit down. What about Bryce Mackasey?

Ms. Copps: The Hon. Member asks about Bryce Mackasey. Bryce Mackasey was called before a bar of the House and himself asked to be submitted to that procedure. That was exactly the process we suggested in the case of the Member for York Simcoe. If the Government believes that it can deal with the issue by introducing new conflict of interest guidelines that have more loopholes than you can drive a Mack truck through, then I think the Government is underestimating the intelligence of the Canadian people. You can build all the laws in the world but it does not stop individual Members from exercising judgment, Madam Speaker. When you have a Deputy Prime Minister (Mr. Mazankowski) and a Prime Minister sitting silent this week while the Minister for International Trade (Mr. Crosbie) is to receive a $10,000 cheque from an organization which believes in apartheid, is against bilingualism, against affirmative action and does not believe in a minimum wage, when the $10,000 cheque will be used for his own re-election—

Mrs. Sparrow: That is not what he said.

Ms. Copps: —that shows the kind of bad judgment that no conflict of interest guideline or legislation will cover. It is bad judgment on the part of the Member and on the part of the Prime Minister and the Deputy Prime Minister in permitting that Member to consider accepting a cheque from the National Citizens Coalition.

[*Translation*]

Madam Speaker, the National Citizens' Coalition is against bilingualism. In spite of that, a Minister of the Crown, probably with the blessing of the Secretary of State who said nothing and did nothing, will accept a $10,000 cheque from an organization which is against bilingualism in Canada. Is that the policy of the Conservative Party? The said Minister clearly indicated in the House that he was going to collect and use for re-election or charitable purposes $10,000 from this national group which is against bilingualism and will not hear of implementing sanctions against South Africa, while fully supporting the apartheid system in that country. That is the kind of judgment we can expect from such a Minister! I should like to tell the Hon. Member for Lac-Saint-Jean (Mr. Bouchard) that it is not a bill we are dealing with in the House which will change the judgment of the Prime Minister who was responsible for appointing this Minister in the first place and who now refuses to intervene to stop him and let him know that it would be wrong and against our Standing Orders for him to collect a $10,000 award from an organization which is against bilingualism in Canada.

An Hon. Member: An extreme right group!

Ms. Copps: When we raised this issue in the House yesterday, there was no response from the Government. The Prime Minister who in 1985 stated that he would show leadership in the development of conflict of interest guidelines finally delegated this responsibility to the Deputy Prime Minister and others, prefering to wash his hands of the whole mess, something Canadians just will not accept.

[*English*]

The Acting Speaker (Mrs. Champagne): Pursuant to order made Wednesday, August 31, 1988, debate is now completed. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to a legislative committee.

The Acting Speaker (Mrs. Champagne): It being eleven o'clock a.m., pursuant to Standing Order 19(4) the House will now proceed to Statements by Members pursuant to Standing Order 21.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

ENVIRONMENTAL AFFAIRS

MEARES ISLAND—CALL FOR HALT TO LOGGING

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, Ontario's Minister of the Environment, Jim Bradley, announced that he is establishing a round table on the environment and economy as recommended by the National Task Force on the Environment and the Economy. For this we congratulate Mr. Bradley. It is interesting to note that Adam Zimmerman, chairman of Noranda and a former member of that task force, is quoted as saying:

> The whole case has been thoroughly made. My view is that the task force report really said pretty well everything and now the thing is really to pursue it, do something, and not sit around studying it.

We applaud Mr. Zimmerman's words. As the Chief Executive Officer, he is ultimately responsible for MacMillan-Bloedel in British Columbia, a forest company not noted for its careful treatment of the environment and presently engaged in a battle to clearcut the virgin rain forest of Meares Island.

• (1100)

Actions speak louder than words. Mr. Zimmerman could take his own advice and act to stop MacMillan-Bloedel from clearcutting the ancient, beautiful, and culturally important forest on Meares Island.

* * *

CANADA SCHOLARSHIPS PROGRAM

AWARDS TO 2,500 STUDENTS

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I would like to underline the importance of the Canada Scholarships Program. The Government is very pleased to honour some of Canada's best students through this innovative program. Fifty-three young Canadians have recently been in Ottawa as representatives of the 2,500 1988 Canada scholarship winners. Each student will be eligible for $2,000 per year for a total of $8,000 per scholar.

The Canada Scholarships Program was announced by the Prime Minister (Mr. Mulroney) last January in Toronto at the National Conference on Technology and Innovation. It will help fill the pressing need for highly qualified personnel in industry, universities, and government. Our future prosperity will be greatly enhanced by the contributions of these well trained, bright young people. As the Prime Minister stated at the University of Waterloo in March, 1987, the western world is moving toward knowledge-based economies, and Canada must move with it.

* * *

NORTHERN AFFAIRS

YELLOWKNIFE—APPLICATION OF NORTHERN TAX BENEFIT

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, federal employees in Yellowknife, Northwest Territories, are being subjected to seeing a benefit quickly become a liability. The northern tax benefit has become a nightmare for over 600 employees owing to the Government's refusal to set the housing benefit at a fair rate. As a result, there is the clearly inequitable situation in which a federal employee in the Yukon might receive a $600 credit in taxes as a result of the northern benefit while a Yellowknife employee receives a $2,000 to $3,000 liability in extra taxes.

To complicated this situation further, Treasury Board has not been deducting the appropriate tax at source and employees are now hit with owing as much as $5,000 to $6,000 in back taxes. So much for fairness for average families. Revenue Canada's response is "Pay up or else". Treasury Board's response is "If you don't like it, leave the North". That is exactly what is going to happen. Yellowknife employees are requesting to be transferred out and other employees are indicating that they will refuse assignments to Yellowknife.

I challenge the Minister responsible for Revenue Canada, whose Government likes to preach tax reform, to go to Yellowknife and meet with federal employees to resolve this unjust, unfair, and inequitable situation.

* * *

[*Translation*]

HOUSE OF COMMONS

RESPECT FOR INDEPENDENT MEMBERS

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, we must deplore the undignified circus atmosphere which took over the House during last night's historic vote on Bill C-130 concerning the liberalization of our trade with the United States.

Mr. Boudria: Including the Conservatives' badges.

Mr. Desjardins: The NDP Members displayed on national television a childish behaviour. They acted in their usual irresponsible and immature way. They have demonstrated once again they are not ready to govern this country.

And what can we say, Mr. Speaker, about the noisy and undignified intervention by a small group in the Opposition galleries? It will be up to you to decide, Mr. Speaker, whether the Opposition should be censured for this disgraceful and unbecoming spectacle.

Let me say to the Liberals, who keep on calling for an election, that they will get it soon enough and that they will pay dearly for their foolhardiness. Canadians will teach them a good lesson.

The only dignified event last night was the vote by three independent-minded members of this House. They were not afraid to let their convictions be known by voting with the Government. They understood that the country's best interests required that they do so. For the courage they showed, they at least deserve our respect.

* * *

[*English*]

PARLIAMENT HILL

PEARSON STATUE—NAMING OF SCULPTOR

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, on October 1, 1986, I introduced a motion in this House asking Parliament to cause a statue to be erected in honour of the Right Hon. Lester B. Pearson, Canada's 13th Prime Minister. Today I am glad to say that the maquette honouring Mr. Pearson was unveiled. We also now know the name of the successful sculptor, Mr. Danek Modzenski, of Edmonton, Alberta.

S. O. 21

I want to congratulate Mr. Danek Modzenski for having been chosen as the sculptor of the Pearson statue, and I also want to indicate my appreciation to the Hon. Member for Lincoln (Mrs. Martin), the Parliamentary Secretary to the Minister of Public Works, who was the chairman of our committee and without whose help all of this would not have been possible. I also want to thank the Minister of Public Works (Mr. McInnes) for agreeing to erecting a statue in honour of the Right Hon. Lester B. Pearson.

* * *

CANADA

A SALUTE

Mr. Gordon Taylor (Bow River): Mr. Speaker, Canada is a fantasy land to millions of people in almost every country in the world. Productive soils, abundant grasslands, beautiful hills and mountains treasuring minerals galore, pure cold waters, timberlands, animals and fish, everything desirable to ambitious humans to work and build, with a burning hope to own their own land are all in Canada. No wonder people of every race and colour and creed want to live in the Land of the Maple Leaf.

I like to think of Canada as a vast mosaic containing something typical of every peoples and the countries from which they came. I salute Canada, the land of the brave and the home of the free!

* * *

THE FRANCHISE

RIGHTS OF THE DISABLED

Mr. Neil Young (Beaches): Mr. Speaker, the New Democratic Party fully supports the granting of full citizenship to all persons who have previously been denied the right to vote because of a developmental, mental or physical disability. Bill C-79 is an omnibus piece of legislation intended to amend Canada's election laws and it includes amendments which would correct this injustice to Canada's disabled community. I am sure Hon. Members on all sides of the House would want to see those amendments passed.

We in this Party have said in the House and in letters to the Government that we would fully support amendments concerning the rights of the disabled. In fact, New Democrats say again that we would be prepared to agree to limited debate on these amendments and would pass them in all stages without undue delay once they are introduced in the House. On behalf of my Party, I urge the Government to bring these amendments forward in the form of a separate Bill as quickly as possible, especially since we face an impending election.

* * *

[*Translation*]

THE ENVIRONMENT

IMPORTANCE OF ESTABLISHING NATIONAL PROGRAM TO DEAL WITH PCBS

Mr. Guy St-Julien (Abitibi): Mr. Speaker, the federal Liberals let PCBs into Canada. Today, we in Canada are trying to rid the country of all the PCBs that the federal Liberals allowed in without any planning during their 20 years in office. We urgently need a national program for all aspects of the PCB problem, including identification of all PCB storage sites, federal Government inspections to enforce the national storage and surveillance standards, and a technology to neutralize PCBs instead of incinerating them.

It took the Saint-Basile-le-Grand disaster to wake the federal, provincial and municipal Governments up.

Mr. Speaker, the people of Canada are entitled to better protection. Government means anticipating events!

* * *

[*English*]

CANADA POST CORPORATION

INSTALLATION OF GREEN MAILBOXES

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, green post boxes are growing like mushrooms in Canada since the Tory Government took office in 1984. Mr. Tony Elisi of St. Léonard woke up one morning and found four green mailboxes in front of his house. Four green mailboxes in front of any house is disgusting. Imagine how his house will look when the supermailboxes replace those green boxes. Through you, Mr. Speaker, I would ask any Member of Parliament if he or she would buy a house with four mailboxes in front of it. No, no one would have the courage to buy that house.

For two months I have been asking Canada Post to do something about removing those boxes and relieving Mr. Elisi of this ugly problem. However, Canada Post only says that it will remove them when it replaces them with supermailboxes. What consolation for Mr. Elisi. I think it is time that Canadians threw the Government out of office so that we can change this ugly policy of installing supermailboxes and green boxes in front of beautiful Canadian homes.

• (1110)

POLITICAL PARTIES

STATEMENT ATTRIBUTED TO YORK-SIMCOE LIBERAL CANDIDATE

Mr. Alan Redway (York East): Mr. Speaker, on a day when the House is debating the conflict of interest legislation with a view to cleaning up politics and government, it is most disturbing to learn that one of the star Liberal candidates being put forward in the coming election, Mr. Frank Stronach, the wealthy owner of Magna Corporation, who will be a candidate for the Liberal Party in the riding of York—Simcoe, has been quoted as saying, after spending $100,000 on his nomination meeting, that: "He who has the gold makes the rules". That is a very disturbing statement. I hope that will not be the policy of the Liberal Party in the next election.

Mr. Daubney: It has been in the past.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—POSITION OF RETIRED EDMONTON JUDGE

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I rise to pay tribute to a remarkable woman, Mrs. Marjorie Bowker, a 72-year old Edmonton grandmother and retired judge. As she just told me a half an hour ago on the phone, because of her legal background she has the expertise to read the trade deal and, because she is retired, the leisure. Unlike the Minister responsible, she actually took the time to read the trade document and she has this to say about it.

She says that this deal is bad for Canada, will lead to a loss of jobs as Canadian companies close or relocate to the U.S., and means we give up control of our resources. In the end, she believes Canada could face the eventual loss of political independence and our sovereignty as a nation.

She has read the deal. I urge the Minister responsible not only to read it but to read Mrs. Bowker's remarkable document.

* * *

HUMAN RIGHTS

POLAND—CALL FOR LEGAL RECOGNITION OF SOLIDARITY

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, once again Poland is at a crossroads. The recent strikes have demonstrated that the people of Poland will not succumb to the enslavement of the communist system which has denied them basic human rights and is the direct cause of the abysmal economic conditions in their country.

After eight years of brutal suppression, the Polish Government continues to refuse to recognize the legal existence of the trade union movement Solidarity. If *Glasnost* is to be considered genuine, Polish officials must initiate meaningful dialogue in order to reconfer the union's legal and democratic right to exist.

I call upon the Secretary of State for External Affairs (Mr. Clark) to press Polish officials to reinstate Solidarity, and to fulfil their obligation as a signatory of the Helsinki Accord by guaranteeing freedom of expression, and the recognition of free and democratic trade unions.

* * *

DANGEROUS SUBSTANCES

WINDSOR—PLANNED STORAGE OF ONTARIO HYDRO PCBS

Hon. Herb Gray (Windsor West): Mr. Speaker, yesterday it was reported in the *Windsor Star* that a "storage facility for 100,000 litres of PCB-laced oil is being planned for Windsor's west end by Ontario Hydro. The oil and PCBs would be stored on the site of the closed J. Clark Keith generating station". It "would be the largest of several dozen PCB storage sites in Essex County".

Therefore, I call on the federal Minister of the Environment (Mr. McMillan) to carry through on what he said in this House over the past several days, and immediately "swoop" down and work with Ontario Hydro and the Ontario Ministry of the Environment to ensure that, if this project goes ahead, it will be done with the highest standards of safety and security so that there will be no risk to the health and safety of the people of the west end of Windsor.

I know this site has been planned in order to have a place for Ontario Hydro to use its special treatment facility, and I urge Ontario Hydro, if this site goes ahead, to put this facility to work as soon as possible. In the meantime, serious study should be given to whether the site is necessary and whether this is the best place for it. This is a serious matter for the people of my community.

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[*Translation*]

HOUSE OF COMMONS

MEMBER'S OBSERVATIONS

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, yesterday, in this House of Commons, for the first time in my parliamentary career, I saw and heard an aggressive, hostile demonstration in the seats reserved for the Opposition's guests.

I also saw the socialist leader wave, smile, encourage and applaud the demonstrators. I saw the socialist Members urge on the demonstrators with their approving looks and expressions of encouragement and incite them to disorderly behaviour in this House. I also saw the socialist leader give the starting signal to the demonstrators by being the first to take the Canadian flag from his jacket. This touched off the disorder.

The muscles of his face were strained and tense, but the socialist leader gave the go-ahead to his party's mercenaries.

* * *

[*English*]

IMMIGRATION

SITUATION OF UKRAINIAN REFUGEE STATUS CLAIMANTS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, almost 300 Ukrainian refugees who escaped from Poland and are at present in Rome have not been permitted to come to Canada since they applied for permission to come to this country.

Some Hon. Members: Order!

Mr. Speaker: The Hon. Member for Winnipeg North (Mr. Orlikow) has the floor. I apologize for the fact that he had to be interrupted.

Mr. Orlikow: Mr. Speaker, several weeks ago I asked a question on behalf of those refugees and received no answer. A week later my colleague from Winnipeg—Birds Hill (Mr. Blaikie) asked the same question and again received no answer. Last week the Conservative Member for Parkdale—High Park (Mr. Witer) asked the same question and received a non-committal answer from the Minister.

I understand that two days ago the Minister met with a delegation from the Ukrainian Immigrant Aid Society who explained the problem to her. I further understand she has now agreed to facilitate the entry of these refugees to Canada. I want to thank her, and pay particular tribute to the efforts made by the Ukrainian Immigrant Aid Society, and I am sure all Members of Parliament will join with me in that expression of thanks.

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PARLIAMENT HILL

PEARSON STATUE—NAMING OF SCULPTOR

Mrs. Shirley Martin (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, it is my pleasure to join with my friend from Glengarry—Prescott—Russell in announcing the commissioning of Mr. Danek Modzenski as the sculptor for the statute of the Hon. Lester B. Pearson.

The choice of Mr. Modzenski was made from five Canadian finalists. He was born in Edmonton, obtained his training at the Alberta College of Art, the Academy of Fine Arts and Crafts in Poland, Red Deer College, Vancouver School of Art, and the Northern Alberta Institute of Technology.

The work submitted and the difficulty of making the choice are a tribute to the talent of all Canadian artists. Mr. Modzenski is a fine example of the talent of Canadian youth and we are pleased with his commission today.

* * *

APARTHEID

GOVERNMENT TREATMENT OF SOUTH AFRICAN CONTROLLED COMPANIES

Mr. John Nunziata (York South—Weston): Mr. Speaker, the Secretary of State for External Affairs (Mr. Clark) claims to be a leader against apartheid in South Africa. In 1985, with much fanfare and with a puffed chest, the Minister announced a series of measures to demonstrate opposition to apartheid in South Africa.

Yesterday in the House I pointed out to him that his own Department was making grants to South African controlled companies operating in Canada. Not only that, the Government has been doing business with South African controlled companies over the last several years, amounting to almost $2 million. How can one seriously accept the Minister's commitment to fighting apartheid when the Government is taking a business as usual approach to South African controlled companies doing business in Canada?

Yesterday in the House the Minister of Regional Industrial Expansion (Mr. de Cotret) said: "I can tell the House that the Department has not provided any financial assistance to Boart Canada Incorporated", one of the South African controlled companies. The Minister was mistaken and I hope he will take the opportunity to clarify the record. Here it is in black and white. Boart Canada has received grants from the Department of External Affairs.

* * *

Mr. Speaker: Sometimes the Speaker has a special prerogative. I am going to ask the Hon. Member for Papineau (Mr. Ouellet) to rise. He and I and others were at a memorial tribute today to a former colleague of ours, the Hon. Jean Marchand.

• (1120)

[*Translation*]

THE LATE HONOURABLE JEAN MARCHAND

Hon. André Ouellet (Papineau): Mr. Speaker, I would like to take this opportunity to add my modest contribution to what has been said by religious, political and union figures who in the past few days were unanimous in their tribute to that great Canadian, Jean Marchand. He was one of that rare breed of men who not only make things happen but also significantly change the course of a country's history.

Through his commitment to social change, he gave dignity to Quebec workers and opened the way for a vigorous labour movement in the Province of Quebec.

Through his political involvement, he encouraged French Canadians to take, to an unprecedented extent, their rightful place in Canada's political apparatus. He always championed the cause of social justice, he was humble and generous in the exercise of authority, and he was a true friend to the neediest and most vulnerable in our society.

To his daughter, Marie-Ève, to his grandchildren, his brothers and sisters, his nephew Jean Sexton, who reminds me so much of him, and to all members of his family, I wish to extend my condolences and the assurance that his memory will always fill me with gratitude and admiration.

[*English*]

Mr. Speaker: I think it is appropriate to remark that, unfortunately, the Hon. Member for Papineau (Mr. Ouellet) was unable to be here several days ago when tributes were paid to the Honourable Jean Marchand. In view of the special friendship of the Hon. Member, and keeping in mind that many of us attended a memorial service this morning, I thought it was appropriate that another tribute be paid.

ORAL QUESTION PERIOD

[*English*]

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—REGIONAL DEVELOPMENT PROGRAMS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, my question is directed to the Deputy Prime Minister. Yesterday, when the Conservative majority in the House of Commons was passing the Canada-U.S. free trade implementing legislation, we learned at the same time that once again the Canadian people have been seriously misled about the impact of that deal.

We have been given assurances repeatedly by the Prime Minister and other Ministers that there was nothing in the deal that would affect the ability to deliver regional development programs, a very vital part of Canada.

Mr. McDermid: Right.

Mr. Axworthy: At the very same time, the Deputy Minister for Western Diversification, Mr. Bruce Rawson, said explicitly that the Canada-U.S. trade deal was going to be used as a basis for effecting decisions on regional development.

Mr. McDermid: He did not. Read what he said.

Mr. Axworthy: I quote directly from the recorded transcript of Mr. Rawson's remarks: "It is most important to avoid, we think, competitive sectors such as red meat that we think are much more likely to cause frictions in a free trade environment".

Clearly, Mr. Rawson has pointed out that the Government is already taking decisions relating to regional development in western Canada based upon the trade deal and what it thinks it will mean and how the Americans will implement it.

Why is the Government continuing to withhold vital information from the Canadian people? Why are western Canadians being penalized already by the Government before the agreement is even in effect?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification): Mr. Speaker, I am pleased that the Hon. Member has toned his rhetoric from his communiqué, but I am displeased that he has not been able to recognize reality, fact, and truth.

The Hon. Member is talking about an article which inaccurately reflects the statements made by Mr. Rawson. I want to inform the Hon. Member of what Mr. Rawson said, and what I have said consistently. We do not give grants or loans to companies in competitive sectors. I have said so, and Mr. Rawson has said so publicly.

That has been the stand publicly. These statements have been published in our material which I am sure the Hon. Member will read, if he has time.

I said exactly the same thing to the Hon. Member in the legislative committee as Mr. Rawson. Mr. Waddell from External Affairs, the U.S.-Canada Trade Desk, said the same thing to the Hon. Member during legislative hearings. The senior ADM for Western Diversification, Mr. Silverman, under questioning by the Hon. Member said the very same thing to him.

Canada and the provinces are as free to assist and promote regional development under free trade as they were before. The free trade agreement brings us under no other obligations regarding subsidies than we already have under GATT. I hope the Hon. Member takes the opportunity to read the free trade agreement.

Mr. Axworthy: I say in response to the Minister that his statement just confirms the Government's continual intention to mislead the Canadian people.

Mr. Mazankowski: Tell the truth. Tell the truth, Lloyd.

GOVERNMENT POSITION

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, the fact is, as Mr. Rawson has said, that the Government is already making decisions on applications under Western Diversification based upon a perception of what it thinks the trade agreement means, how the Americans will react, and how they will define a subsidy. It has nothing to do with our international obligations. According to Mr. Rawson and the Minister himself, it is clearly based upon their reading of the trade agreement which has not even been passed by this House yet.

If it is happening in western Canada, is it happening in other parts of Canada as well? How many other regions are being penalized and how are our other regional development programs already being dictated to by the Americans through this trade agreement?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification): Mr. Speaker, the Hon. Member asks why a Department of a Government of Canada would be cognizant of international obligations. I do not quite understand it.

The predecessor Department of Western Diversification and other regional development Departments, probably since 1947, have been cognizant of their responsibilities in international agreements.

The Hon. Member is trying to put forward to the people of Canada an untruth that countervail is only because of the free trade agreement. The Hon. Member knows that we are subject to countervail under GATT. When any country takes a decision that we are harming it, that country has the opportunity to countervail.

I will repeat that there are no obligations under the free trade agreement that are not there under GATT.

Mr. Axworthy: All I can say is that the Minister shows an abysmal ignorance of the difference between our obligations under GATT and the kind of judgments they are making on the trade agreement.

UNITED STATES OMNIBUS TRADE BILL

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, is the Minister now agreeing that because of the passage of the U.S. omnibus Trade Bill, which substantially broadens the definition of subsidy according to U.S. law but not by GATT, that we are now making decisions in relation to that U.S. law because it is entrenched as part of the Canada-U.S. trade agreement? In other words, is the Government now saying to all western Canadians who make applications that it will make decisions on the veracity, credibility, and legitimacy of those applications according to U.S. trade law, before it even signs the agreement or has it passed in the Parliament of Canada?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification): Mr. Speaker, I do not understand the Member's concern about developing the economy of western Canada. I would have thought that he would have been in favour of it.

Mr. Rawson has issued a statement that states: "Recent press reports quoting me as saying that the free trade agreement will adversely affect regional development assistance in western Canada are not true".

Mr. Axworthy: He also says he is afraid of being fired.

Some Hon. Members: Oh, oh!

Mr. Axworthy: He also said that.

Mr. McKnight: I wish the Hon. Member would make that statement outside the House of Commons where public servants, who served several Governments of several political stripes, do not have the opportunity to have recourse against statements made in this House that impugn their integrity.

Mr. Axworthy: Thank God they tell the truth because you don't know how to tell the truth.

Mr. McKnight: I suggest to the Hon. Member that he take to heart what the *Free Press* said, and tell the truth.

His Leader was wrong on the Quebec investment plan. His Leader was wrong on fish processing.

Mr. Axworthy: Mr. Rawson is right about free trade.

Mr. McKnight: The Hon. Member is wrong about what he impugns to this development agreement rather than the agreements that we have had in the past.

• (1130)

GOVERNMENT FOREST INDUSTRY POLICY

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Acting Minister for International Trade, or perhaps to the Deputy Prime Minister. It concerns the trade deal and its effects on regional development. On August 29 the Minister for International Trade said, and it was repeated today by another Minister, that this deal has nothing to do with regional development programs.

Caron Fine Wood Products applied under the IRDP to establish itself in my constituency in Alexandria, Ontario, and was told that under the Canadian forest industry policy established as a result of the Memorandum of Understanding regarding softwood lumber, which is incorporated in the trade deal, it could no longer get grants because its project is inconsistent with the Canadian forest industry policy.

Will the Deputy Prime Minister now admit what we have known all along, that in fact regional development programs right across the country are being abandoned as a result of this trade deal? That is happening right in the riding that I represent.

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, perhaps I could answer this question. There are many reasons why we have a new forest industry policy in this country. One of the reasons is that we were running out of trees as a result of the deliberate policy neglect of the former Government.

Therefore, we have decided that perhaps it would be better if we invested scare public resources in the renewal of our forests, in building infrastructures, in stabilizing the resource base, in building technology-enhanced machinery and equipment for our forest industry, and in many other things. That is why we have a new forest policy. The Member is simply putting a red herring on the floor and tying it into the trade deal.

Mr. Boudria: Mr. Speaker, I am sure the furniture company which is trying to establish itself in my riding will be very comforted by the ridiculous answer the Minister just gave us.

[*Translation*]

FREE TRADE AGREEMENT—CONSEQUENCES—GOVERNMENT POSITION

Mr. Don Boudria (Glengarry—Prescott—Russell): I have a supplementary for the Deputy Prime Minister. Considering the fact that the departmental official told me himself that this forestry policy was established as a result of the memorandum of agreement between Canada and the United States concerning lumber, doesn't this prove that industries applying under regional development programs are now being refused grants because of the Prime Minister's trade agreement?

[*English*]

I can only wonder how Premier Buchanan accepted the Government's commitment and policy about regional development.

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, if there is any justification for a free trade arrangement with the United States it is the forest industry of Canada. The forest industry is no more and no less in peril now than it was before—

Mr. Boudria: I thought you said we were running out of trees.

Mr. Oberle: —as a result of the free trade arrangement.

The Hon. Member may want to make an argument against forest preservation or the way we are handling our products. However, the forest industry, of all industries, is celebrating the agreement because for once it will permit us to upgrade our products and add value to them, something which was impossible to do in the past because of the tariffs which were added on to finished manufactured products.

Of course the Americans would buy our trees, perhaps in the most primitive form that we would sell them, but as soon as we add value to our products the tariffs go on. That is why the industry is so enthusiastic about this deal. It would be helpful if the Hon. Member would get that into his narrow skull.

REGIONAL DEVELOPMENT PROGRAMS—STATEMENTS ATTRIBUTED TO CIVIL SERVANTS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have a question for the Minister responsible for the Western Diversification Fund. At the outset it seems very clear to me that we are running through the same movie we went through on the water deal when the Government said that water was not affected and then finally came around to admitting it.

I am sure the Minister will agree with what the Prime Minister said on October 4, that is, that regional development programs are untouched and unchallenged by this deal. The senior civil servant in charge of the Western Diversification Fund said yesterday that that was not the case. I have a transcript of what was said and the reporter stands by it.

Another senior civil servant, the former Deputy Minister of Finance, was quoted last October in *The Globe and Mail* by another reporter, whose veracity will no doubt be challenged. Mr. Stanley Hartt, then Deputy Minister of Finance, said: "We're going to have to think differently in terms of ways to promote economic development". He went on to say: "We will have to find other unobjectionable ways" to provide industrial development assistance. He was specifically saying that regional development programs would have to be changed.

Last fall a senior civil servant said that they have to be changed and yesterday another Deputy Minister said that they have to be changed. Why is it that they can read the document and understand it, yet the Government does not understand it, or misleads the people of Canada?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification): Mr. Speaker, with all seriousness I would like to ask the Leader of the New Democratic Party to review the speech that was given by the Deputy Minister of Western Economic Diversification—

Mr. Broadbent: Not the speech, what he said in the interview.

Mr. McKnight: What interview? The Hon. Member refers to an interview. If he would like to check I am sure that the Deputy Minister will say that there was no interview, that he spoke to the Institute of Public Administrators of Canada. He was replying to a question put forward by Gordon Robertson, the former Clerk of the Privy Council. Through that questioning he explained the policies of the Western Diversification Department.

The policies have been well stated, by myself and the Deputy, and they are in our public information. They are that we will not enter into assistance for competitive industries.

The New Democratic Party may want to pick winners and losers in competitive industries. The business men and women of Canada do not believe that the Government picking winners and losers in competitive industries is the best use of taxpayers' dollars, and I do not believe the taxpayers of Canada do either.

GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I notice the Minister did not deal with the question. I will put it in the most straightforward way that I can.

Mr. Stanley Hartt, former Deputy Minister of Finance, has said: "We will have to find other unobjectionable ways", in terms of the deal, to provide industrial development assistance. He was referring to regional development programs in comparison with the deal.

Is the Minister now telling the people of Canada that Mr. Hartt was wrong, that the Government of Canada does not have to change its regional development programs? I want a clear answer. Does it have to change the regional development programs because of this deal or does it not?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification):

No.

POSITION OF MINISTERS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, would the Minister explain why the Deputy Minister in charge of Western Diversification said yesterday, with reference to one particular sector, that there could be no development programs in that sector any more? The Deputy Minister of Finance actually read the deal and was talking about the negotiations that will go on for the next five to seven years and about what will no doubt constitute a subsidy. Why is it that these experts have one position and cabinet Ministers, who are trying to save their political hides, have another?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification): Mr. Speaker, I do not think Ministers or Members on this side have to worry about their political hides when people look at the alternatives that are being put forward.

I have already explained to the Hon. Member why Western Economic Diversification has been saying since it was formed that we will not be assisting competitive industries. We do not believe, and neither do people in the industry—and he can check with the red meat industry in western Canada—that Governments should pick winners and losers in a competitive industry. When I said no, there is no need to change because of the free trade agreement, that is accurate.

The free trade agreement does not pose any obligations concerning subsidies that are not already there under the GATT. If we could assist, promote, and not have fear of countervail under GATT, then we can continue to assist, promote, and have no fear of countervail under free trade.

* * *

• (1140)

DANGEROUS SUBSTANCES

PCBS—PORT OF MONTREAL—SHIPPING AND STORAGE DEPOT

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I am not only a resident of Montreal, a mother and a grandmother, but I am privileged to be a Member of Parliament from the great city of Montreal. I was horrified to learn that the Port of Montreal which is federal land under federal jurisdiction is the largest storage and shipping depot in North America for PCB wastes.

In downtown Montreal, in the midst of three million people, there are hazardous wastes. My question to the Government is this.

Mr. Lewis: Charlie could have told you that.

Mr. Crofton: Too bad you didn't discover that when you were in office.

An Hon. Member: Why don't you answer the question, Charlie?

Mr. Speaker: The Hon. Member for Mount Royal.

Mrs. Finestone: Mr. Speaker, we are talking about dangerous chemicals, if the bullies across the way would listen.

Unfortunately, we now know what could happen with this dangerous waste. Has the Minister made a recent check to ensure safe and secure handling of this material as it is shipped into Montreal and out of Montreal? If he has done so will he ensure that it is at the maximum, optimum level of safety? In the case of a PCB disaster, what kind of contingency plan does the Minister have to evacuate the city of Montreal?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I actually do not think that the Hon. Member adds much to this discussion and debate by resorting to such hysterical rhetoric. She says she takes great pride in representing Montreal, as she should. I do not know whether her constituents take such pride in her performance if she is so little aware of what is in her own riding.

Mr. Nunziata: You won't tell us, you fraud.

Mr. McMillan: In any event, I can tell her that Montreal has been a port of exit for PCB materials that are exported to Wales for incineration. They are subject to the most stringent federal regulations and the full force of law under the Transportation of Hazardous Goods Act. The PCB materials themselves are not allowed to be in Montreal at the port longer than, I think it is, 48 hours before shipment.

REQUEST THAT SHIPMENTS BE HALTED

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I am glad that the Minister does not have to live in Montreal and be responsible for the safety and security of its citizens.

The Québec Environment Minister said this morning when asked about a possible PCB shipping accident in the St. Lawrence: "The risks of transporting dangerous wastes in this manner are frightening".

The time has come to stop the storing and shipping of the nation's PCB wastes in Montreal. I am asking the Government if it will stop shipping and storing of PCB wastes in Montreal? Or is it not concerned about the safety and security of the people of Montreal?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, as is the wont of members of the Liberal Party across the aisle and the Hon. Member, she quotes the Minister of the Environment for Québec. She does so very incompletely. She did not go on to complete the rest of his paragraph which is: "It is a question of principle. On a temporary basis exporting our wastes to England from Montreal is fine".

I ask her and I ask her Party, given the fact that communities across Québec and Ontario have resisted efforts by both Governments—the Government of Ontario and the Government of Québec—to establish permanent incineration facilities in those provinces, what is her answer?

Mr. Tobin: You're the Minister.

Mr. McMillan: If we cannot get permanent facilities built in provinces such as Québec and Ontario because of community resistance, what are we supposed to do? We have been shipping them to Wales. Soon to be on stream in October in Swan Hills, Alberta, is a permanent facility. The federal Government will be working with the provinces to see whether we can overcome community resistance to these permanent facilities.

In the meantime I am discussing with my cabinet colleagues the possibility of some transportable or mobile units that can overcome that very problem of resistance.

Oral Questions

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—WESTERN DIVERSIFICATION PROGRAM

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is also directed to the Minister in charge of the Western Development Fund. In light of the fact that the Prime Minister of Canada said to Premier Ghiz of Prince Edward Island when talking about regional development subsidies: "Trust me. They are excluded from the deal", yet the senior bureaucrat involved is saying that the subsidy program is already being restricted because of the trade deal, what I want to know is who the Canadian people can trust. The Prime Minister has already broken promises in terms of senior citizens. He has broken promises in terms of closing down rural post offices. He has broken promises in terms of patronage. He has broken promises on acid rain—

Mr. Speaker: I am sure the Hon. Member will get to his question.

Mr. Nystrom: In light of the fact that the Prime Minister has broken promise after promise in the areas of patronage, acid rain, Air Canada—

Some Hon. Members: Sit down!

Mr. Speaker: I do not know quite where this question is going, or the preamble. I would ask the Hon. Member to put his question.

Mr. Nystrom: Mr. Speaker, how can the people of Canada trust this Prime Minister and this Government when they have broken so many promises?

Mr. Axworthy: They just keep lying.

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification): Regardless of what has just been said by the Hon. Member for Fort Garry that we just keep lying—

Some Hon. Members: Oh, oh!

Mr. McKnight: —I would suggest that he take cognizance of the *Winnipeg Free Press* editorial which states: "Tell the truth".

Mr. Axworthy: Why don't you take cognizance of the truth once in a while?

Mr. McKnight: The paper says that the Leader of the Liberal Party was wrong in so many instances regarding the free trade agreement.

Mr. Axworthy: Stop reading editorials and start looking at the truth.

Mr. McKnight: He was wrong in so many instances on the free trade agreement.

The Prime Minister has kept his word. He has kept his word that we would develop the economy of western Canada. He has kept his word that we will have a share in the decision-making.

Mr. Axworthy: Tell us about the CF-18.

Mr. McKnight: He has provided a fund of $1.2 billion that is real, unlike the fund about which the Hon. Member knows, which the previous administration established and which disappeared into thin air.

The Hon. Member says that the Deputy Minister responsible for western economic diversification said that free trade is restricting opportunities. That is not true.

Let me quote from a release by the Deputy Minister which states: "Moreover, I did not say that free trade will impede, restrict, limit, violate or put at risk regional development assistance".

Mr. de Jong: And nobody believes you!

Mr. McKnight: There is nothing in the free trade agreement that provides further obligations on Canada in regard to subsidies that are not already found in the General Agreement on Tariffs and Trade.

DEPUTY MINISTER'S POSITION

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the Prime Minister said that we share decision-making, and there will be, between Canada and Washington after this deal.

Mrs. Mailly: Sit down!

Mr. Hnatyshyn: It's the same.

Mr. Broadbent: I will be in Saskatoon—we will be in Saskatoon. You should worry.

Some Hon. Members: Order!

Mr. Speaker: I hope that Hon. Members who are enthusiastically engaging in an exchange of opinions here will remember, keeping an eye on the clock, that they are stopping other Members from putting questions and stopping Ministers from answering. I do not want to have to draw that to their attention. However, I am sure, having done so, they will co-operate.

The Hon. Member for Yorkton—Melville will put his question.

• (1150)

Mr. Nystrom: Mr. Speaker, it is a question here of who is being honest with the Canadian people—civil servants like Stanley Hartt, Bruce Rawson, or the Prime Minister of Canada.

In light of the fact that Mr. Rawson has stated that the red meat industry will now be excluded—perhaps that is why Pocklington sold Gretzky to make some money, because he will now not get grants from the federal Government.

Some Hon. Members: Question.

Mr. Speaker: I would ask the Hon. Member to put his question very directly.

Mr. Nystrom: I want to know whether or not the Minister will table in the House today a list of sectors that will not get assistance now because of the trade deal, in light of the fact that Bruce Rawson has stated that some sectors, such as the red meat industry, will not receive assistance. What are those sectors? Will the Minister table a list today, and will he be honest and open with the people of Canada?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Diversification): Mr. Speaker, I do not know what could be done to convince the Hon. Member of what Bruce Rawson, the Deputy Minister of Western Economic Diversification, said, a man who has served a number of Governments of Canada, or how I could convince him. Better than that, I would only reiterate what Mr. Rawson stated: "Moreover, I did not say that free trade will impede, restrict, limit, violate, or put at risk regional development assistance".

I would be very pleased to table this document.

The other thing I would like to inform the Hon. Member and ask, in a fully competitive industry, I know it may be the socialist doctrine that drives the Member—

Mr. de Jong: No, it's Peter Pocklington's doctrine.

Mr. McKnight: I believe that the Hon. Member, who comes from my province, has a better understanding than that.

Mr. Broadbent: How many millions did Pocklington get? Tell us about Pocklington's grants.

Mr. Speaker: Given the time, I am going to leave philosophy and move on to another question. The Hon. Member for Hamilton East.

Ms. Copps: Mr. Speaker, I think the last several minutes are ample evidence that we should issue the writ. I hope the Prime Minister takes that into account.

* * *

THE MINISTRY

AIR FLIGHT TO THAILAND BY MINISTER'S SPOUSE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Deputy Prime Minister. Given that this very day in the House we are discussing the creation of new conflict of interest guidelines, given that earlier this week the Minister for International Trade changed his story on the trip received by his wife and daughter to Thailand—he said that they were representing him—given that Section 35 Subsection 1 of the current conflict of interest guidelines requires a Minister of the Crown who directly or indirectly receives a benefit of over $200 to declare that benefit, what action does the Deputy Prime Minister intend to take since his Minister has violated the current conflict of interest guidelines?

Mr. Speaker: An Hon. Member's question that refers to the activities of anybody in light of the guidelines may well be appropriate. However, the Hon. Member has gone further than that. The Hon. Member, I think, has just made a charge. On other occasions I have said that preambles or questions cannot be used in this place in lieu of a formal charge. The Hon. Member, I believe, is wanting to inquire of the Government, as to what its view is of a certain event. That is a legitimate question in light of conflict of interest guidelines. If the Hon. Member will allow me to reinterpret the question, I think that that is the question. It is not appropriate to lay a charge by way of preamble or by question. The Hon. Minister.

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, a similar question was put yesterday and I answered it. The Hon. Member will find that answer at page 19111 of *Hansard*.

MINISTERIAL DECLARATION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I think the Minister—I doubt deliberately—missed the point. The Minister for International Trade has changed his story on the reason for the receipt of the trip. Earlier he said it was a trip given to his wife and to his daughter which, of course, would not be covered under any section on public declaration. He later clarified that, after the Deputy Prime Minister made a statement in the House, and stated that his spouse and his daughter were representing him in a semi-official capacity.

Since they were representing him, since the trip was worth approximately $6,500, there is an onus on the Minister to declare. I wonder if the Deputy Prime Minister can tell us whether, pursuant to Subsections 1 and 2 of Section 35, the declaration was made?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the answer remains the same. I invite the Hon. Member to reread it.

Ms. Copps: You did not answer it yesterday.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—REGIONAL DEVELOPMENT PROGRAMS

Mr. Jack Harris (St. John's East): Mr. Speaker, the Government has long claimed that the trade deal would have no effect on regional development programs. For example, the Minister of Finance stated in the House on October 16, 1987, as reported in *Hansard* at page 10087:

> Our ability to deliver regional development programs to all parts of Atlantic Canada will remain absolutely unchanged and unaffected by this agreement.

This morning on *Canada A.M.* the Minister for International Trade admitted that the trade deal provides no protection for regional development programs, and that under the deal the next five to seven years will define subsidies, and we will then know what is permitted and what is not.

My question to the Deputy Prime Minister is the following. Will he not now be forthright about this and admit that the end result of this trade deal will affect regional development programs? Why not be honest about it?

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, we are being honest about it, and it does not affect regional programs.

I am surprised at the Hon. Member for St. John's East saying that, after this Government committed itself to help Hibernia and the people of Newfoundland. I am absolutely surprised. That came in long after the free trade agreement was signed. What is the Hon. Member talking about?

ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. Jack Harris (St. John's East): Mr. Speaker, we were also told that water was not in the deal, Mr. Speaker.

We know that ACOA is five-year program which some government Ministers have already called the last kick at the can for Atlantic Canada. Coincidentally, this five-year period is the same period in which subsidies are to be defined under the trade deal.

Will the Minister, or his representative, not come clean and admit that ACOA could in fact be the last regional development program for the Atlantic provinces, because of this trade deal?

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, first, no, I will not admit that. Second, the free trade agreement in itself is a regional development program, and it will help the Maritimes grow. It will create employment in the Maritimes. It will protect the industries that have been harassed all along.

The Hon. Member is away off base. No, it will not be the last regional development program for eastern Canada. This Government is committed to all regions of the country, and will continue to be.

[*Translation*]

REGIONAL ECONOMIC DEVELOPMENT

EFFECT OF FREE TRADE AGREEMENT ON PROGRAMS

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is also directed to the Deputy Prime Minister. A few weeks ago, we had a statement by the Deputy Minister of Finance. Today, we have a senior official responsible for regional development confirming our worst fears, namely that regional development programs would be jeopardized by the free trade agreement. What I want to know from the Deputy Prime Minister, since today, the senior official who told the truth probably had to do what a number of Conservative Members have done before him and issue a clarification, and I imagine the responsible Minister called him to ask him to change his story, like Peter White did . . . What I want to know from the Deputy Prime Minister is this: Could he inform the House today why senior officials who administered the program have to consider criteria for U.S. subsidies, while the Government says the exact opposite?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Minister responsible has explained that very well. I do not know why Hon. Members across the aisle want to malign distinguished public servants who have served this country and governments over the years.

What we have here is another classic example of, when all else fails, you wallow around in the mud to see if you can find a little dirt to throw at people. That is exactly what is happening, Mr. Speaker.

I would draw the attention of Hon. Members to an article by John Ferguson which appeared this morning. It talks about the manner in which the Liberal Party has distorted, planted fear, and maligned the elements of the trade deal, all for political partisan advantage. Mr. Ferguson states:

> Both play on voters' fear of the unknown.
>
> Both claim to be based on a cool analysis of the facts.
>
> And both are dead wrong.

• (1200)

[*Translation*]

NEED FOR APPROVAL BY DEPARTMENT OF EXTERNAL AFFAIRS—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, the Deputy Prime Minister can quote all the newspaper articles he wants, but the fact is that Mr. Lawson's comments are there and they are quite clear.

What I want to ask the Deputy Prime Minister is this: Could he explain why projects are now submitted to the Department of External Affairs before final approval? Could he explain why the Government is taking into consideration the criterion . . .

An Hon. Member: . . . the free trade test.

Mr. Lapierre: . . . the free trade test, as the Hon. Member pointed out? Why has this criterion be added to the list? And could he explain why, since the beginning of these talks, we have been told that free trade would have no impact at all on regional development? Why has the Government been lying to us for months?

[*English*]

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development): Mr. Speaker, I will say to the Hon. Member, as I have said to others, once again, that there are no further obligations required of Canada in regard to subsidies under the free trade agreement than already exist under GATT. The Member asks, "Why does one department of government consult with another as to international obligations?" We consult on every western diversification application proposal and contract—every one—with the Department of Justice, because it is a legal contract—and all government departments consult. We consult with the Department of Communications regarding international obligations in that field. We have also consulted on two or three occasions, as Mr. Waddell from the Department of External Affairs has said, with the Department of External Affairs on international trade obligations.

Some Hon. Members: Oh, oh!

Mr. McKnight: At no time was any project rejected after we had consulted with the Department of External Affairs. Therefore, regional development as well will be built upon with free trade and we will go forward.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

PRESENTATION OF LEGISLATION ON QUALIFYING ELIGIBILITY PERIOD—GOVERNMENT POSITION

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, my question is directed to the Minister of State (Employment and Immigration) and concerns eligibility criteria for unemployment insurance benefits.

We know that generally speaking, Canadians must have worked fourteen weeks to receive unemployment insurance. We also know that to allow for regional disparities, in some cases Canadians can get unemployment insurance if they have worked less than fourteen weeks. However, the House must first pass a bill, as it has done since 1976.

Madam Minister, do you intend to introduce legislation this year that will allow Canadians to be eligible for unemployment insurance if they have worked less than fourteen weeks?

Hon. Monique Vézina (Minister of State (Employment and Immigration)): Mr. Speaker, the eligibility standard expires on January 4, 1989. I want to thank the Hon. Member for his question, and I can assure the House that between September 1, 1988 and January 4, 1989, we have ample time to adopt a bill for the purpose mentioned.

Since with respect to the objectives we have sought to attain with this legislation since 1976 there always has been full co-operation on the part of all Members of the House of Commons, I am confident that such an amendment can be adopted within a week.

* * *

[*English*]

DANGEROUS SUBSTANCES

REQUEST FOR INCLUSIVE LISTING OF PCB SITES

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, my first question is directed to the Minister of the Environment. With the PCB fire in Seattle we are becoming increasingly aware of the danger of PCBs still in use, not just in storage. There are some experts who think that the whole Great Lakes system is a PCB storage site.

I ask the Minister if he would not agree that to have an adequate grasp of the PCB problem in Canada we would need a list not only of the storage sites in our areas but also of places where PCBs are in use, or at least major places where they are still in use, and of PCBs in major waterways where they are concentrated in large amounts. Could he provide us with a series of lists in order for us to have an adequate grasp of the PCB problem today?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I think that the Hon. Member will probably know that under very strict federal laws and regulations over the years the use of PCBs has been subject to quite rigorous sanctions, again at the national level.

I will be presenting to my provincial colleagues next week—I think on Wednesday, details have yet to be finalized—a plan from the national Government for their consideration as part of a Canada-wide effort involving both levels of government for the complete phase-out of PCBs.

In that connection, I will take the Hon. Member's recommendation under advisement as to the possibility of a list identifying the major sites where PCBs are used. It would be a very long list and it would be awfully difficult to compile, but to the extent that it could be done, I will consult with my officials to see that it is.

REQUEST FOR RELEASE OF CURRENT INFORMATION

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, I have a supplementary question. My colleague, the Hon. Member for Thunder Bay—Atikokan, has managed to get at least a partial list, a provincial list, from the Province of Ontario, and the rest of us are still waiting for our lists. I wonder if he could not undertake at least to provide information that is immediately available while he is gathering that further information. Could he not give us a beginning, a start on this problem, and then provide us with the rest of the information when it is possible for him to do so?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I presume, in connection with this particular question, that the list that is being referred to is that of PCBs in use. Is that correct?

Ms. McDonald: Storage.

Mr. McMillan: I will be very candid with the Hon. Member. I thought, as did my colleague, the Minister of Labour, that we would be able to provide the list of PCB storage facilities across the country as early as today or yesterday. It has not been possible. I have put a greater premium on making sure that the list is accurate and complete rather than on necessarily getting it out early.

I know that the Hon. Member would be the first to criticize the Government if I were to release something that was shoddy or incomplete or that the public could not have confidence in. However, I give this commitment as I speak to the Hon. Member, that the list is being prepared and that it will be as complete as possible when it is released, and I hope that it is as soon as next week.

Mr. Speaker: I ask Hon. Members to be patient. I will take a single question from the Hon. Member for Trinity. I am then going to move back to the New Democratic Party because there is a Member who has a question for the Hon. Minister of Veterans Affairs, and I think that it is appropriate that it be asked today. The Hon. Member for Trinity.

* * *

BANKS AND BANKING

CANADIAN COMMERCIAL BANK—SEVERANCE PAY OF FORMER EMPLOYEES

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is for the Minister of State for Finance and it concerns fairness. Three years ago, in September, 1985, the Government moved in an unprecedented way to bail out the depositors of the Canadian Commercial Bank, many of whom were wealthy foreigners. But today, three years later, over 200 Canadian employees of that bank have not yet received severance pay.

Will the Minister explain this, and will he explain further why the Ministry of Labour, which has had a legal opinion for two years that those 200 Canadian employees who were innocently caught in this situation were entitled to severance pay, has not provided them with any help and they have been obliged to launch private suits?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I would have been able to answer this question better if I had been given notice. It is a serious and very specific question. I should say this. She knows of the proceedings with regard to these two banks being in receivership and being dealt with by the trustee making decisions on these matters. There is a difference between depositors and employees, and they are treated under difference processes, but I will certainly take her representations to the authorities in order to make sure that they are aware of the importance of this.

Mr. Speaker: I am afraid that this will have to be the last question. I would call on the Hon. Member for Beaches who, I understand, has a question.

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VETERAN AFFAIRS

VETERANS INDEPENDENCE PROGRAM—EXPANSION OF COVERAGE

Mr. Neil Young (Beaches): Mr. Speaker, my question is for the Minister of Veterans Affairs. It may very well be the last chance that I have to ask the Minister a question in the House or, indeed, for him to give a response. I regret that very much, because the Minister's work has been appreciated by all Members on all sides of the House.

All Hon. Members: Hear, hear!

• (1210)

Mr. Young: Certainly it has been appreciated by the veterans in Canada, Mr. Speaker. Now comes the hard question.

Some Hon. Members: Oh, oh!

Mr. Young: I am always reluctant to ask the Minister a question because I always manage to make him look good.

Some Hon. Members: Oh, oh!

Mr. Young: In June of this year the Minister announced to the Canadian Convention of the Legion that he intended to expand the Veterans Independence Program to cover those veterans who served only in Canada in the First and Second World Wars.

Is the Minister in a position to announce when that will happen?

Hon. George Hees (Minister of Veterans Affairs and Minister of State (Seniors)): Yes, Mr. Speaker. To start with I would like to thank all Hon. Members for their very kind and generous expression of goodwill which they accorded me a few moments ago. This is one of the reasons that makes serving in Parliament the finest profession that anyone can have. I have enjoyed it tremendously, not only because of the work that we are all able to do but because of the associations that we make, not only with Members in our own Party but with Members in all other Parties. After all, everyone is here trying to do a job for the people of Canada.

Although our debates may at times get hot and overheated, they are just like football or hockey games. The teams play very hard against each other for an hour, and then usually sit with one another and have a beer.

Some Hon. Members: Oh, oh!

Mr. Hees: That is the spirit I have always found here. I have just as many friends on the other side of the House as I have in my own Party. I like them all very much. I have received tremendous support and friendship from Members on my own side of the House, and I appreciate so much the very nice accord given to me a few moments ago.

I appreciate receiving the question that I have from the Hon. Member for Beaches who has always shown a tremendous interest in veterans and their welfare. He has continued to do so all the years I have known him, and I know he will always continue to show this interest in the veterans of Canada.

In answer to the question, I am very pleased to advise that effective April 1, 1989, the Veterans Independence Program will be extended to our veterans who served in Canada during both World Wars.

Some Hon. Members: Hear, hear!

Mr. Speaker: This is the last day before the break. There is some indication that there is one question for the Deputy Prime Minister. The time for Question Period is over but the Deputy Prime Minister might be prepared to take the question. It is up to the Minister to indicate whether he is prepared to do so although the time has expired.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, perhaps it is appropriate to ask the normal business question of the Deputy Prime Minister (Mr. Mazankowski) so that we have an understanding as to what the business of the House will be when we come back after the break. I also have a question regarding the Election Expenses Act.

Mr. Speaker: The Hon. Member for Thunder Bay—Atikokan (Mr. Angus) has raised a question of the Deputy Prime Minister. Undoubtedly because he has other business he has left the House and it is well beyond the end of Question Period. Perhaps the Minister of State will be prepared to respond.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I wish to advise the House that when we return on September 13, the Government will be calling two Bills for consideration, Bill C-147, the Human Rights Institute followed by Bill C-152, the Canadian Heritage Languages Institute Bill. We hope, although I do not believe it is firm at this point, that there will be all-stage consideration of both Bills on that day.

On Wednesday, September 14, we will begin report stage consideration of Bill C-136, the Broadcasting Act.

My friend asked about the Elections Act. One knows that we presently have before us Bill C-79. There have been discussions and an exchange of correspondence with respect to election expenses. I understand that the matter of my friend's correspondence is still under consideration.

Mr. Angus: Mr. Speaker, just further to the comments from the Deputy House Leader, will the Government be in a position to respond with regard to the election expenses prior to the scheduled reconvening of the House on September 13?

Mr. Lewis: I will have to check into that, Mr. Speaker. My friend's letter had some suggestions in it. I think we want to consider those suggestions fully. In any event, we are looking at the whole matter. I think if we come back and have some time, it is certainly something that could be considered.

* * *

[*Translation*]

VACANCY

WETASKIWIN—STAN SHELLENBERGER, BY RESIGNATION

Mr. Speaker: I have the honour to inform the House that I received a communication notifying me that the following vacancy has occurred in the representation, Stan Schellenberger,

[*English*]

—for the electoral district of Wetaskiwin by resignation. Accordingly, I have addressed my warrant to the Chief Electoral Officer for the issue of a new Writ of Election for the said electoral district.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

PROPOSED CANADA CHILD CARE ACT

Mr. Rod Murphy (Churchill): Mr. Speaker, I have the honour to present a petition on behalf of people in Nova Scotia, mainly from Halifax, but also from other parts of that province and Canada. The people from Nova Scotia in their petition express concern with the Government's proposals regarding child care. They believe it neither contains national objectives nor necessary funding arrangements and, as a result, will not ensure that families have access to higher quality child care.

Whereas the proposed Child Care Act is not in the best interests of young children, women or families in Canada, the undersigned call upon Parliament to withdraw the Child Care Act forthwith. The petitioners have signed the petition and the petition has been certified by the Clerk of Petitions.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have the honour to present two petitions signed by residents of Scarborough, Markham and Ottawa, Ontario; Sydney and Sydney Mines, Nova Scotia, and Moose Jaw, Saskatchewan. In both petitions they say that the Government had no mandate from the Canadian people to conclude a free trade agreement with the United States, that a trade agreement negotiated by the Mulroney Government threatens the very fabric of Canadian political and economic sovereignty by removing the power of the Canadian Government to effectively control foreign ownership to develop Canadian energy resources in the best interests of Canadians or to equalize opportunities between the regions. Therefore, they humbly pray and call upon Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement during a national general election.

• (1220)

PROPOSED CANADA CHILD CARE ACT

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, I have the responsibility and privilege of presenting a petition from many citizens of my riding of Hamilton Mountain and residents of the City of Hamilton as well as Peterborough, Scarborough, Stoney Creek and Belleville. All of these petitioners feel very strongly that families throughout Canada need a high quality, available, affordable child care service. Whereas the proposed child care Bill is not in the best interests of young children, women or the families of Canada, they therefore call upon Parliament to withdraw the child care Bill forthwith.

Order Paper Questions

DESIGNATION OF ROUGE RIVER VALLEY

Mrs. Pauline Browes (Scarborough Centre): Mr. Speaker, I am honoured to present to the House of Commons today a petition about helping to save the Rouge Valley, and the petitioners join with thousands of volunteers who have been working on this project for some years. The Rouge Valley is a unique and precious natural area. Protecting the endangered wildlife and wilderness areas is in the national interest. I would like to invite Hon. Members of the House of Commons and those listening today to visit the Rouge Valley. It is a beautiful place. The petitioners call on the Parliament of Canada and the provincial Government to make this area a Canadian heritage land or a provincial park and the petitioners join with the Scarborough City Council, the federal Minister of the Environment (Mr. McMillan), Save the Rouge Valley System and the Coalition of Scarborough Community Associations.

[*Translation*]

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have 17 petitions concerning the Mulroney-Reagan trade agreement to table today. The petitioners humbly declare that the Mulroney Government has sold out Canada without obtaining anything in return; that Canadian industries are still not protected from American trade laws; that the United States got everything they wanted in all the important sectors, in particular in agriculture, energy, automobile trade, financial services and investments; that the jobs of thousands of Canadians are threatened; that the Conservative Government has not provided any adjustment assistance for Canadian workers.

For these reasons, they humbly ask Parliament to censure the Government for having signed the Mulroney-Reagan Agreement.

[*English*]

PROPOSED CANADA CHILD CARE ACT

Mr. Jack Harris (St. John's East): Mr. Speaker, I have the honour to present, on behalf of petitioners from the cities of Cambridge, Kitchener and Waterloo, Ontario, a petition in which the petitioners say that families throughout Canada need high quality, available, affordable child care services and that the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for a comprehensive, non-profit child care system and that the child care Bill proposed by the Government contains neither national objectives nor necessary funding arrangements. The petitioners call upon Parliament to withdraw the child care Bill forthwith.

CLOSING OF EMBASSY IN ECUADOR

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, it is my privilege to present to the House today 16 petitions on behalf of Toronto residents who wish to state their opposition to the closure of the Canadian Embassy in Ecuador and the hardship imposed on individuals seeking to apply for emigration to Canada or visitors' visas. The petition urges Parliament and the Secretary of State for External Affairs (Mr. Clark) to reopen the Canadian Embassy in Ecuador.

PROPOSED CANADA CHILD CARE ACT

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have the honour and privilege of tabling a petition today, a petition that has been certified correct and true to form by the Clerk of Petitions pursuant to Standing Order 106. The petitioners who are residents of the Province of Ontario are concerned about the child care Bill currently before Parliament. They point out that it has been recommended that child care services be available for families throughout this country, that the legislation should contain national objectives and appropriate mechanisms for the development of a comprehensive, non-profit child care system accessible to all families throughout Canada and they call upon Parliament to withdraw the child care Bill forthwith.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, I too have the honour and privilege and indeed the obligation of presenting a petition signed by a number of citizens of Canada. The petition has been properly certified by the Clerk of Petitions pursuant to Standing Order 106. In this petition, the petitioners point out the need in Canada for high quality, available, affordable child care services and point out the fact that these services should be available for all families. They say that these services should meet certain national objectives and that there should be appropriate mechanisms provided for the development of a comprehensive, non-profit child care system which is accessible to all families. Whereas the child care Bill proposed by the Government of Canada contains neither national objectives nor necessary funding arrangements and will not ensure that families have access to high quality care, the petitioners call upon the Parliament of Canada and the Government of Canada to withdraw the child care Bill forthwith.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I would ask that all questions be allowed to stand.

Mr. Speaker: Shall all questions be allowed to stand?

Some Hon. Members: Agreed.

POINT OF ORDER

PRESENTING PETITIONS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, while I have the floor, I would just indicate that during Petitions, the rules of the House were deliberately broken by the Whip of the Official Opposition. In light of what happened yesterday and in light of arguments earlier this morning, a dangerous trend is developing. People are deliberately breaking the rules of the House.

Mr. Speaker: As Speaker, naturally I have to take into account the representation of the Hon. Parliamentary Secretary, and I assure him and other Hon. Members that I will be careful to ensure that the rules of the House are not broken, and if they are, I will try to take appropriate action.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, since the Parliamentary Secretary has bootlegged in this accusation, I would like him to make a specific charge if he has one as to what rule was broken. The petitions I tabled were certified by the Clerk of Petitions as being appropriate. They were tabled in due course and at the appropriate time. There is nothing wrong with that.

Mr. Speaker: I think I can settle that. The Hon. Parliamentary Secretary has raised a matter and I said that I would of course always be conscious of matters that are raised. I made no ruling one way or the other as to whether or not the Hon. Member for Ottawa—Vanier (Mr. Gauthier) was in breach of the rules, and I take the representations of the Hon. Parliamentary Secretary as just that. I do not, in my comments, indicate for a moment that I have made any decision that the Hon. Member for Ottawa—Vanier was in breach of the rules.

Mr. Rod Murphy (Churchill): Mr. Speaker, I do not want to belabour the point, and I know you will be reviewing it, but I would like to remind you that this is just one of a number of charges that the Government has made over the last year in an attempt to restrict the ability of Members of Parliament to present petitions. I think in almost every case when this has been done, you have found that the points have not had any validity and you have ruled against them. I suspect that that will be the case again today. We do have a process for having petitions certified. Obviously this took place on this particular occasion, and I find it reprehensible that the Parliamentary Secretary continues to try to restrict the ability of Hon. Members to present petitions.

Mr. Speaker: I did not take it that the Parliamentary Secretary was necessarily trying to restrict the right of Members of Parliament to present petitions. I think his remarks were aimed, perhaps, at the length of the explanation, and these things are matters which the Chair has to take into account. The Chair on occasion has perhaps been too generous, but nonetheless, the Chair has tended to go as far as is appropriate in allowing Hon. Members to express in the Chamber the intentions of their petitions. However, there is of course the rule that the explanation should be brief, and I know that all Hon. Members will want to co-operate with me in that regard.

* * *

MOTION TO ADJOURN UNDER S. O. 29

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Speaker: I want to bring to the attention of Hon. Members the fact that I have received two applications for an emergency debate and they are on the same issue. I first want to point something out. I have some considerable doubt as to whether, given the order, I can even entertain the applications. However, I know the applications, one of which I received last night, are serious.

• (1230)

I must indicate to both Hon. Members who applied that it will take some persuading for me to move in the direction they ask. However, given the issue I am prepared to perhaps overlook to a degree the order for today and I will hear first the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) because his was the first application, and then I will hear the Hon. Member for Oshawa (Mr. Broadbent). It is the same issue and I am sure they will buttress each other's remarks.

Mr. Hawkes: Point of order, Mr. Speaker. Given your intention to extend some latitude, and not knowing what is about to be said, I hope the Government will have a right of response if that is indicated.

Mr. Speaker: The rule is that an application for an emergency debate is to be a succinct statement by the Hon. Member applying. It is not to be a debate on the issue, it has to be the argument for the case. The reason it must be a succinct statement is that otherwise, of course, it would be appropriate for the other side to respond. That is the rule and under the rules only the applicant can speak and the argument must be succinct. I know both Hon. Members who are applying are experienced and I trust they will not take advantage of that rule. I would hope that the Parliamentary Secretary would not have to rise on a point of order because of any infringement of that rule.

I will hear the Hon. Member for Winnipeg—Fort Garry.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, pursuant to Standing Order 29 I ask leave to propose a motion to adjourn the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely the public statement by the Deputy Minister for western diversification that the free trade agreement between Canada and the United States will be harmful and is already harmful to regional development programs. That statement is a clear contradiction of claims made in this House by the Government. That statement was retracted only this morning by the Deputy Minister, obviously under clear intimidation by the Government.

I will just make this point. Because of this order agreed to—

Mr. Hawkes: Point of order, Mr. Speaker.

Mr. Axworthy: May I be allowed to complete my statement without interruption by this jerk?

Mr. Speaker: The Hon. Parliamentary Secretary.

Mr. Hawkes: Mr. Speaker, there has been an accusation made about the behaviour of the Government, that it is clearly intimidating someone. That simply cannot be allowed to pass unchallenged. There is no intimidation.

Mr. Speaker: I have the Hon. Member's point. I am sure the Hon. Member for Winnipeg—Fort Garry will try to keep his remarks as succinct as possible.

Mr. Axworthy: Mr. Speaker, after that unnecessary interruption let me just make this point. I recognize your admonition about the problem we are facing in these unique circumstances. Yet the House will be adjourning for 10 days and there will be absolutely no opportunity to continue discussion of this very important issue. Therefore I hope you will give it proper consideration and give Members of Parliament the opportunity this afternoon to debate it properly and see where the truth really lies.

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I rise, as you indicated, under the same provision of Standing Order 29 to argue very concisely that the situation would be alarming indeed if, as we contend, we now have another senior public servant of the Government of Canada, this one in charge of western diversification, adding to what the former Deputy Minister of Finance has already said, that regional development programs are going to be affected by the trade deal negotiated between our government and that of the United States.

If true, as we contend it is, this is alarming for western Canada, Atlantic Canada, and the northern parts of most of our provinces in particular. However, the key point with respect to the rules of the House is precisely the question of the adjournment. Today is the last day for debate in the House before we adjourn. We are supposed to be coming back a number of days down the road, but the Prime Minister (Mr. Mulroney) has said publicly, and I want to underline this, that there is every possibility an election could be called during that period of time. The traditional four-year period of the Government, as the Prime Minister has described it, is now up. He has said he would be expected to call an election barring some very exceptional circumstances which he said do not exist.

It is for those two reasons, Your Honour, that I suggest the application for a special debate falls within the framework of the rules.

Mr. Speaker: I have stretched the rules considerably to hear these applications because they arise over a matter of great importance to the country. I indicated that, at least on what I knew of them earlier, I was probably not too partial to ordering an emergency debate this afternoon. I have listened carefully to both Hon. Members. They are very experienced, one being a former Minister and a senior critic in his Party, and the other of course being the Leader of the NDP.

I understand fully the concern expressed by both Hon. Members and others during Question Period. I also listened very carefully to Question Period and, without sitting in judgment, it seems to me, and I know I was admonished by the reform committee not to give reasons for turning down an application, this issue is so important it may be helpful if I say why I am not inclined to grant the debate at this time.

First, as I said, I considered the matter very carefully when I received the first notice from the Hon. Member for Winnipeg—Fort Garry. I considered it very carefully today. I considered very carefully the exchange in Question Period. There was a difference of opinion in Question Period on this matter. However, it is extremely difficult for the Chair to think that it amounts to an issue on which there must be an urgent debate. The Deputy Minister may or may not have said something. In any event there are differences of opinion as to what he said. Of course, there will be different conclusions drawn from what he may or may not have said. Even given the very great importance of this issue it is very difficult for the Chair to decide that this afternoon there ought to be an emergency debate.

The Hon. Member for Oshawa raises another matter, and this is certainly speculation and not something upon which I can comment, that this day will perhaps be the last day of this Parliament. No one can be certain about that but it seems to me that in itself does not give cause to extend the sitting beyond the agreed order into this afternoon.

I want to say to both Hon. Members as well as others that I listened very carefully because the country has been listening very carefully to the debate in this chamber. I know there must be a very great temptation among other Members to get up and comment upon this issue. However, we have had Question Period. I of course have no more idea than anyone else what may happen in the ensuing days. There seems to be at the moment a very serious difference of opinion on what a senior official has said and the implications that flow from it but that is not sufficient at this time to order an emergency debate.

I thank both Hon. Members for the succinct way they presented the matter and I also thank the Parliamentary Secretary and others for their forbearance.

BUSINESS OF THE HOUSE

PRIVATE MEMBERS' BUSINESS—BILLS

Mr. Rodriguez: Point of order, Mr. Speaker. I rise to seek unanimous consent of the House to withdraw Bill C-271 standing in my name as a Private Member.

Mr. Speaker: Is there unanimous consent?

Some Hon. Members: Agreed.

Bill withdrawn.

[*Translation*]

Mr. Speaker: Pursuant to the order made on Wednesday, August 31, 1988, this House stands adjourned, I think, until Tuesday, September 13, 1988 at 11 a.m.

The House adjourned at 12.40 p.m.

HOUSE OF COMMONS

Tuesday, September 13, 1988

The House met at 11 a.m.

Prayers

[*Translation*]

VACANCY

CAMBRIDGE—CHRIS SPEYER, BY RESIGNATION

Mr. Speaker: I have the honour to inform the House that I have received a communication notifying me that the following vacancy has occurred in the representation,

[*English*]

—namely, Chris Speyer, Esquire, Member of the electoral district of Cambridge, by resignation. Accordingly, I have addressed my warrant to the Chief Electoral Officer for the issue of a new writ of election for the said electoral district.

ROUTINE PROCEEDINGS

[*English*]

REGULATORY AFFAIRS

TABLING OF REPORT OF REGULATORY PROCEDURES AND PROGRAMS

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, it is my pleasure to table, under Standing Order 67(2), a report from the Minister responsible for Regulatory Affairs entitled *Regulatory Reform: Making it Work*. This report outlines the progress made by the Government in improving the federal regulatory procedures and programs. I think it will be of interest to all parliamentarians.

[*Editor's Note: See today's Votes and Proceedings.*]

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour of tabling, in both official languages, the Government's response to Petition 332-5294.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

COMMITTEES OF THE HOUSE

STRIKING COMMITTEE - SEVENTIETH REPORT OF STANDING COMMITTEE

Mr. Scott Fennell (Ontario): Mr. Speaker, I have the honour to present the seventieth report of the Striking Committee.

NATIONAL HEALTH AND WELFARE—FIFTH REPORT OF STANDING COMMITTEE

Mr. Barry Turner (Ottawa—Carleton): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on National Health and Welfare. These preliminary findings reflect the results of the committee's intensive investigation into the health care system of Canada and its funding.

[*Editor's Note: See today's Votes and Proceedings.*]

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PETITIONS

CHILD CARE—REQUEST FOR WITHDRAWAL OF BILL

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I have the honour to present a very important petition today from quite a number of families who are very concerned about child care. They state that whereas families throughout Canada need high quality, available, affordable child care services, and repeated recommendations have been made that these services must be available for families, and that the Government of Canada must introduce legislation containing

national objectives and appropriate mechanisms for the development of a comprehensive non-profit child care system accessible to all families throughout Canada, and whereas the child care Act proposed by the Government contains neither national objectives nor the necessary funding arrangements and will not ensure that families have access to high quality child care, therefore, in the best interests of young children, women and families, the petitioners request very strongly that Parliament withdraw the child care Act forthwith.

• (1110)

Mr. Derek Blackburn (Brant): Mr. Speaker, I too rise under the provisions of Standing Order 106 to present a petition similar to the one just presented.

It is signed by several persons from southwestern Ontario who find the Government's Bill on child care to be woefully lacking in national standards. Finally, they state that since the proposed child care Act is not in the best interests of young children, women or families in Canada they call upon the Government to withdraw the Bill immediately.

Mr. Rod Murphy (Churchill): Mr. Speaker, I also have a petition concerning the issue of child care. People who have signed the petition indicate their concern that families throughout Canada need high quality, available, affordable child care services. They believe that the legislation which is before the House of Commons at the present time does not provide that.

They state that the legislation contains neither national objectives nor necessary funding arrangements, that it will not ensure that families have access to high quality child care, and therefore the interests of young children, women and families of Canada will not be met. The petitioners humbly call upon Parliament to withdraw the child care legislation forthwith.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have the honour to present three petitions. The first is signed by residents of the City of Winnipeg, and the Towns of Fort Whyte, Oak Bluff and Sanford, towns in Manitoba. The second one is signed by residents of Winnipeg and the Town of Kamerno. The third is signed by residents of Medicine Hat, Alberta.

The three petitions state that the Prime Minister (Mr. Mulroney) promised that in the course of his bilateral trade negotiations Canadian sovereignty would not be compromised and that the proposed trade agreement would deny Canada the policy freedom to determine its own economic future and undermine our ability to build a society distinct from that of the U.S.

Therefore the petitioners humbly pray and call upon Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement during a national general election.

CHILD CARE—REQUEST FOR WITHDRAWAL OF BILL

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have another petition signed by residents of Ontario who live in Sault Ste. Marie, Gravenhurst, Huntsville and Dundas. They state that whereas it has been repeatedly recommended that to make child care services available for families the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for the development of comprehensive non-profit child care system accessible to all families throughout Canada, therefore the undersigned humbly pray and call upon Parliament to withdraw the child care Act forthwith.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, it is an honour for me to present a petition on behalf of a number of my constituents pursuant to Standing Order 106.

The petitioners feel that the child care Act proposed by the Government contains neither national objectives nor the necessary funding arrangements and will not ensure that families have access to high quality child care. Since they believe that the child care Act is not in the best interests of young children, women or families, they are asking that the Government withdraw the child care Act immediately from further consideration.

REFUGEES—REQUEST FOR SPEEDY PROCESSING OF APPLICATIONS

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I also have the opportunity and privilege to present a further petition on behalf of a number of other constituents who are concerned that the existing procedures regarding the processing of refugees has broken down. Basically, they are asking Parliament to move quickly to ensure that refugee applicants have their applications processed efficiently and effectively.

EQUALITY OF CHOICE IN CHILD CARE

Mr. Paul Gagnon (Calgary North): Mr. Speaker, it is also my pleasure and privilege to present a petition signed by 47 Canadians, residents mainly of the Olds area and of Calgary, Alberta.

The petitioners oppose the initiatives of child care. They point out that a considerable number of Canadians believe that the state and their tax dollars have no place in the area of child care which is a parental responsibility, except in cases of demonstrated financial need.

The petitioners call upon Parliament to act upon the problem of this limitation in choice of child care and restore to the system fairness and justice by opposing any form of national child care policy which does not provide equality of choice, therefore leaving the child care decision-making process with the parent, where it rightly belongs.

CHILD CARE—REQUEST FOR WITHDRAWAL OF BILL

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I have a petition from residents of southern Ontario, specifically from the Cities of Stratford, Toronto and Ottawa.

The petitioners protest and state that families throughout Canada need high quality, available and affordable child care services. It has been repeatedly recommended, they say, that to make these services available to families the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for the development of a comprehensive non-profit child care system accessible to all families throughout Canada.

The Bill proposed by the Government, they note, does not contain either national objectives or necessary funding arrangements. It will not ensure that families have access to high quality child care. Consequently, it is not in the best interests of young children, women or families in Canada.

Therefore they call upon Parliament to withdraw the child care Act forthwith.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

* * *

[*English*]

BUSINESS OF THE HOUSE

DISPOSITION OF BILL C-147

Mr. Lewis: Mr. Speaker, I rise on a point of order. Immediately before Your Honour puts the motion I wonder if I might make an inquiry of the House. There was an understanding among the Parties that this Bill would go to Committee of the Whole House and be dealt with in all stages this morning. I wonder if I can inquire as to whether or not it is possible to get unanimous consent to have the motion read that the Bill be referred to the Committee of the Whole House.

Mr. Riis: Mr. Speaker, I do not really know where the Minister of State gets the impression that there have been some understandings regarding moving this legislation into Committee of the Whole. I would not want to rule that out as a possibility. However, I think that it would be appropriate that further discussions take place now.

I submit to you, Mr. Speaker, that we should proceed as per today's Order Paper. If there are any changes later in the day or later this morning we can interrupt those proceedings and perhaps make some changes. However, at the moment I think we should proceed as per today's Order Paper.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Official Opposition was consulted, and it is true the critic for the Bill gave his consent to proceeding with consideration in Committee of the Whole immediately after second reading. However, I have no idea how many speakers there will be on all sides of the House, so I really cannot say whether we will finish the proceedings on the Bill this morning, and I cannot agree with the Minister's suggestion that the House be asked to deal with all stages of the Bill before 1 p.m. I would ask him to be patient with us, and with the Bill, and I think that by the end of the day he will be satisfied.

[*English*]

Mr. Lewis: Mr. Speaker, under those circumstances, I suggest that Your Honour should proceed to read the motion in its original form.

[*Translation*]

Mr. Speaker: Perhaps there could be consultations among the parties in order to reach agreement on how the Bill is to be dealt with, possibly later on?

• (1120)

GOVERNMENT ORDERS

[*English*]

INTERNATIONAL CENTRE FOR HUMAN RIGHTS AND DEMOCRATIC DEVELOPMENT ACT

MEASURE TO ENACT

Hon. Doug Lewis (for Secretary of State for External Affairs) moved that Bill C-147, an Act to establish the International Centre for Human Rights and Democratic Development, be read the second time and referred to a legislative committee.

Mr. Speaker: On debate the Hon. Member for Scarborough West (Mr. Stackhouse) has the floor.

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, it is a singular honour to present this Bill before the House, because it is a distinctive and important way for this Parliament and this country to share in the world-wide recognition of the fortieth anniversary of the Universal Declaration of Human Rights. That achievement, so many years ago, was an historic turning point in the recognition that

the rights of men and women do not depend upon the good will, the charity, or the caprice of rulers and governments, but are inherent within being human.

It is true that since 1948 men and women throughout this world have suffered tragic, tortuous abuses of their rights. That should not blind us to what has been achieved in the name of humanity. Among those achievements is the building up of a body of international law to which Governments can appeal and to which the critics of Governments can appeal. Although that body of law does not have the enforcement power that we could wish, it nonetheless provides a standard, a criterion by which Governments, institutions, and individuals can be measured and judged.

This remarkable document, the Universal Declaration of Human Rights, has provided the foundation for the development of various declarations by Governments, including the Parliament of Canada. It can be said with accuracy that the Canadian Charter of Rights and Freedoms is very much among the progeny of the Universal Declaration of Human Rights.

Therefore, we can take heart from observing how, in 40 years, there has developed throughout the world a respect for the rights of people to be codified, articulated, and clarified in law, so that people can have some measure of civilized and rational defence against abuses. It is not enough to have only law; there must be power. Part of the power in any age, but particularly in this communication age, is knowledge, hence the importance of the proposal of Bill C-147, an Act to establish the International Centre for Human Rights and Democratic Development.

The intent of this Bill and of this international centre will be to gather knowledge, assemble it, and disseminate it; to assist people seeking to enlarge their understanding and expand their knowledge, both within this country and beyond, so that the rights of men and women can enjoy an increased respect over what they have today.

I am very glad to say that this initiative was first recommended in June, 1986, in the report of the Special Joint Committee on Canada's International Relations, whose eminent House of Commons Chairman, the Minister of State for Finance (Mr. Hockin), I am glad to say, is present in the House.

I am grateful to have had the honour of participating in the work of that committee, and of seeing that an idea conceived and articulated in that committee's report is now gaining the possibility of legislative fruition today. Its practical value has since been underlined by the Standing Committee on External Affairs and International Trade, the Parliamentary Group on Haiti, and the Special Committee on the Peace Process in Central America.

We can note that the Bill's provisions reflect the general philosophy and approach outlined in the June, 1987, report entitled *International Co-operation for the Development of Human Rights and Democratic Institutions*. This report was the result of a consultation involving several hundred Canadian and international organizations and individuals which was undertaken on our behalf by two special rapporteurs, Professor Gisèle Côté-Harper and Dr. John Courtney. As Chairman of the House of Commons Standing Committee on Human Rights I am very glad to add my voice, as I trust there will be expression from other members of that committee in this debate, to support the general thrust and intent of this legislation and the centre to which it will give life.

The centre's mandate will be based on the International Bill of Human Rights. It will endeavour to conduct its affairs in a way characteristic of the country in which it will serve, and under whose authority and by whose support it will serve, namely, it will look out to the world. It will not be confined to this country alone. Its mandate will add a new and unique element to Canada's efforts to promote human rights internationally. It will offer Canadian experience and resources to groups and agencies in other countries to assist them to develop their own institutions in support of rights and freedoms.

The centre will be authorized to provide technical assistance, training, and resources for the development of electoral, legislative, judicial, and legal law enforcement and correctional systems. It may assist non-governmental groups such as churches, co-operatives, trade unions, professional associations, and other community-based associations in their effort to gain a stronger voice for citizens. It may also support organizations and programs which seek to secure an equality of rights for disadvantaged groups including women, native peoples, minorities, the disabled, and the aging. It will be enabled to do so within our own borders, for this centre will not be confined to the city in which it will have its headquarters, but it will be given the legislative authority and capability to conduct its work throughout this country, as it will be authorized to conduct its work in other countries within the law of those countries.

Given the need to respect the rights of men and women, given the need for knowledge to strengthen the efforts of legislative parliamentary committees, and the efforts of individuals, groups, and organizations within this country to do precisely that, it is absolutely imperative that there be such a centre which can provide the knowledge and the expertise required to make the protests, the initiatives, and the desires of such groups and persons effective.

An examination of this legislation will arouse in us a greater concern for carrying out the cause of human rights in this country. Recently we had put before the House a report of the Standing Committee on Human Rights entitled *Human Rights and Aging in Canada*. It is one example, and I refer to it simply as an illustration of the need to recognize, perhaps with a lack of consciousness on the part of many Canadians, how the rights of men and women can be abused, the right to seek employment with some expectation that the person will be judged only on his or her merits, the right to have the normal

personal freedoms of a human being in this country, regardless of what institution a person is in due to age and infirmity. Such rights—elementary, basic—are not being honoured throughout Canada at this time, as our report shows.

• (1130)

We have made a beginning through that report, as other committees have made a beginning on behalf of other rights and in protest against other abuses. But we need to have an ongoing concern expressed by people who will be fully and wholeheartedly devoted to this cause, and this we will find in this proposed centre.

I am glad to say that, especially in view of the mandate that it has and the responsibility that it must exercise, this centre will be an independent corporation, it will receive statutory funding, increasing from $1 million in its first year of operation to $5 million in its fifth year. In subsequent years, financing will be provided through parliamentary appropriations.

The Government believes that this should be done on a multi-year basis, following parliamentary reviews every five years of the centre's operations. This will give assurance to Canadian and international partners of the independence and the stability of the centre, but at the same time the parliamentary reviews will ensure that the operations of the centre are consistent with the broad lines of Canadian foreign policy and the objectives of our development co-operation program.

You will note from the legislation that the centre's 13-person board of directors will include at least nine Canadians and three nationals of developing countries. Ten members will be appointed by Governor in Council. These in turn will select and appoint the members from developing countries. A selection committee has been established to make recommendations on the composition of the board. It comprises Mr. Gordon Fairweather, Chairman, formerly the Chief Commissioner of the Canadian Human Rights Commission, and at one time a distinguished Member of this House, and as well, Mr. Marc Brault, Mrs. Margaret Catley-Carlson, Mrs. Francine Fournier, Mr. Rene Lacoste, Dr. William Saywell and Mr. Justice Walter Tarnopolsky. It is expected that the committee will provide its recommendations early this fall.

The centre's primary focus will be on activities of benefit to developing countries. We readily believe that this is not only in the tradition of Canada but that the need for it has never been greater. When one surveys the human rights records of various countries throughout the world using for reference, for example, the human rights guide offered by the publication *The Economist*, it is clear that the human rights record in so many developing countries is a tragic and sorry sight. Part of the need of development is the development of a greater respect for human rights.

Notwithstanding, the centre may engage in co-operation with developed countries as well. Programs for developing countries will be funded by means of the parliamentary appropriations provided in the Bill. Programs of co-operation with developed countries, however, will be financed from contributions received from public and private sources. The name of the centre is that recommended by the special parliamentary committee to which I referred earlier.

We believe that by basing the centre's mandate on the International Bill of Human Rights, this centre will ensure that its purpose is recognized throughout Canada and abroad, as a valid consequence of Canada's international responsibilities, and that it will be an important application of the report of that special committee, which laid such stress on Canada's foreign policy, having a place not only for recommendations and hopes, but also a much greater place for actions and achievements. We have here one of those achievements, the achievement of this international centre for the study of human rights, which will at least have the potential to bring into being in Canada an expanded knowledge of and a concern for human rights here and throughout the world.

I am very proud to present this legislation as an eloquent and practical reaffirmation of the commitment of Canada's Government and of the Parliament of Canada to constructive international action for the advancement of human rights and democratic institutions.

Mr. Roland de Corneille (Eglinton—Lawrence): Mr. Speaker, I would like to commend the Member for Scarborough West (Mr. Stackhouse) on his presentation on the purposes and objectives of this institute, and Bill C-147, which is the Bill to effectuate that institution, the International Centre for Human Rights and Democratic Development.

This concept is not something that has suddenly been brought forward in the last minute. Indeed, it is something that has been given a great deal of thought. In June, 1985, a special joint committee of the House of Commons and the Senate was created, which involved members from all three Parties of the House of Commons and from the Parties in the Senate. In its report called *Independence and Internationalism*, which was the result of its studies, which came out in June, 1986, it made a specific recommendation on this very subject. In that recommendation, it called for the establishment of an international institute of human rights and democratic development with carefully prepared guidelines for supporting activities by non-governmental organizations. This recommendation, found on page 105 of that report, comes from the research and concerns that were a result of a year's study of the human rights situation throughout the world, in an overview of international development. It resulted in what is known as the Simard-Hockin report, from which I have just read.

Following this presentation, there was then a Standing Committee of the House of Commons on External Affairs and International Trade—the regular standing committee—which met during the years of 1986 and 1987, and it came out with a report. The Government replied to the Simard-Hockin report, first of all, favourably and said that it was going to try to look

into this matter and that it would be in a better position to consider this at a later time but that it was supportive of the idea. That idea was given further support by the External Affairs Committee in its report called *For Whose Benefit*. In that particular report, it said that it favoured the establishment of such a committee, such an institute.

This is not some new idea. It is something which emerges from two very extensive studies by two very reputable committees in their recommendation that such an institute be established. It is with great pleasure, therefore, that I would add the voice of our caucus to support the idea, in principle, of this institute.

We have to say that one of the main concerns that has emerged, however, from our studies in these committees is that the situation of Canada giving development assistance to countries abroad that are in clear violation of the human rights of the citizens of those countries, seems to be misunderstood, and if not, is at least causing confusion on the parts of the inhabitants of those nations. It seems to me, as if it were, in some people's minds, counterproductive for us to be helping Governments that are repressing people in the name of helping them. Because of the state of confusion, because of this apparent inconsistency and paradox, it has been necessary for us to examine and watch very carefully our relationship with those countries. How do we conduct our international assistance and how do we help those countries to foster human rights abroad are questions that must be asked. That is why this institute can be a cornerstone or one of the building blocks in this process of trying to help developing nations to establish better human rights situations.

• (1140)

We have to recognize that many of the developing countries, in fact many of the developed countries, carry out gruesome violations of human rights. Haiti, a country receiving development assistance, has a Government that is repressing freedom of speech, freedom to assemble and even the freedom to live of those who want to express any disagreement with the Government. In light of this kind of violation of human rights, we see confusion. There is confusion on the part of Canadians who ask how it is that we are giving assistance to a Government like that of Haiti when it is thoroughly repressing its people. Regrettably it is not only in Haiti but in other nations throughout the world that human rights are being brutally repressed. In some there is no such thing as human rights.

Look at the situation in Burundi. I tried to bring to the attention of the Standing Committee on Human Rights that we must look at what is happening in Burundi because of threatened genocide, not only threatened but, in fact, genocide of the Hutu tribe and majority of the people by a minority repressive regime. Here is a gruesome example of genocide. While it is correct to criticize the policies of the Soviet Union, Chile and so on in terms of their failure to live up to the idea of human rights, brutal genocide and the massacre of tens of thousands of people is going on elsewhere. This is the decimation of human lives on a gross and massive basis. Something must be done urgently in our international relations about the way in which we deal with human rights in other countries and the way in which we deal with our international development assistance to those countries.

The same thing could be said about the aboriginal people in East Timor and in Irian Jaya. The oppression by Indonesia of those people and the genocide which has taken place over many years is again another example of brutal murder and slaughter on a wholesale scale. It is the purposeful and wilful starvation of masses of people. Yet Indonesia receives international development assistance from Canada. Real and gruesome situations such as this led our committee to say that Canada must look at the question of human rights and our relationship to development assistance programs in the Third World. The Standing Committee on External Affairs and International Trade raised these questions and asked what Canada's policy will be.

Tragically the list goes on and on of nations where repression is part of the ordinary way of life. Canadians cannot look away and act as if these problems did not exist and blindly go on simply dealing with those countries and providing them with assistance. Some kind of action must be taken. For that reason the Standing Committee on External Affairs and International Trade made some strong recommendations about what must be done, at least in the area of international development aid. In order to be able to be objective and fair the report said that for the development assistance program on the whole the committee saw merit in developing a classification grid for recipient countries that would provide incentives for good behaviour as well as penalties for poor human rights performance. Without minimizing the difficulties of such a system of categorization, the report continued, the committee put forward as a basis for consideration a suggested category system.

Let there be, first of all, a category called "human rights negative". This would apply in extreme cases, to those judged by the international community to be guilty of persistent, gross and systematic violations. In other words, the kinds of violations to which I have been referring, gross slaughters and genocide. The committee, proposed a classification grid system which would define that kind of repression.

The second category was a "human rights watch" for cases of less or variable concern where serious allegations have been made, but with many grey areas and where development progress is still possible.

The third category we recommended was "human rights satisfactory", which has an obvious meaning. Finally, we had "human rights positive".

With a classification grid we would, as a country, be able to say that if a nation is in a category that is satisfactory or positive, a green light would be given for full speed ahead for providing assistance and for the way in which it is given. But if

a country were placed in a human rights category, watch or if a country were placed human rights in a negative category Canada would not be giving government to government aid but would work only on emergency relief for floods, fires and earthquakes or through non-governmental organizations such as the Red Cross, Amnesty International, church organizations and so on. That would be a comprehensive organized system of approach which the committee said needs to be put into place by Canada.

That was and is a sensible recommendation. The committee went on to recommend that we set up an evaluating system of nations as well. It is not enough merely to lay out the criteria. One also has to evaluate where the countries are falling in some category or other and to define under what category they fall under. This is no easy matter. It requires research, definitions and on the spot assessment. It requires the views of non-governmental organizations and of people throughout the world about what is happening in the various countries. It is not only a matter of stating criteria but also of observing what is happening in nations, assessing them in terms of this grid and classification, and then making a firm decision. It means an objective approach. It means not a willy-nilly approach of "Well, we will help this week but we will not help them that week", but a deep assessment based on criteria.

The Government replied to this report *For Whose Benefit*? In its reply it did not accept the committee's request that there be criteria laid down. It did not accept the recommendation that countries be categorized by this criteria. On March 3, 1988, in this House I expressed my concern. The Government said it would bring these problems before Cabinet and that countries would be judged by the Cabinet as to whether or not they would receive aid. I said that that simply was not good enough, that Cabinet is too busy to do this kind of thing. I asked in whose hands this would then be left and what kind of objective, satisfactory and comprehensive review would be made of the human rights situations in countries to which we are giving assistance. I have expressed my concern about this on many occasions, but I want to express my concern about it once again.

• (1150)

I hope that through the process of establishing this kind of an institute, there will be some possibility of establishing some guidelines or parameters that can be recommended to the Government so that the Government can take steps forward from its present position. Whichever Government may be in power will have to realize that objectivity and even-handedness is needed and that criteria must be set down so that we treat everyone the same. We should not treat one set of nations that may be friendly toward us in one way and those about which we are not too happy in another way. If we are to continue to be respected, we have to take an even-handed approach.

I think Canada has had a tremendously good record over the decades. The world respects Canada. The world respects our international development systems, precisely because we have been able until now to maintain, perhaps through good luck as well as through good management, objectivity and fairness.

In establishing this new institute, perhaps the Government will ultimately see a role for it in establishing criteria. Perhaps the Government will not want to have this organization monitor these criteria, but hopefully it will at least encourage and invite this institute to establish criteria by which the Government, the Department of External Affairs and CIDA, the arm for international development, will be able to have guidelines and make decisions on what kind of aid and how much aid it will be giving.

We hope that this institute will develop into something that will be even greater than what has been proposed. We hope it will give advice to External Affairs and to Cabinet on situations throughout the world. Of course, as is true in every system of Government, we can anticipate that bureaucrats at External Affairs and CIDA may want all the assessing on human rights to be kept in their empires, but they would be well served if they opened up the process and invited such an institution as this to play its role.

There are a number of things about this institute that encourage me. Obviously it can do much to help nations to improve their police forces so that they would be less brutal and to provide insight, instruction, inter-relations and comparing of notes with nations throughout the world, especially those we are helping with international development.

By the way, helping a nation is a two-way street. When we help, we are also helped. As we try to learn things from Third World nations, they learn from us about ways to improve law and order, justice and equality rights. As we discuss ways to eliminate discrimination, and certainly above all to eliminate brutality and the gruesome violations of human rights, that educational process is of benefit to Canada as well as to the nations with which we are working. It is a positive program.

Education is desirable and important. Research and development will be extremely important. I do hope that this organization will refine its ability to verify human rights situations throughout the world. It is not sufficient to merely observe whether or not a nation is violating human rights. We must lay down the conditions whereby we are able to assess whether those violations have or have not taken place.

There is much research and study that this institute can do in establishing the very conditions, objectivity and criteria for us to assess whether we are helping a brutal regime or whether we are helping a regime that is truly struggling to move upward into the light of day for the betterment of its people. Therefore, this institute must receive our enthusiastic support.

It has received recommendations from two very notable committees. The Government has now placed before us Bill C-147 to implement the institution. While we are certainly favourably inclined toward such a positive step, I hope all Hon. Members will also be critical about some of the things involved in this Bill. There are some things that I think Members of the

House of Commons should think about. One is that the space devoted in the Bill to the objectives of this institute is very slight indeed. The description of its objectives and purposes amounts to a couple of paragraphs. The rest of the Bill deals with the institutional structure of the organization and the appointment process. Of course, those are important, but it is disappointing to see that so little is said in the short preamble about the specific objectives of this organization.

On the one hand, I am pleased that the objectives are not specifically set out, because that might provide room for us to move forward in the areas I have discussed. On the other hand, it seems to me that something of such great importance as this should at least set forth more fully and precisely the objectives of this institution. In any case, I bring this to the attention of Hon. Members. I would ask them to study the Bill and ask themselves if they would like to see anything more precise than that which is offered among some of the objectives included in the Bill.

I for one would like to see one of the duties of this institute being to develop criteria for human rights and criteria for monitoring human rights. Many things have already been done in this field through the Helsinki Accord. In terms of monitoring, many models have been put forward already. Still, it is at a crude level even at best, and this is an area in which Canada can give leadership in research and in recommending the way to monitor, understand and assess the criteria by which nations observe or violate human rights.

The second thing I would like to bring to the attention of the House is the matter of finance. We know that there is always a problem with money. All good things require money. This one is no exception.

The Bill proposes the assignment in the first year of $1 million for this institution and $2 million the next year, $3 million the next year, $4 million the next year and $5 million the next. Then Parliament would assess the situation and decide what further funds should be granted to it. It is a sensible approach to increase year by year the amount of money provided to the institute, but I am concerned about one thing, and I hope that the Hon. Member for Scarborough West and others who will deal with this Bill will consider it. That is, there are many people in non-governmental organizations in the field of human rights who feel, first, that $1 million may not be adequate to launch this institute, particularly if a large part of that amount goes for the basic infrastructure involved in setting up such an institute. They feel this is inadequate funding for the very first year, which is usually quite expensive for any organization or institution.

• (1200)

Second, and maybe even more important, non-governmental organizations are concerned that the Government expects the public and other institutions to support this institute. They are having a hard enough time maintaining their own work in a very competitive market. If the Government does not plan to support this organization in its entirety and plans to call on revenues which are already supporting other organizations, it will put a great strain on their ability to maintain the good work they are doing. In that sense it would be self-defeating.

The solution to that problem, according to these organizations, and I share the view, is that the Government should support this institute and not look for support among those who contribute money to organizations like the Red Cross, Amnesty International and others. Those organizations are already under great financial strain and such competition is viewed by them and their leaders as a very real threat to their ability to provide very valuable services to the country and the world.

My third point deals with the proposed name of this institute. This is an Act to establish an International Centre For Human Rights and Democratic Development. I know what it means and you know, Sir, what it means, at least I hope we do, when we speak about human rights. However, with respect to the words "democratic development" there is some concern. Perhaps your view, Sir, of the meaning of "democratic development", or that of other Members of the House, might differ from mine. However, I think it should be pointed out that in the report made by rapporteurs studying the matter for the Government, Madam Gisèle Côté-Harper and John Courtney, on pages 24 and 25, there is a concern expressed that this title may cause some difficulty for Third World nations when that organization is working with them.

We know, unfortunately, that the words "democratic republic" have been used by some of the most oppressive nations on earth. We know that the eastern bloc uses the words "democratic peoples republic" and so on and the word "democratic" can be misused. We know that the United States has often used the words "democratic government" as a euphemism for countries that will go along with American foreign policy. For that reason Third World nations, who see how the superpowers use these words to camouflage nationalistic intentions and the extension of their empires, are going to be suspicious when they see the words "democratic development".

What do those words mean? This is not some sort of savant's concern or dilettante's comments. It was expressed by those asked by the Government to study this matter. The recommendation is not to use those words but to use some others less prone to be misunderstood or misinterpreted as some kind of manipulative effort by Canada to establish our own way of life or values and interfere in the values and life systems of Third World nations. Therefore, I call on the Government to consider some revision in this area.

In conclusion, I hope the Government will proceed with this institute, widen its terms of reference, and that it will be more than merely an educational institution. Rather, I hope it will become involved in the pragmatic research that deals with criteria and monitoring of human rights violations, setting

down criteria and trying to be objective. I hope it will flourish and that its title and finances will be reviewed.

I also hope that it will pass this House in all stages today, obviously because of pressing concerns of time. In saying that, I do think there should be further discussion on an objective basis with people from the human rights field and all political Parties in order to make it the vehicle Canadians want it to be, an effective, objective and humane institution which all of us can support. I commend all those involved in its conception and now in its fulfilment.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, it is a pleasure to rise to speak in fundamental support of this Bill on behalf of my Party. It was introduced by my friend from Scarborough West and I congratulate him. I know he feels sincerely about the issues this legislation attempts to address. I am pleased to hear that the honourable Liberal Member has spoken in support of this Bill. That indicates fundamental support among all three Parties for the legislation.

Most Canadians, when they consider our contribution to international aid, believe we are attempting to contribute to something besides technical and economic development. I think there is a perception that Canada has certain other goals in mind when it provides aid, particularly to developing nations, with respect to the development of an environment in those countries which is respectful of human rights and pointing ultimately to the development of democratic institutions. Therefore, in a certain sense what we have here is kind of a motherhood thing, but all too often Canadians are confused by the fact that in certain nations there are crises precipitated due to infringements on the human rights of their citizens. There are any number of examples that could be cited.

• (1210)

Not too long ago a delegation made up of all three Parties went to Haiti to look at a situation in which democratic processes and human rights were being severely abused. The question arose as to how it is possible for Canada to provide bilateral aid or any aid that implies a relationship with a Government which would treat its citizens so badly.

My hon. colleague from the Official Opposition cited Burundi. In recent weeks Burundi has certainly raised that question once again in the minds of Canadians. We could cite Nicaragua, El Salvador, Chile, and Indonesia. All around the world there are developing nations which Canada tries to support in their progress, both on the economic and technological fronts, which nations call into question, such as whether Canada is in fact making any significant contribution to the development of democracy around the world.

This question has bothered parliamentarians. As my colleague indicated, a number of committees have addressed the issue. The Human Rights Committee of the House of Commons has studied, it as did the Standing Committee on External Affairs and International Trade in 1987. The Special Joint Committee on Canada's International Relations also addressed the issue. As my colleague indicated, one of those committees indicated the necessity of having a set of criteria, a categorization of the countries to which Canada contributes aid which would relate the kind of aid and the delivery mechanisms of that aid to the human rights standards and practices of the various countries to which that aid would be distributed.

There is a great deal of concern that Canada, in providing overseas development aid, not be neutral in respect to the nature of the environment in which the people live, but rather that Canada's international aid have a purpose. One recognizes that meeting the elementary needs like food, clothing, housing, and so on are the key to the development of democracy, but you cannot have the development of democracy, even if all of those needs are met, if Governments suppress their own people, if human rights are abused, and if there is no progress toward the evolution of democracy.

This matter has been addressed in a number of ways. Two committees suggested the establishment of an international centre for human rights and democratic development. In 1986 the special joint committee recommended as follows:

> —we recommend that the government consider establishing an International Institute of Human Rights and Democratic Development with carefully prepared guidelines for supporting activities by non-governmental organizations. To ensure that the Institute is sensitive to the varying national perspectives on democratic development, particularly in the Third World, we recommend that its board of directors include international representation, on the model of the International Development Research Centre.

For Whose Benefit also recommended essentially the same thing. It said:

> The Committee therefore recommends that the International Institute for Human Rights and Democratic Development carry out its distinct mandate as an independent, free-standing body working closely with Canadian human rights groups and non-governmental organizations.

One of the problems which arises in considering the nature, structure, and terms of reference of this new centre is that, as I indicated earlier, it refers to itself as an International Centre for Human Rights and Democratic Development. A number of non-governmental organizations have expressed concern that while the Bill attends, in respect to human rights, to a kind of definition by saying that for the purpose of this Act the International Bill of Rights will constitute the reference and source for adjudicating what constitutes human rights, it fails to deal with what constitutes democracy and democratic development.

One of the concerns which all committees and very many parliamentarians have had is that Canada seeks to enhance human rights and democracy by a means which would not impose on other nations our own institutions and values. I would have to say that if we are unable at least to define democracy in terms of values then we have no goal in mind. We could not possibly know what it is we are trying to further by the establishment of this kind of institution.

One of the serious deficiencies of this piece of legislation is its failure to deal with that. As my hon. colleague from the Liberal Party recognized, this is a significant failure which might be addressed, I suppose, by omitting, as was suggested by the report prepared by the Secretary of State for External Affairs (Mr. Clark) by quoting Harper and Courtney. However, it seems to me that the merit of that proposition might make it difficult to deal with that question in a productive way because I am not so sure that we want to eliminate the prospect that this centre may in fact further the development of democratic institutions. Therefore, perhaps the omission of that reference is not in order.

One of the means that have been recommended to ensure that there would be an objective consideration of that aspect of this centre's function, that is, the furthering of democratic institutions, was to ensure that there be broad representation and broad linkages drawn between the centre and those organizations and institutions which could contribute to the delineation of those values and criteria that would permit us to evaluate the extent to which progress is being made toward the development of democratic institutions.

As you will recall, *For Whose Benefit* says that this would be a free-standing body working closely with human rights groups and non-governmental organizations. The Côté-Harper report suggested that there be significant lines drawn between CIDA and the Centre for Human Rights Research and Education at the University of Ottawa. Neither of these linkages are drawn in this legislation, yet it is this kind of linkage which would permit this centre to begin to address this issue of the furthering of democratic institutions.

If we look at the structure of the board of directors we are left with another problem. If we are going to address the issue of democratic institutions there is a great danger that a too narrowly appointed board might impose an ideological set of criteria. As you know, Mr. Speaker, there are those, particularly to the south of us, who consider that the only form of democracy which has any merit is that which ensures that there will be a totally free enterprise system with no state intervention, with none of the co-operation which occurs between private industry and Government in this country.

I hesitate to say this, but there may be those who could be appointed by a Government, without consultation of the sort which is called for in these various reports, to a board of directors which, from that ideological point of view, would in fact impede the kind of democratic development that we seek to have. What we want, I think, is to be able to communicate the ideal of democratic values which are common to the Canadian people. I quite frankly confess that I think Canada must reflect internationally—not by imposing its institutions or rigid definitions on other nations—a kind of Canadian consensus of the values underlying democracy and to apply criteria developed from those values in distributing aid.

• (1220)

We are very much concerned about this issue. We are trying to find some meaningful way of addressing it which will not impede the passage of this Bill today. Therefore, we suggest we do as this House did with respect to the Centre for International Peace and Security and the board for CSIS and have the appointees appointed with consultation among all Parties in this House. This seems to me to be a very simple means of addressing a number of those concerns which I and my colleague from the Liberal Party have addressed.

What we are saying is that we consider this legislation has merit, as the centre has merit. It is an institution that all Parties agree should be established. There may be some disagreement with respect to exactly how it will proceed to do its work, but I think that can be addressed by ensuring that all Parties in the House are involved in the appointment of the board, that the board will not be established on the basis of patronage or a too narrow ideological test.

Let me indicate that the concerns we have raised are concerns expressed to us by a number of non-governmental organizations such as OXFAM, the Canadian Coalition for International Co-operation, the Parliamentary Centre for International Studies, the North-South Institute, the Canadian Network of NGOs, Amnesty International, the Task Force on Churches and Corporate Responsibility and so on. All of these organizations had concern about the inclusion of the reference to democratic development without there being in the legislation any sense of what that means, and with the failure of any kind of connection or representation upon the board of directors of this centre from CIDA or the University of Ottawa Centre. We need some means of ensuring that the centralizing tendency of the Department of External Affairs, and the prospect of potential ideological thrust being imposed upon this board, is dealt with through a simple amendment which I will propose during the consideration of Committee of the Whole.

While this Bill has a kind of centralizing tendency in the sense that all members of the board except three are appointed by the Government, we have a decentralizing counterforce to this by moving the institution to Montreal. This does not really accomplish the kind of dispersal of involvement we would prefer. We think it would be much better to consider the structure of the board as a more reasonable way in which to ensure that there is a decentralizing aspect to the character of the board and, therefore, addressing the issue of human rights and the development of democratic institutions.

The Acting Speaker (Mr. Paproski): There are no questions and comments. We are now entering debate under Standing Order 55(2), 20 minutes plus questions and comments.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I am pleased to take part in the debate on Bill C-147, An Act to establish the International Centre for Human Rights and

Democratic Development. For personal and other reasons, I have always been greatly interested in this subject. The University of Ottawa, in my riding of Ottawa—Vanier, has had a centre to research and promote human rights since 1981.

This centre was founded in 1981 by the Senate of the University of Ottawa, at the initiative of Walter F. Tarnopolsky, who is now a judge. This centre works very well with an annual budget of around $750,000, part of which comes from the University, part from the federal and provincial Governments, and a large part from research contracts awarded to the Institute.

Since the Government has now tabled a Bill to establish the International Centre for Human Rights and Democratic Development, I wish to make some constructive comments on this Government initiative, Mr. Speaker.

I noticed that in their speeches, the Hon. Member for Eglinton—Lawrence (Mr. de Corneille) and the Hon. Member for Windsor—Walkerville (Mr. McCurdy) both referred to many countries that have serious problems with human rights, fundamental rights, democratic rights. They listed a series of countries. I recall some that they named, like Haiti, Burundi, Chile, Sri Lanka, Bangladesh, Ethiopia, etc. We all know that, we see it every day in the world, and we have troubling examples of abuses of all kinds, distressing examples of the inhuman treatment inflicted by Governments that show very little concern for human rights.

So I am very glad to support this Government initiative and, for the benefit of the House, I would like to read the mission that the Government has assumed by establishing this institute or International Centre for Human Rights and Democratic Development. I quote clause 4:

> The objects of the Centre are to initiate, encourage and support cooperation between Canada and other countries in the promotion, development and strengthening of institutions and programs that give effect to the rights and freedoms enshrined in the *International Bill of Human Rights*, and, in carrying out those objects,
>
> (a) to support developmental programs and activities for the benefit of developing countries; and
>
> (b) to foster research and education, discourse, the exchange of information and collaboration among people and institutions in Canada, developing countries and elsewhere.

So this is a statement of the Centre's mission. And I think that if some were to criticize the mandate, or mission, it would be a good start, Mr. Speaker. It may be difficult for some Canadians to reconcile themselves with the Centre's name, to know how this concept of democratic development, for example, will be defined. We in our country understand it since democracy is part of our system; it is a constantly evolving way of life that we know well.

But one democratic right to promote—and I hope that we will exercise it soon—is the right to vote. Not everyone has freedom of expression and free speech. Not all countries on earth enjoy this right. Neither does everyone have the right to be represented.

When we are talking about human rights, we must not forget that these democratic rights are very important. However, the Bill gives no indication what the Government wants to do or how we define democratic rights.

The Bill fails to provide any specific plan for improving the situation with respect to human rights in the Third World. I hope that the Centre through its Board of Directors will take steps to establish a program and define areas of activity, thereby perhaps expanding its mandate somewhat to try and cover democratic rights as well and promote those rights.

I was thinking that to promote American or Canadian-style democracy in developing countries is not necessarily a good thing right away. We may have to start by offering some encouragement and promoting programs that would help these people understand that our individual freedoms, our fundamental rights are important to the development of a nation, and that they would do well to make some changes in the way they live. They could perhaps be persuaded to take steps that would make these countries more democratic and more respectful of human rights.

Mr. Speaker, I don't want us to be accused of imperialism, and I don't want us to export our way of life to these countries. I think that when we talk about co-operation and foreign aid, we are talking about a desire to help these people reach goals that we, at least many of us, have already attained here in Canada today.

Mr. Speaker, another concern is the appointment of the Board of Directors. In the Bill at Clause 7, it says:

> 7. There shall be a Board of Directors of the Centre consisting of a Chairman of the Board, a President of the Centre and eleven other directors to be appointed as provided in sections 8 to 10.

Mr. Speaker, with my colleague I considered presenting an amendment whose effect would be to have the Board appointed after consultation with the Leaders of the Opposition and the other Parties in the House, but especially with the NGOs, the non-government organizations.

[*English*]

I thought that we would like to have these specialists, these active groups of NGOs consulted. After all, who can better carry the mission to fruition? Who can better express what Canadians feel without that nuance, that possibility of government Order in Council appointments exclusively done by the political process? I thought that that would be something the Government would accept, that is, that the NGOs, the specialists in the field of human rights and, of course, the other political Parties, would be consulted prior to the naming of the 13 members of the board.

• (1230)

I hope that we will proceed with such a course of action and that at committee stage such an amendment will be possible.

The other point—

[*Translation*]

I am referring to financing. Of course the Bill contains a pretty clear financial schedule covering six years, starting in 1988:

> 28. There shall be paid to the Centre out of the Consolidated Revenue Fund for the purpose of supporting developmental programs and activities for the benefit of developing countries . . .

. . . one million dollars in 1988, two million in 1989, three million in 1990, and so forth, so that by 1992, we have the amount of five million dollars in the fiscal year commencing on April 1, 1992.

Clause 28 goes on as follows:

> (f) in each fiscal year thereafter, such amount as may be appropriated by Parliament.

The only thing I want to say about this, Mr. Speaker, is that I hope the Government does not intend to fund this institution by reducing the budget of CIDA or of any other government organization involved in rights. I certainly hope so and, in committee of the whole, I will ask the Minister whether he intends to confirm that indeed new money will be allocated to the International Centre for Human Rights and Democratic Development.

This I consider to be a very important point because I would not want such organizations as CIDA to be forced to curtail their activities. I do not think it would be appropriate to raise a smokescreen and make people believe a new centre is to be established when in fact the funds come from another agency which will have to reduce its workload.

Finally, Mr. Speaker, and this may be somewhat more personal, it has been decided that the centre will be located in the Montreal Urban Community. As a matter of fact, clause 19 of the Bill stipulates:

> 19. The head office of the Centre shall be in the Montreal Urban Community.

Mr. Speaker, this political decision on the part of the Government flies in the face of the recommendation made by the committee which had been appointed to consider this objective or this idea.

[*English*]

I know that my colleague who spoke before me referred to this. However, I would like to refer again to section 78 of the report to the Secretary of State for External Affairs (Mr. Clark) and the Minister for External Relations (Mrs. Landry) entitled *International Co-operation for the Development of Human Rights and Democratic Institutions*, dated June 30, 1987. The special rapporteurs Gisèle Côté-Harper and John Courtney explained how they feel that the international centre should not be called anything else but the "International Centre for Human Rights and Institutional Development", which is a modification, a clearer definition of what we meant.

At recommendation 89 they propose the creation by Act of Parliament of a Crown corporation, type C, to be known as the International Centre for Human Rights and Institutional Development, *Centre internationale pour le développement des droits humains et des institutions*, composed of a board of directors and a secretariat. It will be located in the National Capital Region. Evidently, the Government does not feel that the National Capital Region is going to be getting this centre since in the Bill it states Montreal. I do not object to its being located in Montreal. However, I point to the experience acquired at the University of Ottawa in my riding over the last seven years with the library that is in place and the reputation that has been built up by this centre. It is consulted regularly by international groups. It has a window on this great problem of human rights. Over the years it has developed an expertise which to me is a proud acquisition at the initiative of the university. I hope that there would not be a duplication, for example. I hope that the centre in Montreal will use the library, the research facilities and the expertise available at the University of Ottawa to pursue the objectives set out in this Bill.

I know that in the Bill it states that the centre may have activities anywhere in Canada. I hope that there will be active use and support of the Ottawa University centre.

I wish to make it clear that I am not objecting to the centre being located in Montreal. I will deplore it if we are duplicating services. I hope that we will not be doing that. I say to the Government and the board that it will be more than welcome at Ottawa University to co-operate and work fully with the new centre for international human rights and democratic development.

• (1240)

Having said those few words, and knowing there are Members who would also like to speak, I shall resume my seat and speak again at report stage.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I am pleased to have this opportunity to rise in my place and, once again on behalf of the New Democratic Party, indicate our support for the establishment of the International Centre for Human Rights and Democratic Development.

I wish to pay tribute to my colleague, the Hon. Member for Windsor—Walkerville (Mr. McCurdy), who has worked tirelessly for the establishment of this centre in committees and in working with non-governmental organizations for a number of years now. My colleague has noted some concerns that we have with respect to the appointments process, and indeed we will be moving an amendment that would ensure that there be consultation with leaders of the opposition Parties in the House of Commons before appointments are made to the board of directors of this centre. I hope that that amendment will be supported by Members of the House.

I would have thought it desirable that, just as there is consultation with non-governmental organizations involved in the field of peace, development, and disarmament, before appointments are made to the board of the Centre for International Peace and Security, so too should there be such consultation before appointing members of this particular board. I

hope that that particular proposal will also meet with the support of the Government.

Among other things, the objects of the centre include strengthening institutions and programs that give effect to the rights and freedoms enshrined in the International Bill of Human Rights. It is fundamentally important to underline the fact that the International Bill of Human Rights includes not only the question of the international covenant of civil and political rights but also the international covenant of economic, social, and cultural rights, and the optional protocol to the international covenant on civil and political rights. As the great Canadian poet and political thinker, Francis Scott, wrote: "The trappings of democracy hang loosely on an emaciated body politic". I am very pleased that an important part of the mandate of this centre will be to encourage economic development to assist those who are poor and powerless in other parts of the world. In particular, I welcome that part of the mandate.

With respect to the other part of the mandate, the promotion and strengthening of democracy in other parts of the world, I wish to highlight two or three areas on which I believe it to be particularly important that the centre focus its work in the very near future.

Two days ago in Toronto I spoke at a rally of some 2,000 people commemorating the fifteenth anniversary of the bloody overthrow of the Allende Government in Chile. Since that time, 15 years ago on September 11, 1973, we have seen a reign of terror in Chile where over 30,000 people have been brutally murdered, have disappeared, have been forced into exile, or have been injured or tortured. For example, I think of Carmen Gloria Quintana, who was terribly burned and who has now returned to fight for democracy in her country.

I would hope that the international centre, which is proposed to be established in this Bill, would, as an early priority, turn its attention to the importance of restoring democracy in Chile. I also hope that it would look at a number of concrete recommendations in that regard, for example, the fact that Canada should not be voting in favour of World Bank loans to Chile. In December, 1987, Canada was the only country, together with Britain, to vote in favour of a World Bank loan to Chile. It is important that we express our opposition clearly in the international forum. It is important that we stop any trade in military or paramilitary equipment with Chile. It is important that we urge the junta to hold free and open elections without any exclusions. The fraudulent constitution that provides for a so-called protected democracy is obviously profoundly undemocratic.

Finally, in the context of Chile, it is essential that the Government issue visas and call for the release of the 15 political prisoners in that country who face the death penalty. I was in Chile a little over one year ago and I met with one of those prisoners. Certainly, we have to recognize the fundamental injustice that faces those people. There has been reference to terrorism by Pinochet. Surely the greatest terrorist in Chile today, the man with the blood of thousands of innocent Chileans on his hands, is Augusto Pinochet himself. I met with the mothers of the disappeared. I met with the families of victims of torture. I met with women in Valparaiso who work with an organization called CODEPU that has been doing a courageous job of assisting political prisoners, and assisting the families of the victims of torture and of the disappeared. I hope that the international centre will do what it can in areas such as Chile to help seek the restoration of democracy.

I hope that the centre will turn its attention to a part of the world that for too long has been ignored, which is the tragic situation of the people of East Timor and the brutality and violence to which they have been subjected by the Government of Indonesia.

Finally, I want to turn to one other area that I believe is an important area for this international centre to look at a very early date, which is the whole question of the rights of the Palestinians in the Middle East. The Palestinian nation has a generation of young people who have grown up under occupation in the occupied West Bank and Gaza. In that area we have seen a situation in which the Government of Israel has subjected the Palestinians to brutality, violence, beatings, gassings, shootings, to deportations which are clearly in breach of international law, to the sealing of houses and the bulldozing of others. I would hope that the international centre would look at this whole question on an urgent basis. I would hope that the international centre would recognize the importance of looking at the whole question of the rights of the Palestinian people to self-determination, to an independent state which would obviously be subject to international safeguards to ensure that it posed no military threat whatsoever to Israel, but an independent state in the West Bank and Gaza.

I also believe that it is essential that we call for an international conference of all those parties that are affected by this tragic situation, at which the Palestinians and their chosen representatives, the Palestine Liberation Organization, should be represented. It is essential that this great historic wrongdoing finally be undone, that this occupation be ended, and that the Palestinians be entitled to treatment with justice and democracy in their own land.

These are some of the issues that I believe it is essential that the international centre deal with in the early days of its existence. I am pleased to support the establishment of this centre. It is long overdue. I know that it was a recommendation of an all-Party parliamentary committee. I want to pay tribute to all Members of the House, including the Hon. Member for Scarborough West (Mr. Stackhouse) who chairs the Standing Committee on Human Rights, the Hon. Member for Eglinton Lawrence (Mr. de Corneille), and in particular, my colleague and our spokesperson in this area, the Hon. Member for Windsor—Walkerville, who has brought this important international centre to fruition.

The Acting Speaker (Mr. Paproski): In view of the fact that there is going to be an amendment and probably further debate on one of the sections, shall I call it one o'clock?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Paproski): On a point of order the Hon. Member for Windsor—Walkerville.

• (1250)

Mr. McCurdy: Since there is only a single amendment, we are prepared to let it go through second reading and deal with the amendment before one o'clock.

The Acting Speaker (Mr. Paproski): All right.

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

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and the House went into committee thereon, Mr. Paproski in the chair.

Mr. Grisé: Mr. Chairman, we are starting the Committee of the Whole stage and it is getting close to one o'clock. I think that you will see, if you seek unanimous consent, that there is agreement to not seeing the clock at one o'clock and going on for a few minutes just past one o'clock.

Mr. Gauthier: On that same point, Mr. Speaker—

[*Translation*]

Mr. Gauthier: On the same point, Mr. Chairman, I don't think there is unanimous consent to extend debate. We have about nine minutes left. Why not wait until one o'clock to see what happens? If the Hon. Member decided to co-operate with us, our questions might be shorter than if he pushed us in a corner and, in the process, made us work longer than necessary.

Mr. Grisé: I don't want to start a debate with the Hon. Member for Ottawa—Vanier (Mr. Gauthier), but I think we will certainly co-operate with the Opposition Parties.

[*English*]

Mr. Deputy Chairman: Order. House in Committee of the Whole on Bill C-147, an Act to establish the International Centre for Human Rights and Democratic Development.

Clauses 2 to 5 inclusive agreed to.

Mr. Deputy Chairman: Shall Clause 6 carry?

[*Translation*]

On Clause 6—*Capacity in Canada*

Mr. Gauthier: Mr. Speaker, the Centre may carry on its activities throughout Canada.

I don't want to amend the Bill, but I would like to know if the Hon. Member responsible for the Bill could give me the assurance that the Centre will exercize its activities, including annual meetings and research projects, consultations with communities or consultations with various countries here in the National Capital, and I am thinking of our embassies here in Ottawa and of all the Government expertise we have in Parliament, could the Hon. Member give me the assurance that at least one of the Centre's annual meetings will be held in the National Capital so that these embassies, these experts on human rights and the University of Ottawa's Centre, which, I imagine, he knows is an extremely valuable Centre with a very extensive library recognized as one of the best in the world, could the Hon. Member give me the assurance or inform the House that the Centre intends to have meetings here in the National Capital at least once a year?

[*English*]

Mr. Stackhouse: Mr. Speaker, I share with the Hon. Member his respect for the University of Ottawa's library and Centre on the Study of Human Rights, which is renowned throughout Canada and beyond, and from which many of us have learned in the past. I cannot conceive of this centre ignoring that institution, nor of the proposed centre ignoring the resources that are available through other institutions in this city.

It is clear that the legislation does not require the proposed centre to work in Ottawa, but I think that we can believe that reason will drive it in this direction and that we can confidently expect that the centre will make full use of the rich resources of the Ottawa-Hull capital region.

Mr. McCurdy: Mr. Speaker, as you know, I cited some concerns with respect to this legislation, concerns that I suggested may be addressed by an amendment to the Bill. It is an amendment that I have reason to believe the proponents will accept, because it recognizes the essentially non-partisan nature of our approach to foreign aid and—

Mr. Deputy Chairman: I do not wish to cut the Member off, but we are on Clause 6 and I believe his comment is on Clause 7. Shall I carry on with Clause 6 first?

Clause 6 agreed to.

Mr. Deputy Chairman: Shall Clause 7 carry?

On Clause 7—*Board of Directors*

Mr. McCurdy: Mr. Chairman, my hunger expedited my intervention. We did arrive at the appropriate place. I would hope that what I said earlier would still apply. I would move an amendment as follows:

That Clause 7 of Bill C-147 be amended

(a) by deleting line 38 on page 3 and substituting the following:

"7. (1) There shall be a Board of Directors of" (b) by adding the following after line 42.

"(2) All appointments pursuant to this section shall be made after consultation by the Minister with the Leader of the Opposition and the leader of every other recognized Party in the House of Commons."

Mr. Gauthier: I am speaking in support of this amendment, Mr. Chairman. I hope that the Government will accept this amendment. Indeed, it is one that would allow for a more non-political, non-partisan assurance that the nominations will be made to this board, to this centre, in a manner which would possibly make it more transparent to Canadians, that indeed, it is not a patronage appointment, it is not a nomination to the centre done by the Governor in Council, that is the Prime Minister and the Cabinet, but rather it is done through the consultation process with the Leader of the Opposition and Leaders from other recognized Parties in the House.

I would have liked to see the NGOs also involved in this process of consultation, but I understand the difficulties with that. I would have liked some experts in the field to have also been consulted. I take it that that will be part of this whole process, and I would recommend strongly to the Government that it keep in mind the non-governmental organizations. If we keep the amendment, these organizations will be important to the Government and to us.

• (1300)

Mr. Stackhouse: Mr. Chairman, the Government is willing to accept the amendment. I should point out to the House that already the process of consultation of interested and informed parties has begun. So far hundreds of letters have been sent to interested persons and groups in this field to ask for recommendations of prospective nominations for the proposed board and already many and useful suggestions have been received. Such consultations will obviously continue. We are certainly happy to expand that consultative process to include the Leader of the Opposition and the Leader of any other recognized Party in the House.

The Deputy Chairman: Before I put the amendment, under "Organization", it should read "by adding the following after line 42." Is that so agreed?

Some Hon. Members: Agreed.

The Deputy Chairman: Hon. Members have heard the amendment. Shall the amendment carry?

Some Hon. Members: Agreed.

The Deputy Chairman: Shall Clause 7, as amended, carry?

Some Hon. Members: Agreed.

Clause 7, as amended, agreed to.

Clauses 8 to 27 inclusive agreed to.

On Clause 28—*Payments to Centre*

Mr. de Corneille: Mr. Chairman, I just want to make sure it is clear. Do I understand correctly that, according to the schedule, the amount of funds available will be immediately $1 million—if this Bill passes, of course—and that another $2 million will be available on April 1, 1989, so by April, 1989, $3 million will be available? Is that correct?

Mr. Stackhouse: Mr. Chairman, that will be correct except for any moneys expended.

Mr. Gauthier: Mr. Chairman, the Hon. Member heard my speech at second reading. Can he assure me that this is new money, that this is not money coming from existing budgets of, say, CIDA or other organizations of the Government in similar work? Is it a request for new money that the Government is making, and can we have an assurance that those other budgets will not be diminished by the amounts allowed in this Bill?

Mr. Stackhouse: Mr. Chairman, to my knowledge, this represents money to be received from an expanding developmental program.

Clause 28 agreed to.

Clauses 29 to 32 inclusive agreed to.

Clause 1 agreed to.

Mr. de Corneille: Mr. Chairman, I want to ask the Hon. Member for his comments on the problem relating to the definition of "democratic development". I thought at this stage I would bring this matter forward again.

Mr. Stackhouse: Mr. Chairman, we are satisfied that the proposed title in the Bill adequately and clearly states the nature of the proposed centre.

Title agreed to.

Bill reported.

The Acting Speaker (Mr. Paproski): When shall the Bill be read the third time? By leave now?

Some Hon. Members: Agreed.

Hon. Pierre H. Cadieux (for the Secretary of State for External Affairs) moved that Bill be read the third time and passed.

Motion agreed to and Bill read the third time and passed.

Mr. Gauthier: Mr. Speaker, I rise on a point of order. For the record I would like to congratulate the Hon. Member who presided over the deliberations today. I think he did a very good job and deserves our recognition and thanks.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. Paproski): It being one o'clock, I do now leave the Chair until two o'clock this day.

At 1.06 p.m. the House took recess.

S. O. 21

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

EMPLOYMENT

WAGE AND SALARY TRENDS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the income disparity between those at the top and those at the bottom has increased sharply since the Conservative Government took office, with only those at the top keeping pace with or in some cases substantially outstripping inflation, says a report which was published recently by the Ottawa based Canadian Centre for Policy Alternatives.

The cost of living has increased by 13 per cent since September, 1984. Over that period, the incomes of salaried workers have risen by 12.7 per cent, while managers' incomes rose by 22.6 per cent and senior executives' salaries rose by 43.7 per cent, the report went on to say. Thus, for every category of worker in Canada except management and senior executives, wages and salary increases trailed inflation.

The researchers found this to be a worrisome development for most workers since wages usually rise during a period of expansion. It is not hard to conclude that little of the over-all growth during the past four years is attributable to the Conservative Government's policy, as the report argues.

* * *

VOLUNTARY ORGANIZATIONS

PARTNERSHIP WALK FOR THIRD WORLD DEVELOPMENT

Mr. Alan Redway (York East): Mr. Speaker, I understand that last Sunday while I was participating in the Partnership Walk for Third World Development in Toronto, you were taking part in a similar walk in Vancouver. As you know, these walks to increase awareness of international development among Canadians are sponsored by the Aga Khan Foundation of Canada and the proceeds raised are matched by CIDA.

The Foundation was established by His Highness the Aga Khan, spiritual leader of the Ismaili Muslims. There are about 40,000 Canadian Ismailis, and since coming to Canada a few short years ago they have made an enormous contribution to our country.

In my community, Ismaili Canadians sponsor Boy Scouts, Girl Guides, Citizenship Courts, and blood donor clinics. Sunday's Partnership Walk for Third World Development is a further demonstration of the full participation by Ismaili Canadians in the wider Canadian community and it is a great example for all of us to follow.

DANGEROUS SUBSTANCES

PROPOSED CONSTRUCTION OF TOXIC WASTE PLANT IN BRITISH COLUMBIA

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, the Government of British Columbia appears determined to proceed with a four-company consortium's proposal to construct a toxic waste plant, including an incinerator, treatment plant and dump, within the Thompson-Fraser watershed near Cache Creek, British Columbia. This plant will attract between 12,000 and 250,000 tonnes of toxic waste from all parts of the Province of British Columbia as well as from beyond the provincial boundaries.

The British Columbia Medical Association has called for a full public inquiry into hazardous waste management before rushing to build this plant. The Thompson Watershed coalition has fought the proposal from its inception because of a host of unanswered questions and an inadequate referendum process, and has the support of thousands, including cattlemen and fishing camp operators in the immediate area.

Since the provincial Government refuses to guarantee public participation in the decision-making process regarding this toxic waste facility, I call upon the federal Government, through the Minister of the Environment (Mr. McMillan), to apply all influence possible to have a judicial inquiry initiated with intervener funding so the public can have full confidence that the future of this toxic waste facility will be in their long-term best interests.

* * *

ADMINISTRATION OF JUSTICE

ACCOUNTABILITY FOR CRIMINAL ACTIONS

Mr. John Reimer (Kitchener): Mr. Speaker, yesterday a Supreme Court of Ontario jury rejected Mr. René Vaillancourt's application for parole after serving 15 years of his 25-year sentence for the murder of Toronto Police Constable Leslie Maitland. In so doing, the jury reflected the growing concern of Canadians at large that our judicial system in general and our parole system in particular must do everything possible to protect public safety and to ensure that those responsible for society's most reprehensible crimes are held fully accountable for their actions.

Similar sentiments were expressed by Members of this House last year during the capital punishment debate. Indeed, many of those Members on opposite sides of the death penalty issue were united in their insistence that prison terms needed to correspond more fully to the severity of the crimes committed.

Therefore, in order that Canadians may have respect for and confidence in our laws, let me urge the Minister of Justice (Mr. Hnatyshyn) to amend the Criminal Code by removing

the 15-year review to ensure that a life sentence for premeditated, first-degree murder is precisely that, a prison term of not less than 25 years' duration.

* * *

EMPLOYMENT

CALL FOR OLDER WORKERS ADJUSTMENT PROGRAM

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I rise today to express my dismay and frustration with the Government of Canada's refusal to implement an older workers adjustment program. Some 30 months ago this Government promised the Canadian Parliament and Canadian people that it would implement a specific program for older workers. To date we have had nothing but broken promises from the Government of Canada.

In fact, the Government has gone one step further. It has now blamed this on its provincial colleagues. This is the typical Tory way.

The Prime Minister (Mr. Mulroney) knows that Canadians between the ages of 55 and 65 are facing unemployment rates higher than those faced during the 1981 recession. Two Commons committees dominated by Conservative Members have called for this program to be implemented immediately.

I call upon the Government of Canada to honour its commitments and promises to the Canadian people. However, it is too late. The Canadian people will no longer buy false promises from Tory Members of Parliament, and we will face them on the hustings with that issue first and foremost in the next federal election.

* * *

PROVINCIAL AFFAIRS

MULTIPLE-USE LAND POLICY URGED FOR ONTARIO'S TEMAGAMI AREA

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, this past Labour Day weekend, frustrations harboured by the Temagami area workers, their wives and their children, frustrations caused by over two and a half years of inaction by the Premier of Ontario, were vented in a mass demonstration.

The residents of the Temagami area have seen a provincial Government stalling and waffling, a provincial Government which is not serious about arriving at a solution to the controversial situation in Temagami and not concerned about the livelihoods of the people involved.

We are not talking about the workers in one sawmill. We are talking about families, a community, and the disastrous effects felt by those living in the entire Timiskaming region. For the residents of Timiskaming to have to go to the extent of creating a roadblock, breaking the law, just to get the attention of their Government at Queen's Park, is shameful and disastrous.

For years, hunters, anglers, miners, loggers and tourism operators shared this renewable resource. We shared the Temagami forests. The local residents and northern Ontarians can tell the Premier and the Liberal Government in Toronto that they have co-operated over the years.

A multiple-use land policy is desired for the Temagami area's continued stability and growth. It is about time that the Premier and his Cabinet started to listen to this responsible message from the residents of northern Ontario.

* * *

AIR CANADA

PRIVATIZATION CONSEQUENCES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have two examples of how Air Canada's privatization is changing the operation of this outstanding corporation for the worse. Every Air Canada's employee is now receiving a glossy folder offering applications for Air Canada shares. These are being distributed special delivery at a cost of $4.48 per envelope. Imagine having more than 20,000 envelopes delivered at a cost of about $90,000. No wonder investment dealers across Canada are complaining about this expensive sales pitch for shares that will pay no dividends.

Contrast this sales campaign with the lay-offs which are taking effect at Mirabel where half the cargo personnel will lose their jobs. For the 48 workers at Mirabel who will be unemployed as of October 29, share applications will be cold comfort indeed. No wonder the major unions which represent Air Canada employees remain implacably opposed to privatization.

The unions can see a future of lay-offs, contracting out, and contraction of Air Canada services along with the shares which will pay no dividends. The people of Canada will receive no dividends either from the sale of the corporation which they already own. Should the Government opposite not consider whether the privatization which it so mindlessly promotes does something other than give Air Canada management a free hand to turn this company into another U.S.-style badly performing airline?

S. O. 21

[*Translation*]

POLITICAL PARTIES

LIBERAL PARTY'S POSITION

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, the reign of error brings to mind a wheather vane. Where does the Liberal Party stand with respect to free trade? On October 26 last year the leader stated in the House that he would tear up the agreement. On July 26 this year the Hon. Member for Montreal—Sainte-Marie (Mr. Malépart) proposed a series of bilateral amendments with the United States and other countries.

Last Friday the Quebec Liberal lieutenant said that his leader would not tear up the agreement. When the Liberal leader says: Let the People Decide, I am sure he means: Let each of my caucus members decide because I do not know which way to turn and my wife has not yet given me an order concerning free trade.

* * *

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT RATES

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, the unemployment figures released last Friday indicate that unemployment has gone up for two successive months, with an August rate of 8 per cent and more than one million Canadians out of work. It is now five years since the recession of 1982-83, and the rate of unemployment has never been lowered to the pre-recession rate of 7.5 per cent in 1981.

Once again part-time employment increased while full-time jobs decreased. Unemployment was over 10 per cent in five provinces and the rate for youth was 12.2 per cent. The most troubling figures relate to older workers for whom the unemployment rate is now worse than it was during the recession of 1982.

Despite this, after two and a half years of promises, the Government has not delivered on its program for older worker adjustment. On the contrary, it has cut unemployment programs by 32 per cent since 1984. So much for the Government's rhetoric on jobs, jobs, jobs.

• (1410)

NORTHERN AFFAIRS

SIGNING OF DENE-MÉTIS LAND CLAIMS AGREEMENT AND NORTHERN ACCORD

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, last week two historic agreements were signed by the Prime Minister in the Northwest Territories.

The first, signed in Fort Rae on September 5, was the Agreement in Principle respecting the Dene-Métis land claims. Nearly two decades of negotiations went into its making.

The second, signed in Yellowknife on September 6, was the Northern Accord, modelled on similar hydrocarbon agreements in other provinces. The Territories will now receive their own oil and gas royalties. Their own revenues will grant real independence of action in matters within their own domain.

These two agreements demonstrate the commitment of this Government to the constitutional and economic development of the North.

* * *

RAILWAYS

REVIEW OF SUBSIDIES

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, residents of Thunder Bay are pleased to know that Transport Canada has requested the National Transportation Agency to review the regional impact of the subsidies paid to the railways under the Western Grain Transportation Act.

My constituents and I are profoundly concerned that these subsidies could so reduce the cost to the shipper of having southern Manitoba grain hauled to the West Coast that the shippers would be encouraged to ignore the higher total cost and send the grain west rather than to Thunder Bay and down the St. Lawrence Seaway.

We expect the review requested of the NTA to be thorough and fair. We require the NTA to establish that the higher cost of hauling grain over the mountains is not averaged out in a manner that produces discrimination against the St. Lawrence Seaway.

I have urged the head of the NTA to hold public hearings on the Western Grain Transportation Act in Thunder Bay and other centres of Canada's grain trade. I urge him to provide us with the information we need to assess the fairness of the subsidies paid to the railways.

The Western Grain Transportation Act requires an open and honest review. Only such a review will ensure that operations under the Act are fair to all the ports.

[*Translation*]

TRADE

BENEFITS OF FREE TRADE

Mr. Gilles Bernier (Beauce): Mr. Speaker, here are some of the assessments made by well-known economist Bernard Landry, former Quebec External Trade Minister in the Lévesque administration. Speaking in support of free trade, M. Landry said that " . . . the agreement is the envy of all western countries . . . The United States is the major client of most countries throughout the world . . . Everybody else must be satisfied with multilateral negotiations (GATT)."

The interesting aspect, Mr. Landry said, " . . . is the issue of social measures . . . Had my many progressive friends in Canada convinced me that Canada's social measures would have been threatened, right then and there I would have disregarded all my convictions as a free trader and my whole experience based on economic problems.

Past experience and personal backgroud make me very much aware of social issues, and I have yet to see the least indication that a free trade agreement would spell trouble for Canada's social security fabric.

Take Sweden as an example. What is the development strategy of Sweden, probably the leading western nation when it comes to social measures? Free trade, as it has always been. Sweden happens to be a founding member of the European free trade alliance which signed such an agreement with the European Economic Community."

Free trade for Canada, Mr. Speaker, we will soon be voting on that issue!

* * *

UNEMPLOYMENT INSURANCE

ELIGIBILITY CRITERIA FOR RECEIPT OF BENEFITS

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, I rise once more to express my displeasure at the Minister's inaction on the issue of unemployment insurance eligibility in the whole southern part of New Brunswick.

Why does the Minister refuse working men and women of New Brunswick the same eligibility conditions she grants those of Quebec?

Why does she refuse to make the necessary changes to do justice to the rural population of New Brunswick?

Statistics Canada tells us that the sixteen-week unemployment insurance eligibility period will remain unchanged for yet another month!

[*English*]

Why does the Minister drag her feet? Why is she being so unfair to the people of New Brunswick? She should act now and apply the ten-week eligibility period. The problem has been studied to death. It is now time for action.

* * *

[*Translation*]

THE ENVIRONMENT

WATER POLLUTION—RESPONSIBILITY OF PAPER MILLS

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, recent spills from the pulp and paper mills in Saguenay—Lac Saint-Jean will not longer be ignored by the various socio-economic interest groups and the people in our region. Whether we are talking about Cascade, Donohue, Abitibi Price or any other companies, we will no longer tolerate spills in our waterways.

Today, the environment comes first, and the time has come for company management to change their attitudes and their approach.

A word of caution: The people of Saguenay—Lac-Saint-Jean don't want a Greenpeace solution. We don't want to close our factories and put our workers on welfare. We reject an approach that is tantamount to suicide.

The time has come for us to get together and find solutions that will respect the environment and at the same time protect our jobs. The two cannot be separated. That is the challenge we must face, and the next major conference on the environment in our region will be a unique opportunity to report on the present situation and identify solutions.

* * *

[*English*]

ELECTIONS

CALL FOR GENERAL ELECTION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I am glad the Prime Minister (Mr. Mulroney) is here because he can hear publicly that in this cat and mouse game he is playing with the federal election he is showing contempt for the people of Ontario, in particular because the municipal elections, which have been scheduled for some time now, are almost on a collision course with the federal election.

I understand why the Prime Minister takes that view because he knows he is going to be blown out of the water in the Province of Ontario. There is not going to be a Tory left in Toronto after we have finished with them, but we want to urge him: don't delay, call the election today, because the people of Ontario want to have a little respite after they blow the Tories away before the civic elections are held in every community across the province. Don't show contempt for the people of Ontario, please, Mr. Prime Minister.

Oral Questions

HOUSING

METROPOLITAN TORONTO—EFFECT OF MUNICIPAL PROPERTY TAX SYSTEM

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, it is bad enough when the shortage of serviced land in Metropolitan Toronto causes the price of housing to skyrocket, but it is absolutely outrageous when the municipal property tax system can actually encourage land owners to keep residential land off the market. In Scarborough, for example, one construction company has 14.5 acres of residential land which is used and taxed as farm land. Although the property has an estimated market value of $10 million, its assessment is an unbelievable $1,506 and the taxes are therefore only $491 a year.

Let us be clear, the owners are not acting illegally. The fault is with the Governments of the municipality and the province and I urge them to remove the possibility of this kind of scandal and help us expand the availability of housing land.

* * *

HOUSE OF COMMONS

WELCOME TO NEW PAGES

Mr. Speaker: I know Hon. Members would want to join with me in welcoming to the House 42 new parliamentary pages who begin their duties in the current session.

[*Translation*]

More than 500 young Canadians from coast to coast submitted applications for these positions, and the young people who are with us today were selected as a result of a very rigorous selection process.

[*English*]

I know that all Hon. Members join me in welcoming these young Canadians to the House of Commons and wish them the very best throughout the year.

Some Hon. Members: Hear, hear!

• (1420)

ORAL QUESTION PERIOD

[*English*]

ENVIRONMENTAL AFFAIRS

GOVERNMENT RECORD

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister and deals with the record of his Government on the environment. The truth is that when the Prime Minister came to power he inherited a whole range of ongoing Liberal programs including renewable energy, lead reduction in gasoline, toxic chemical research, water conservation, and domestic acid rain reduction.

For four years the Prime Minister has cut and cut and cut. He slashed the Atmospheric Environment Service. He cut the Inland Water Conservation Service and eliminated the Environmental Secretariat of the National Research Council. He cancelled the Guelph-Toronto Toxicology Centre and cut research in Niagara River pollution.

Why, on the eve of an election, has the Government announced a series of new programs, including a program for renewable energy research, when the Prime Minister eliminated that very program only two months after he assumed power in the last election?

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra)): Why has the Government discovered only today that lead in the environment poses a serious threat to human health, particularly the health of children?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my right hon. friend refers to cuts in the environmental budget. In fact, the amounts expended by the Government of Canada on the environment today are increased by 13 per cent over and above what they were in 1985. There has been a very substantial increase in expenditures, not only by the Department of the Environment but by Departments such as the Department of Energy which plays an important role in environment programs as well.

Mr. Broadbent: It hasn't even met inflation.

Mr. Mulroney: I see that the Leader of the NDP is back. I welcome him back from his tour. I will try to respond to NDP questions in just a moment. I am trying to answer the Leader of the Opposition.

With regard to the environment the Government passed the Canadian Environmental Protection Act, which is the first major piece of environmental legislation since 1971.

Some Hon. Members: Hear, hear!

Mr. Mulroney: We completely reformed the National Parks Act which was the first time it was overhauled in almost 50 years. We established four national parks and have set the stage for the creation of two other national parks. I believe that that is the largest number of national parks created in such a short period of time. We proceeded with the St. Lawrence River clean-up. We introduced the Halifax Harbour clean-up program. We built South Moresby.

This is a record on the protection of the environment which any Government, particularly any Liberal Government, would envy.

Mr. Turner (Vancouver Quadra): Mr. Speaker, I believe the record will show that the environmental services of the country

have been gutted under this Government and that increases in expenditure have not met the yearly rise of inflation. Canadians will wonder whether all these death repentance programs will be slashed after the next election if the Prime Minister were ever to get back in power.

Some Hon. Members: Hear, hear!

[*Translation*]

ELIMINATION OF PCBS—GOVERNMENT POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, for most Canadians the environment is a national priority, but for the Prime Minister, the environment is a priority only around election time. Will the Prime Minister admit that our country would have been much further ahead in eliminating PCBs if he had not cut the National Research Council's research programs on PCBs and on the recycling and incineration of toxic chemical products? Will he admit that our country would have been much further ahead in the fight against PCBs if he had not fired 336 employees at Environment Canada since his Government came to power?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Leader of the Official Opposition suggests that my Department and the Government of Canada are encumbered in our capacity to deal with urgent problems like the PCB situation by virtue of cuts to the Department of the Environment. Nothing could be further from the truth.

The fact is that five months into the current fiscal year, well before all the figures are in, the budget of Environment Canada for this year is $796,235,000. That compares very favourably with the budget for the entire last year in which the Liberals were in office, when the budget was $777,564,000.

In other words, five months into the fiscal year, before all the figures are in, the budget for Environment Canada is already $20 million more than the budget for the entire year in which the Liberals were last in office.

DISPOSAL OF SEWAGE

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, one of the serious cuts in the National Research Council was that of the special research group into PBCs which was cut early in the mandate of the Government. Had that cut not been made this country would be in a far better position today to deal with this serious problem.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra)): I will direct my question to the Prime Minister again. Why did the Prime Minister this year eliminate the program to construct federal sewage treatment facilities? Why, for four years, has the Government consistently refused the requests of every city and town in the country to provide federal help in a co-operative fashion to eliminate the dumping of raw sewage into our lakes, rivers, and streams?

Why has he refused to enter the cost-sharing program proposed by the Canadian Federation of Mayors and Municipalities to meet anti-pollution standards, to deal with raw sewage, and to eliminate the problem of pollution in our great metropolitan areas? Why has the Government not done what the Liberal Party did for three years, that is, committed itself to that program with the municipalities?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the hypocrisy of the Official Opposition has no boundaries. The fact is that when the Liberal Party was in office in the late 1970s and early 1980s it cancelled broadly-based national programs to fund provinces and, through provinces, municipalities for waste water treatment. That program was done away with by the Liberals.

In the absence of that program, when we took office, we resorted to very innovative ways to clean up the St. Lawrence River, for which purpose the federal Cabinet approved $110 million. Recently we announced, with the Province of Nova Scotia, a $197.5 million program to clean up the Halifax Harbour. The list goes on.

In fact, if you add to the budget of the Department of the Environment all the expenditures on the environment of DRIE, Energy, Mines and Resources, the Atlantic Canada Opportunities Agency, and the Office of Western Diversification, not only have we kept up with inflation, we have also exceeded it in expenditures on the environment.

TRANSPORTABLE PCB INCINERATORS—PROPOSED LOCATIONS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is also addressed to the Minister of the Environment who last week, here in Ottawa, endorsed transportable incinerators for the destruction of PCBs.

Will the Minister confirm the statement by Tom Meredith, President of ENSCO, that such incinerators would only be set up at a single site in Ontario, in Québec and in the Maritimes, so that PCBs would be brought to each incinerator site? Would the Minister confirm Mr. Meredith's statement?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the gentleman to whom the Hon. Member makes reference was expressing a point of view, albeit a very expert one. The details surrounding any leasing of a portable or transportable unit for the incineration of PCBs remain to be finalized. I am consulting with my cabinet colleagues on the question, in concert with the provinces.

• (1430)

There are very formidable obstacles facing all the provinces in connection with the establishment of even a transportable unit, not to mention a permanent one. But I can assure the Hon. Member for Davenport, and through him, all Members of the House, that the Government of Canada is treating the

issue with utmost urgency, and any technical or other obstacles to doing the job will, we hope, be overcome.

GOVERNMENT COMMITMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in 1985, in an announcement made by the Department of the Environment, the following statement was made: "The federal Government announced in May 1985 that it will take the lead in arranging for mobile treatment facilities". What has happened to that commitment of the Minister's Government?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the commitment was pretty well honoured. We had a fairly broadly based strategy when the Ministers of the Environment met in 1985 to deal with many facets of PCB management in the country. For example, it was that very strategy which gave rise to the building in Swan Hills, Alberta, of a permanent facility for PCB incineration, which plant we hope to have on stream in October if all the relevant environmental tests are passed and the permit is granted by the province.

In connection with the same strategy, we brought on stream many units across the country for the incineration of low-level PCB contaminated material. We have encountered quite a bit of resistance in Quebec and Ontario to the building of permanent facilities for the same purpose, but we are trying to overcome those obstacles by pursuing with the United States the possible leasing of transportable units.

REQUEST THAT CRIMINAL CODE APPLY TO ENVIRONMENT LEGISLATION VIOLATIONS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Prime Minister. The Prime Minister said just over a week ago that the nation needs what he described as a collective commitment to deal with the serious environmental problems. Given that the people of Canada are waiting for the Government of Canada to catch up to them in their concern about the environment, will this newly expressed concern lead to concrete action?

I think specifically of the following. A year before the Government brought in its Bill, allegedly to protect the environment, the Law Reform Commission made a report to the federal Government urging it to put crimes against the environment in the Criminal Code of Canada.

I would like to ask the Prime Minister why the Government of Canada rejected this advice when it drafted its legislation for June? And will it now change its position on this important issue, catch up to the people of Canada, and put environmental concerns in the Criminal Code?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as I have already indicated, I think my hon. friend would agree that the actions of the Government in passing the Canadian Environmental Protection Act, in developing with the provinces some five new national parks, and in concluding some important international treaties on behalf of the protection of the environment, have been useful and important contributions to the national well-being with respect to the protection of the environment.

No one has a monopoly on virtue. No one has a monopoly on his or her desire to protect a heritage or the environment. I think all Members of the House of Commons feel very strongly about the protection of the environment, and it is in our interest to act wisely and collectively to ensure that it be done.

We have taken some important measures. We propose to take more. I listened with care and attention to my hon. friend as he made some important suggestions with respect to the protection of the environment.

Mr. Broadbent: Mr. Speaker, the point is that these suggestions have been made by this Party not just in recent weeks but over the past number of years. More concretely, from the Government's point of view, it was the Law Reform Commission of Canada, which reports to the federal Government, that made the same suggestion.

[*Translation*]

INCLUSION OF CRIMES AGAINST ENVIRONMENT IN CRIMINAL CODE—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Other countries in the world, including Japan, West Germany, Switzerland and Denmark, and more than 10 states in the United States have already made the decision to include crimes against the environment in the Criminal Code. My question for the Prime Minister is simple. Why does the Canadian Government not agree with this very constructive action?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Leader of the New Democratic Party should know that the new Canadian Environmental Protection Act contains very severe sanctions. There are enshrined in the very fabric of the legislation sanctions that are akin to those he is calling for. Indeed, those sanctions include $1 million a day fines, and chief executive officers and presidents themselves are personally held liable in the eyes of the law for offences committed by their agents, their companies, or by themselves. There are six-month jail sentences and up to five-year jail sentences among the sanctions.

The Hon. Leader of the NDP asks why the sanctions were not included in the Criminal Code. We were advised that while that might have made good rhetoric and, in the case of the Hon. Leader of the NDP, good demagoguery, the fact is it would have been much more difficult for the Crown to establish onus of proof following the path he has suggested than the one we actually took.

In the Canadian Environmental Protection Act we have the first major overhaul in environmental law since 1971. Those sanctions, by any reasonable standards, are tough and will be stringently enforced.

LAW REFORM COMMISSION'S RECOMMENDATION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I know the Minister has promised to swoop down at the appropriate time, but he also knows that these tough standards to which he is alluding do not exist. They have to be agreed to by the provinces. They have not had them agreed to yet. He knows that the one way of effectively dealing with the matter to ensure that the people of Saint-Basile-le-Grand and people in Vancouver, Charlottetown, or in Moose Jaw are equally protected by high standards, is to follow the Law Reform Commission's recommendation to put those standards in the Criminal Code.

Will the Minister deal with the substance of that matter now? Will he acknowledge he could have put this matter in the Criminal Code, like other countries in the world have done? He could have had those high standards. Why didn't he do it? And why won't he do it in the future?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, there is not even unanimity within the Law Reform Commission. It is very debatable within the legal community that the best way to go is through the Criminal Code. The best experts whose advice we could draw on indicated to us that we would be able to get convictions and we would be able to throw the polluters in jail more effectively and expeditiously if we followed a different course.

We have very tough sanctions. There are $1 million a day fines. In some categories there are no limits available to the judiciary for this purpose. There are stiff jail sentences as an option, six-month jail sentences for some offences and five-year sentences in other cases. We think we can get the convictions more effectively on the path we have taken than on the one the Hon. Leader of the NDP has suggested for purely partisan and political reasons.

* * *

[*Translation*]

REGIONAL INDUSTRIAL EXPANSION

MANUFACTURING PRODUCTIVITY REINFORCEMENT PROGRAM—OUTLYING REGIONS—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, in the absence of the Minister responsible for Regional Industrial Expansion, I shall direct my question to the Prime Minister.

In the last few days, we had an announcement from the Minister of Regional Industrial Expansion concerning a program to replace the IRDP. We note, Mr. Speaker, that all the regional economic development elements have now been removed from the new program, called the manufacturing productivity reinforcement program. Indeed, now, if you want to set up a plant in Montreal, Louiseville, the Eastern Townships, the Beauce or the St. Maurice Valley, you have exactly the same level of grants and therefore no incentive to set up outside the major centres. I want to ask the Prime Minister how he can justify this announcement, which will no longer provide any benefit for the regions outside the main urban centres.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Premier of Quebec, Mr. Bourassa, said the other day how pleased he was with what the federal Government was doing to create jobs in the outlying regions such as those my hon. friend just mentioned. The fact remains that since this Government was sworn in, 316,000 new jobs were created in Quebec, compared to 40,000 created under the Liberal Government. So I think that the Government of Quebec and Quebecers are very happy with what the federal and Quebec Governments have done together to create jobs in that province.

ASSISTANCE FOR SMALL AND MEDIUM-SIZED BUSINESSES—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, seldom have I heard such crass hypocrisy! I asked the Prime Minister to tell us something about the program for enhancing manufacturing productivity.

Mr. Speaker, the fact is that what the Prime Minister refers to as Quebec's outlying regions are not the regions mentioned in the program. Beauce, Mauricie and the Eastern Townships are in the central region. Read your own program instead of generalizing and using Robert Bourassa's statements as a shield!

My question to the Prime Minister is as follows: What explanation does have for the fact that the kind of assistance provided to small businesses under the former IRDP will no longer be available because property costs, building costs and the cost of second-hand equipment are no longer eligible? How does the Prime Minister expect small businesses to get established in the regions, when his program is tailored to the needs of multinationals which can afford to buy new equipment? And what is a small businessperson supposed to do if he wants to get started and needs a building and equipment? Can he no longer depend on his Government?

• (1440)

[*English*]

Mr. J. M. Forrestall (Parliamentary Secretary to Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, perhaps I should counsel the Hon. Member to revisit the new Act. Once he gets his facts straightened out perhaps he can come into the House and ask intelligent questions.

Oral Questions

TRANSPORT

TRUCKING INDUSTRY DEREGULATION—REQUEST FOR FREEZE ON SERVICES

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Deputy Prime Minister who in his role with the Government brought us into the reality of deregulation, particularly in the trucking industry.

During discussions on the White Paper, *Freedom to Move*, and the subsequent legislation implementing deregulation of transportation, the Conservative Government was warned time and time again that it would be creating chaos out of stability, particularly in trucking. With the demise of Transport Route, which was formerly CN Route, and the loss of up to 2,400 jobs, we are seeing the inevitable results of deregulation.

Will the Government act immediately to freeze existing trucking routes and services and, as soon as possible, restore stability to the trucking industry by reintroducing the test of public convenience and necessity?

Hon. Gerry St. Germain (Minister of State (Transport)): Mr. Speaker, in regard to the issue brought up by the Hon. Member, CN Route, the particular company of which he speaks, lost $71 million in 1986, well before regulatory reform was even on the scene. I think that the Hon. Member is being totally unfair in bringing up this question in this context.

PROTECTION OF INDUSTRY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my supplementary question is addressed to the Minister of State for Transport. The Minister should be aware that the President of the Ontario Trucking Association, Raymond Cope, has warned that there will be more bankruptcies in the Canadian trucking industry, just as we saw in the United States where there was a wave of bankruptcies after deregulation.

If the Government is not prepared to institute a freeze and to reintroduce regulation, what action will be taken to protect the trucking industry and the thousands of men and women across the country who work in it?

Hon. Gerry St. Germain (Minister of State (Transport)): Mr. Speaker, I think the Hon. Member is being totally unfair when he brings regulatory reform into the picture. He knows that if we go back to the Maislin scenario and look at CN Route and the history of losses we will see that in 1984 it lost $32 million, in 1985 it lost $43 million. In 1986 it lost $71 million. We are concerned about the plight of the workers—

Some Hon. Members: Oh, oh!

Mr. St. Germain: —and those who are involved. I have asked my colleagues, the Minister of Employment and Immigration, the Minister of Labour, and the Minister of State for Finance to assess the situation immediately in terms of Transport Route Canada. This Government will make sure that the interests of workers are looked after.

PRIVATIZATION OF CN ROUTE

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Deputy Prime Minister, the Minister responsible for privatization.

Less than two years ago the Government privatized CN Route and received approximately $29 million. Not only did it give away the transportation arm but it also gave away land holdings valued at more than $80 million. Now the Government's friends in the private sector have closed down the trucking operation and put over 2,300 men out of work while creaming off the valuable land assets for themselves.

How could the Deputy Prime Minister possibly agree to an arrangement like that which gave millions of dollars to the private sector and which left the workers of this company without jobs or compensation?

Hon. Gerry St. Germain (Minister of State (Transport)): Mr. Speaker, here again I think we have to put this in the proper context.

Ms. Copps: A rip-off.

Mr. St. Germain: I do not know whether members of the Opposition want an answer.

There were two options. First, CN was going to shut it down or else sell the company as it was. What we have is total irresponsibility on the part of members of the Opposition. Here again they are saying that the figure is some $80 million. My officials inform me that the total amount of the real estate amounted to something in the order of $34 million. They are not even sure whether it was that much. I think that Members opposite should get their facts straight before they stand up.

Again, we will look after the workers, as we have in the past and as we will in the future, to make certain that their interests are well looked after.

Mr. MacLellan: Mr. Speaker, the Minister better get some new assistants because they certainly cannot value the land.

TREATMENT OF WORKERS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would like to put my supplementary question to the Minister of Labour. The Minister of Labour agreed to abandon provisions of the Canada Labour Code that at least would have protected these workers somewhat. If the Government had kept the land it would have at least had the land to compensate the workers instead of its friends in big business.

Will the Government agree to the union's request for an investigation of this deal and this giveaway? Will the Government explain why it is allowing thousands of workers in the country to go without jobs or compensation while its friends are ripping off millions of dollars from the taxpayers?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, since the question has been put to me, notwithstanding the fact that my colleague's facts seem to be confused somewhat, I can assure my hon. colleague that Labour Canada officials are already looking into the matter right now. They will make sure that all provisions of the Canada Labour Code are respected.

ASSETS OF CN ROUTE

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Deputy Prime Minister. Why does the Government think it is good business to sell off Canada Route for a price which was less than the assets and which cost those people their jobs? Why must thousands of people lose their jobs to allow some speculators to rip off those assets?

Hon. Gerry St. Germain (Minister of State (Transport)): Mr. Speaker, I believe we have answered this question before.

The question is whether or not the value of the assets has been clearly put. Information given to us by our officials—not by assistants but by officials of my Department—states that the value of the assets was $34 million. The bidding that was put forward was a fair process. The only bid that came forward was the one for $29 million. It was an effort to save jobs and to protect the interests of workers in Canada.

PROTECTION OF WORKERS

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is again directed to the Deputy Prime Minister. Even by the Government's estimation, if the assets were worth $5 million or $6 million more than they sold them for, why did the Government not at least ensure that those workers and their pensions were protected? If one is going to sell assets at less than market value why not make sure that the workers are protected?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I would like to make reference to the pension matter. I think that the Hon. Member will be pleased to hear that payment for pension arrears up to the end of July has been submitted by the employer. Payment for the month of August is not due until the end of this month. I have every reason to believe that it will be made.

* * *

ENVIRONMENTAL AFFAIRS

FEDERALLY REGULATED COMPANIES—RECYCLING OF GARBAGE

Mr. Alan Redway (York East): Mr. Speaker, my question is directed to the Minister of the Environment. At the same time that some are questioning the Government's real commitment to clean up the environment, urban garbage disposal is fast reaching crisis proportions. Will the Minister commit the Government to clean up the environment by reducing the volume of garbage that is produced by requiring federally regulated companies to recycle their garbage, and at the same time impose packaging restrictions which would require packaging to be bio-degradable?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I think that the Hon. Member's representation is a solid one. I welcome the qualification to his question because he will understand that most of the problem is within provincial jurisdiction. However, to the extent that the federal Government has authority in this area, recycling policies are practised throughout the Government of Canada, and have been for some 10 years.

• (1450)

To boot, the federal Government has a Demonstration of Resource and Energy Conservation Technology Program, DRECT as its called, and it has been in place for some 10 years too. This federal program has provided funding on a cost-shared basis with industry to support recycling technologies.

I am pursuing with my cabinet colleagues the possibility that, under the Canadian Environmental Protection Act, we might broaden the total program, somewhat along the lines of some parts of the question the Hon. Member has put on the record today.

RAFFERTY-ALAMEDA DAM—STATEMENT ATTRIBUTED TO FORMER OFFICIAL

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, my question is directed to the Prime Minister. Miss Elizabeth May, a distinguished environmental expert in this country, recently a senior adviser on the environment in the Minister's office, has resigned her position on the grounds that the Minister of the Environment made a political deal to grant a licence for the Rafferty-Alameda dam project in Saskatchewan, which will have an enormous impact on the province of Manitoba, without undertaking any studies or any environmental impact assessments whatsoever, in return for which the federal Government would receive provincial agreement for a grasslands national park, and to use the statement of Miss May: "Manitoba's interests have . . . been shafted".

If this is true, it represents a serious violation of public trust in the Minister's responsibilities. Is the Prime Minister prepared to undertake an inquiry immediately into the charges made by Miss May, based upon the major credibility that she has as an environmental expert in this country, to determine why the Minister was prepared to make a deal that would grant federal approval for a licence for a project in the riding of the Premier of Saskatchewan in return for a provincial agreement on a park, and put at mercy the environment of Manitoba for the sake of a political deal? Does the Prime Minister not agree that that warrants a proper inquiry by the Government into the actions and behaviour of this Minister?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, there is no foundation whatever to the charge that the Hon. Member has just made. The premise of the question is that "Manitoba's interests were shafted" in connection with the permit issued by me under the authority of the International River Improvements Act.

I have an article in my hand from the *Winnipeg Free Press* that quotes the former Deputy Environment Minister, Tom Owen, who, I gather, was in office at the time. He stated: "Manitoba officials were not concerned because they viewed an agreement between Canada and the United States that governs the transborder flow of water as the province's best safeguard. That opposition to the licence was not a position we the Manitoba Government took".

REQUEST THAT PROJECT BE DELAYED

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I do not think the Minister can slough this one off. The fact of the matter is that a senior adviser in his own office, who gave him advice on environmental matters, has resigned her position on the grounds that the Minister deliberately betrayed the trust of his office by granting a licence without doing an environmental impact study on a project that will see interbasin transfers of waters, a position that all parties took when it affected the Garrison diversion, and this Minister has granted a licence without that type of study. Even the Government of the Province of Manitoba today states that it has written to the Minister asking that the project be delayed in return for proper studies.

Will the Minister undertake to halt any further agreement on this project, and state that agreement will not be granted until there is a proper impact study on the waters of Manitoba and what the project will do to them, or is the Minister already too deeply embedded in his political deal?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, when I made my decision to grant the permit for the Rafferty dam, I had in my office my Deputy Minister, my senior Assistant Deputy Minister for this area, and the top hydrologist in the Government of Canada in my own Department, and I asked them, after many meetings over many weeks, what was their best advice. They said: "Minister, our best advice is that you have no technical or other grounds on which to refuse the permit. We recommend that 13 environmental conditions, all of them stringent, be attached to the permit. Our advice to you is that if any one of them is not honoured by the relevant jurisdictions (a) you have the power to revoke the permit, and (b) you ought to do so".

I acquiesced in the advice of my top officials. I think it was the right decision, and I would do it again.

REQUEST THAT MINISTER COMMISSION STUDIES

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, surely the Minister knows that his issuing of this permit without adequate environmental study belies a lot of the rhetoric that the Prime Minister and the Minister have been spouting this last week about a new commitment to the environment.

This was a serious breach of the Minister's responsibility to issue that permit. In the letter he quoted from Manitoba the Minister referred to the Canada-U.S. Boundaries Waters Treaty. It is precisely in the context of that treaty that he has been asked before in the House to refer the matter to the International Joint Commission for a study, which he has not been prepared to do.

I ask the Minister if he will commission the appropriate studies, and stop kidding us by saying that there are these 13 environmental conditions that have to be met. We all know that once a dam is built and water is polluted in Manitoba there is now way of revoking that. We want studies done now, not after the fact.

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I have in my hand, and I will share it with the Hon. Member or anybody else in the House, a history of the Rafferty dam going back to the 1930s. It has been studied to death ever since. Different Governments of different political Parties have sought the construction of this project.

I made my decision based on the advice of the best hydrologists in the country and of most senior officials. I note that these questions are based on an article that appeared in the *Winnipeg Free Press* which contains a paragraph that the Opposition does not quote. It states: "Miss May said she hopes environmental groups don't take a knee-jerk anti-Tory stance because I do think they, the federal Tories, deserve credit for having done more in the federal environment area than any previous federal Government".

MINISTER'S POSITION

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, it would not take much to supersede the record of the former Liberal Government, by anyone's admission. That is not what is at stake here.

What is at stake here is the Manitoba environment and the fact that the Minister has seriously compromised his credibility with respect to a serious environmental question by issuing that permit against the advice of his senior environmental expert.

The Minister talked about not having any good technical reasons to turn down the permit. There are a lot of good environmental reasons to turn down the project. That is what the Minister has failed to consider, and that is why he should no longer be the Minister of the Environment.

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I have obligations under the International Rivers Improvements Act to ensure that any project that affects a river that is jointly managed by different jurisdictions,

including not only Canada but the United States, meets the most rigorous environmental standards.

I have satisfied myself on the basis of advice from the best experts that I could consult that those obligations are being met. The Province of Saskatchewan approved the dam. The Province of Manitoba approved the dam. The State of North Dakota approved the dam. The Government of the United States approved the dam, and now the Government of Canada has approved the dam.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT— CANADIAN FEDERATION OF AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Prime Minister. On July 30 members of the Canadian Federation of Agriculture wrote a letter to every Member of Parliament to express their concern about the Prime Minister's free trade deal with the United States. They asked for a meeting with the Prime Minister to seek assurances that marketing boards, the Canadian Wheat Board, and the horticultural industry would not be sacrificed in this deal.

Since the Prime Minister has not yet met with this group, and it is the largest farm umbrella group in the country, what action is being taken to reassure those producers that they will not be wiped out by this deal?

[*Translation*]

Hon. Pierre Blais (Minister of State (Agriculture)): Mr. Speaker, this year, representatives of the Canadian agricultural industry have generally and consistently supported our policy of free trade with the United States. The same applies to the pork sector, the meat sector in general and the grains sector. We made a commitment to farmers to protect farm product marketing boards, and we did just that. We maintained our position on this issue, both in bilateral and multilateral talks.

I think Canadian farmers are satisfied with the position we have taken on behalf of Canadian agricultural producers. I don't think there is any question about that.

• (1500)

[*English*]

POULTRY INDUSTRY

Mr. Maurice Foster (Algoma): Mr. Speaker, my supplementary is for the Minister of State for Agriculture. He knows that the CFA is the largest group in Canada and he knows that it is not satisfied with the assurance the Government has been able to give regarding the trade deal.

Can the Minister explain why poultry products and broiler hatching eggs which have a national marketing board, have not been put on the import control list? Why has there been no arrangement established by the Minister for consultation as demanded by the Canadian Federation of Agriculture? Why has there been no action in this regard for the largest agricultural umbrella group in the country?

Hon. Pierre Blais (Minister of State (Agriculture)): Mr. Speaker, I would just remind the Hon. Member that for the first time ever a Prime Minister met approximately 10 times with Canada's farm leaders, something which never happened before.

Some Hon. Members: Hear, hear!

Mr. McDermid: Trudeau would never meet with them.

Mr. Blais: Twenty-three or 25 consultation boards have been created with farm leaders around the country covering all sections of agriculture.

[*Translation*]

Mr. Speaker, all groups involved in the agricultural industry, including producers and processors, were consulted to an extent unheard of under the Liberals. We discussed our policies with Canadians, and today, Mr. Speaker, Canadians are satisfied with those policies. We dealt with every single issue raised by producers generally.

* * *

[*English*]

CHILD CARE

REQUEST THAT MINISTER REDRAFT LEGISLATION

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is for the Minister of National Health and Welfare. Last week witnesses from approximately 40 groups appeared before a committee. All opposed the Government's child care Bill. Unfortunately, people from poorer regions, such as the Atlantic provinces, Saskatchewan, and the North, were excluded from these hearings.

Since all witnesses severely criticized the Bill and, indeed, many asked for its withdrawal because it fails to establish national objectives, restricts funding, and terminates growth in child care after seven years, will the Minister reconsider this unacceptable legislation? Will he redraft the Bill? This time will he establish clear national objectives and adequate funding to develop comprehensive, affordable, quality child care across Canada which will go on, develop, and meet the needs of children beyond 1995?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, the committee has listened to witnesses. Its clause by clause study was completed last Friday and I take it the committee will be reporting the Bill back to the House. This Bill will increase, almost double over seven years,

subsidized child care spaces. That was reconfirmed in the committee and very clearly pointed out.

The Member persists in saying that the Bill will reduce growth rate. That has been proved wrong again and again and again, and she should not make statements which are inaccurate.

If the Hon. Member recalls, an amendment was accepted last Friday and, if approved by the House, it will focus the Bill even more to lower and middle-income families.

The Hon. Member might disagree philosophically but at least she should stay with the facts that the Bill will create 200,000 new spaces and it will, with the co-operation of the provincial Governments, have areas of standardization. She should keep in mind that after seven years there will also be $800 million per year program compared to a $160 million program this year. Every point the Hon. Member makes is simply wrong. What she disagrees with is a philosophical position. She believes the state should run everything.

Ms. Mitchell: Mr. Speaker, that shows how insensitive this Minister is. I was referring to the conclusions of 40 different organizations from many regions of Canada, unfortunately not from the poorer provinces because this Minister has refused funding.

GOVERNMENT POSITION

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, surely if the Minister looked at this matter again over the weekend and took any of these representations seriously he would have concluded that without national guidelines and without adequate funding—and this funding is capped no matter what the Minister says—thousands of Canadian children will continue to be at risk—and I mean thousands. There are many children in informal, unlicensed baby sitting services, and many children have no care at all, and this kind of situation will continue under this Bill.

Is this the kind of child care legacy the Conservatives want to leave to Canada? This is no national child care program. It is a fraud.

Mr. Speaker: Given the time, I must cut the Hon. Member off. The Hon. Minister.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, on the one hand the Hon. Member says that she wants a universal program which is costed out in full bloom at $11 billion. Then her Leader went to Vancouver and said they were going to have 200,000 spaces, but then when we create 200,000 spaces he says that is not adequate. In every way they say one thing but do another thing. I say to the Hon. Member that she had her chance in committee. She put forward her amendments and in a majority situation those amendments were judged and found wanting. The Bill will come back, it will be passed and we will have a national child care program.

Mr. Speaker: This will be the last question. The Hon. Member for York South—Weston.

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APARTHEID

CONTRACTS WITH SOUTH AFRICAN CONTROLLED COMPANIES

Mr. John Nunziata (York South—Weston): Mr. Speaker, my question is for the Secretary of State for External Affairs. It concerns his Government's hypocritical position on economic sanctions in the fight against apartheid in South Africa.

In a document from the Minister's Department entitled "Canada Against Apartheid", it says:

> The federal Government itself buys no South African goods and services at all for its own use and does not enter into contracts with any majority owned South African company.

Will the Minister admit today in the House that this statement is totally incorrect and that the Government, in fact, has surreptitiously provided loans, grants and contracts to South African controlled companies operating here in Canada?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Hon. Member has developed a reputation in this House. He is an expert at putting a twist on numbers. Indeed, he has become "Mr. Twist".

Ms. Copps: Rather that than "Joe Who".

Mr. Clark (Yellowhead): The other day in the House of Commons he was claiming that there had been $2 million involved in contracts. In fact, the figure involved is $41,939. Those are all provided for exclusively with regard—

Ms. Copps: Oh, oh!

Mr. Clark (Yellowhead): I would ask the Hon. Member for Hamilton East to control herself.

Some Hon. Members: Oh, oh!

Ms. Copps: Do not be sexist, Joe! Maureen will not put up with it.

Mr. Clark (Yellowhead): All of those transactions had to do not with anything surreptitious, if I may use the word that describes the Hon. Member's conduct, but with a specific exclusion exemption that has been made for products, including spare parts, that can only be sole-sourced.

Mr. Nunziata: Mr. Speaker, I would suggest that the Minister check the record again because it is clear he continues to posture on the subject.

GOVERNMENT POLICY

Mr. John Nunziata (York South—Weston): Mr. Speaker, the Minister has had two weeks now to investigate this particular dossier. Will he indicate to the House today how many South African controlled companies operating in Canada have received government loans, grants, and contracts? Can he give his undertaking in the House today that this practice will cease immediately? When will he stop the posturing and take some real action to fight apartheid in South Africa?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I do not know if the Right Hon. Leader of the Opposition is taking advice, but this question is too important to leave to that Hon. Member.

Ms. Copps: What? That is sexist.

* * *

• (1510)

BUSINESS OF THE HOUSE

Mr. Lewis: Mr. Speaker, there have been discussions among the Parties, and I think you will find agreement for the Minister of the Environment to make a short statement, followed by the usual responses of the spokespersons for the Official Opposition and the New Democratic Party.

Mr. Murphy: We were hoping for his resignation.

Mr. Speaker: The House has heard the suggestion of the Minister of State. Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Speaker: The Hon. Member for Kamloops—Shuswap and the Hon. Member for Ottawa—Vanier indicate agreement. The Hon. Member for Hamilton East.

* * *

PRIVILEGE

ALLEGED REMARKS DURING QUESTION PERIOD

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I rise on a question of privilege. If I understood the Secretary of State for External Affairs (Mr. Clark) in his response to an Hon. Member, he suggested that an Hon. Member had no right to ask a question about apartheid.

An Hon. Member: He did not say that.

Ms. Copps: I find that incredibly—

An Hon. Member: Sit down.

Mr. Boudria: He may have said it too fast for you, Barry, but he said it any way.

Mr. Speaker: I am not exactly sure what the Right Hon. Secretary of State for External Affairs did say, but I will look at it. It seems to me that that is probably not a question of privilege at this point.

ROUTINE PROCEEDINGS

[*English*]

PETROLEUM INDUSTRY

ELIMINATION OF LEAD IN GASOLINE

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I thank Hon. Members for their consent.

On March 25, 1986, I announced that effective December 31, 1992, the petroleum industry would be required to eliminate lead in gasoline across Canada.

My decision was based on a study conducted for Environment Canada by a blue ribbon panel of scientists under the direction of the Royal Society of Canada. Those experts recommended, among other things, that the Minister of the Environment consider even more stringent controls on leaded gasoline, should future research render such a course advisable.

Since that time new research in the United States and in Australia, and elsewhere has convinced me and the Government of Canada as a whole that lead in the environment poses an even more serious threat to human health, especially among children, than health experts previously thought.

Accordingly, I am announcing today, on behalf of the federal Cabinet, that lead in gasoline will be illegal at all retail outlets across Canada after December 1, 1990. Violators will be subject to very stiff sanctions under the new Canadian Environmental Protection Act.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the statement by the Minister which we welcome fails to recognize that it was a Liberal Government that launched in December, 1983 the program of reducing and eventually eliminating lead in gasoline. This Government has now changed its position. Originally, probably yielding to pressures by industry, it decided to choose 1993 as the target year.

We in the Opposition have raised this matter in this House on a number of occasions. As recently as one month ago we called on the Government, on the Minister of the Environment (Mr. McMillan), and on the Minister of National Health and Welfare (Mr. Epp) to advance to 1990 the deadline for further reduction of lead in gasoline. We are glad, therefore, to see once more that the Government is continuing the work started by preceding Liberal Governments. What strikes us, though, as a bit disturbing is the timing of this announcement. It is

almost cynical or, I should say, almost a desperate attempt by this Conservative Government to gain credibility, to appear to be concerned with environment and with health. It is an attempt, in a way, of a blue chameleon trying to change its colour into green.

In any event, to conclude, I am sure Canadians will not be fooled by this Government's sudden decision in its sudden conversion to the environment in a crass manner which evidently is intended to garner votes.

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, I welcome the announcement that the removal of lead from gasoline will be speeded up. It is something for which I have called for some time. Previous environment critics for the New Democratic Party caucus have called for it and, of course, environmentalists have called for it for a very long time.

I think that there is an easy, broader lesson to be learned. Reference has been made to the fact that experts have only recently found out that low levels of lead can be very harmful, particularly to the development of children. Yet, we have other environmental hazards which we are still seeing accumulate, on the basis that low levels are not harmful to health. I think that emissions of NOx, for example, are continuing to go up even with improved standards. There is still going to be an increase.

The Government has announced that low level radiation is not a health hazard. We wonder how many lives have to be lost and how much illness there has to be before the lesson is truly going to be learned that we have very serious environmental problems.

I welcome the announcement. It is high time that we move on leaded gasoline. It is particularly a problem in my area, an urban riding which has lead in the soil that is being removed. It has been a local problem as well as a national one. It is only one very small step, and it is an important lesson that we have to stop pollution. It is very, very significant in all areas of life, and it is still not being acted upon.

GOVERNMENT ORDERS

[*English*]

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

Hon. Jake Epp (for the Secretary of State of Canada) moved that Bill C-152, an Act to establish the Canadian Heritage Languages Institute, be read the second time and referred to a legislative committee.

He said: Mr. Speaker, it is an honour to rise today to speak to Bill C-152 and to open the debate on behalf of the Government. I am sure that it would be appropriate, Mr. Speaker, to let you and Members of the House know why I am standing in this place this afternoon instead of the Hon. Minister of State for Multiculturalism (Mr. Weiner). I am sure, Mr. Speaker, that you and Members would appreciate that this is one of the holy days of the faith that the Hon. Minister observes. For that reason he has asked me to make a presentation on behalf of the Government, and I am honoured to do so. I know that Hon. Members opposite will understand why he is not here.

Some two months ago, this House gave its unanimous consent to the Canadian Multiculturalism Act, and on July 21, Royal Assent passed this historic Act into law. I think all Members, and especially Government Members, are justifiably proud of the co-operation and consensus which turned this piece of Canadian legislation into the first law of its kind in the world.

This afternoon, in introducing for second reading Bill C-152, an Act to establish the Canadian Heritage Languages Institute, I believe it is a further demonstration of the viability and of the life that comes not only from the Multiculturalism Act but which is Canada.

Others Members of the House and I recognize, Mr. Speaker, that you have worked strenuously over the years in the field of multiculturalism, both as a Member of Parliament, as an active member of an ethnic group in Canada, and as a former Minister. I hope that you, as well as other Members of the House, feel that this is an important milestone in some of the work that you have done as well.

• (1520)

The Bill before us has its roots in the Canadian Multiculturalism Act and in the multiculturalism policy of Canada. This Bill gives expression to Section 3, subsection 1 of the Act, which states that it is the policy of the Government of Canada to preserve and enhance the use of languages other than English and French. This Bill also gives specific recognition to sections of the Canadian Multiculturalism Act which commit the Government to facilitate the acquisition, retention, and use of all languages that contribute to Canada's multicultural identity.

This Bill is another concrete example of our Government's resolve to meet the challenges of our evolving multicultural society which we set out in the Canadian Multiculturalism Act. Last year, the former Secretary of State, the Hon. David Crombie, announced the Government's intention to establish a national heritage languages institute in Edmonton. He commissioned Dr. Henry Kreisel of the University of Alberta and Dr. Michael Batts of the University of British Columbia to conduct a study on the best way to meet this commitment. The Bill before us today results from that cross-country process of consultation and assessment.

Dr. Kreisel recommended that the federal Government establish an institute to foster and further the learning of heritage languages, an institute that was described as without walls, an institute that would serve the needs of all those active in this area. The report recommended that the institute reach

out to the educational and cultural communities of Canada, to the business communities of Canada, and to all levels of government to forge a strong national network, a network bringing together linguistic resources of Canada and the experts in the field. It would in fact fulfil a tremendous need for the co-ordination and exchange of information on Canada's heritage languages.

I would like to take just a moment to emphasize to the House the extent to which our heritage languages enrich the Canadian way of life. There are over 70 languages spoken in this country, not including specific dialects. Some belong to the aboriginal peoples of Canada and were part of our heritage long before the arrival of Europeans. Other languages have been brought to this nation by those who came here from all parts of the world seeking a land of freedom, security and opportunity.

From my own perspective, heritage languages are a vital component of daily life in Canada. I have spent considerable time travelling across the country and meeting people from many different cultural and racial groups, groups which remain fiercely proud of their first languages. One does not have to venture far in any of our major metropolitan centres to encounter the variety and the vitality of Canada's spoken languages. They are all around us. They are a living culture which lifts the everyday life of this country beyond the ordinary.

Just last Saturday, I had the opportunity to speak at the annual meeting of the Canadian German Congress in Winnipeg about the establishment of a chair for German-Canadian studies at the University of Winnipeg. This further verifies the multicultural nature of Canada and the need to preserve and give understanding to other Canadians of that heritage.

This richness and diversity of languages is something to be proud of. It is something to be cherished. It gives us a sense of where we have come from, a sense of our roots, and of how many unique individual heritages contribute to our national character.

Language is the strong current of a culture. Language provides the means for passing on the heart and soul of a culture, its folklore, stories of the past, and, yes, dreams of the future. Languages bond people together, giving them a strong sense of community and of common values, but languages are more than just a social phenomenon. Languages are an important natural resource for Canadian people.

Language is an economic resource. It is a resource which boosts our trading profile. It is a resource to use in international diplomacy. It is a resource for tourism. Certainly our reputation for hospitality and friendliness is much enhanced as we welcome visitors in the languages of the world. Within Canada today, there is an increasing demand for people—teachers, translators, negotiators—with heritage language skills. This is why we made such strong commitments in the Canadian Multiculturalism Act, commitments that we are backing up today with Bill C-152.

Let me take a moment to outline to the House the special features of this legislation. The Bill describes the establishment of a new and special kind of institute, an institute which from the outset is designed to be a co-operative venture. We want the institute to be a facilitator, to be a means for community groups, institutions, corporations, and all levels of government to work together to develop the rich linguistic versatility of our society. To that end, we have established measures for an endowment fund, a fund which will allow the institute to function independently and to set its own priorities.

The institute will be incorporated federally as a charitable organization so that it can seek a broad base of public and private support. We also expect it to encourage support from other levels of government. I think all Hon. Members would see this as being a co-operative era of partnership in multiculturalism. This is our idea of working in co-operation with all segments of Canadian society and further developing a major national resource, our heritage languages.

The institute's mandate is ambitious. It will undertake a variety of activities that will foster the teaching and learning of heritage languages across Canada and their ongoing use in our society. This mandate includes improving public understanding and appreciation of heritage languages, upgrading the quality of instruction and learning materials, developing Canadian oriented materials, and conducting research into all aspects of Canada's heritage languages. Of course, one major purpose of the institute is to provide a national focus, a focus which will bring together expertise from across the country to respond to the different priorities identified at the community level.

I will not take the time of the House now to go into specifics about the powers of the institute or the way it will be set up. There might be questions about that later. Each of us here has an opportunity to read and to consider the Bill, but I wish to make the point that it is important for all of us to consider, in a positive sense, our heritage languages.

We have attempted to provide the Canadian Heritage Languages Institute with the maximum degree of flexibility, the flexibility to ensure that it can meet its objectives and achieve excellence in its work. We have given the institute a structure and a set of objectives to accomplish this important task. Let me repeat just how important this task is.

Right now, the multiculturalism sector of the Department of the Secretary of State supports some 1,600 supplementary schools at which over 130,000 students have a chance to learn the languages of their ancestors. These are impressive figures and enrolments are continuing to rise. My point is that we are not dealing with a marginal social and cultural activity. We are in fact responding to the many Canadians who feel deeply concerned about preserving their heritage languages and using them in today's modern society. We have made a commitment to help these Canadians do exactly that.

Our commitment to this institute is part of the strong new directions for multiculturalism that were announced last May by the Minister. That commitment is being reinforced with

$62 million in new money over the next five years, including $14.5 million to preserve and enhance heritage languages and culture. Over the first five years of its existence the institute will receive $6.7 million. What is significant is the breakdown of this funding to ensure a sound base for the institute's development and long-term financial security.

In addition to $250,000 start up financing, $500,000 per year will be provided for operating costs and $800,000 per year will go to a special endowment fund. This fund is designed to help the institute become financially self-sufficient in keeping with our fiscal responsibilities to the Canadian taxpayers.

• (1530)

I should also take some time to address the question of the relationship between heritage languages and official languages. The Canadian Multiculturalism Act clearly states that it is the policy of the Government of Canada to preserve and enhance the use of languages other than English and French while strengthening the status and use of the official languages of Canada. I am proud to say that our Government's record speaks for itself in this regard. It is our Government that brought in the new Official Languages Act. It is my colleague from Lac-Saint-Jean, the Secretary of State (Mr. Bouchard), who negotiated landmark agreements on official languages with a number of provinces. The Bill we are considering today complements those agreements. Most important, it complements our official languages policy by advancing multiculturalism throughout Canada in harmony with a national commitment to our official languages.

I think it should be noted that the Secretary of State, who has responsibility under the Financial Administration Act for official languages and for these programs, is of French Canadian background. The Minister who brought forward the Multiculturalism Act and the Heritage Languages Act has an ethnic background, if I can use that term. That is simply a demonstration of the fact that all of us here have different experiences and backgrounds. Whether our experiences are personal in the sense that our families came from other countries, or whether it is simply through our knowledge of history, those experiences are very much part of our lives today.

That fact also reminds me of the story my father told me, something which might be reflected in various ways by other Canadians. He came to this country in 1924 as a medical doctor, never to practise again, because of the history of Europe involving World War I and the Russian civil war and revolution. He arrived in Québec City, speaking five languages and none of them was official. However, he was accepted into Canada. He was given freedom and the right to practise religion as we saw fit. We were given the right to speak our own languages. Above all, we were given the opportunity to develop not only our families and communities but hopefully also contribute to the development of Canada.

I have used that personal vignette simply to make the point that there are Canadians across our land who have had if not the same experience at least similar experiences and it indicates why Canada is so important to them.

Heritage languages are a vital element of communication and understanding in our multicultural society. They are fundamental to the way in which we deal with one another as Canadians. I truly believe that this country has an unlimited opportunity with its people, its cultural diversity, and many different languages, to take greater advantage of this modern world than any other country. To do so we must safeguard and develop what we have. We must look to the future with a sure sense of where we are going. This Bill is part of that progressive outlook. I hope the House will give it rapid passage in order that the Canadian Heritage Languages Institute can begin its work without further delay.

If I may be permitted, let me say in the other language that I speak: *Vielen danke für die gelegenheit, heute zu sprechen zu diese wichtige sache.* I hope we get passage soon.

The Acting Speaker (Mr. Paproski): I am sure the *Hansard* reporter got that, as did the translators.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following Bills without amendment: Bill C-61, an Act to amend the Criminal Code, the Food and Drugs Act and the Narcotic Control Act; Bill C-82, an Act respecting the registration of lobbyists; Bill C-110, an Act to establish the Canadian International Trade Tribunal and to amend or repeal other Acts in consequence thereof; Bill C-123, an Act to amend the Indian Act (minors' funds and surviving spouse's preferential share); Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts; Bill C-150, an Act to amend the Indian Act (death rules); Bill C-153, an Act to amend the National Capital Act; and Bill C-143, an Act to establish the Canadian Centre on Substance Abuse.

THE ROYAL ASSENT

[*English*]

The Acting Speaker (Mr. Paproski): Order. I have the honour to inform the House that a communication has been received as follows:

Rideau Hall

September 13, 1988

Sir,

I have the honour to inform you that the Honourable Gérard V. J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 13th day of September, 1988, at 5.30 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Anthony P. Smyth,
Deputy Secretary, Policy and Program

GOVERNMENT ORDERS

[*English*]

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Bouchard (Lac-Saint-Jean) that Bill C-152, an Act to establish the Canadian Heritage Languages Institute, be read the second time and referred to a legislative committee.

Mr. Sergio Marchi (York West): Thank you very much, Mr. Speaker. *E un pracere di ringraziere il Ministro, e di presentare la posizione Liberale.* I would like to thank the Minister. I think the House appreciates his standing in for his colleague, the Minister of State for Multiculturalism (Mr. Weiner), who is today, along with many other Canadians, observing a religious holiday. Let me say at the outset that the Official Opposition supports in principle and welcomes the creation and establishment of a national institute for heritage languages. It does so not only because it believes in it, but because it is very much needed. If one was to look across this country at the various heritage language programs and services provided by our schools through the provinces with the help of the ethnocultural communities, one would very quickly see a need for a national institute such as the one we are discussing today to co-ordinate and facilitate national standards and consistency in this area.

To a certain degree, through the fault of no one in particular, we have a chequer-board program nationally which grew from different initiatives in different time periods. Alberta, for example, the first province to pass enabling legislation, did it in 1971, with a combination of heritage language programs. In Saskatchewan the legislation was introduced in 1974. In Manitoba it was in 1980. British Columbia started in 1960 through several school boards to develop heritage languages. The first bilingual program, English and the second language, was offered in 1983 in the school district of Castlegar.

In Quebec the heritage language program instruction started in 1971 under the name of *"d'enseignment des langues et des cultures d'origine"*, which teaches several languages for 30 minutes per day during a regular school day. In Ontario the program started in approximately 1971. Today it is largely an after-school program. Finally, in the Atlantic region, no public school offers heritage language programs and the initiative is left with the various ethnocultural communities.

That is obviously a very quick analysis which certainly does not do justice to the status of heritage languages across the country, but it gives me an idea, and I am sure other Canadians, that there are different programs with different criteria depending on where one lives. Therefore, for that one very good reason, we in the Liberal Party believe there is a need, not only to co-ordinate these programs to give them a standard which would apply across the various jurisdictions but also eliminate duplication under one central body with a national vision. As well, there must be communication between the school boards in different provinces in order to exchange information.

• (1540)

The second reason for supporting the principle of the institute is, as the Minister well noted, that the question of heritage languages is very much alive and well in Canadian society. There are some 128,000 children enrolled in various language programs across the country spanning some 62 languages. The census figures of 1986 indicate that many Canadians of various generations are not speaking only English and French but are trying to maintain a third or fourth language, not only as an inherent part of their culture but also in an attempt to broaden their opportunities by possessing one or more languages.

My own riding of York West reflects that dynamism. The last census indicated that 37,000 individuals in York West alone spoke a mother tongue other than other English or French. These tongues include Italian, German, Chinese, Ukrainian, and Portuguese, as well as a number of other languages. In York West individuals are trying to keep these languages alive as a part of identifying their cultural roots and identity which give us all a sense of purpose and vision. There is a link between language preservation and cultural preservation. One without the other is certainly poorer for it.

The third reason we believe it is important to rally behind the principle of an institute is that we believe we should view heritage languages in a constructive sense and as a national resource and treasure. We should adopt a philosophy that in addition to our bilingualism policy of English and French, it is an advantage to be able to speak a third or fourth language. It is an advantage to utilize a third or fourth language to delve deeper into one's culture or to open locked doors which will remain locked without the knowledge of another language. As a country we should be adopting that as a positive tool.

In my travels as a Member of Parliament on various parliamentary committees I have always been pleasantly surprised by the different school systems in the different parts of the world where children are encouraged to learn three languages. More than a cultural attribute, they realize that a youngster graduating from school will possess an economic

attribute as well in terms of positioning himself or herself in the market-place.

That is why we are happy to support the principle of a heritage language institute. The promotion of heritage languages as a integral part of a multiculturalism policy in this country was always supported by this Party when it was in office. It was an integral part of the Government's multiculturalism policy in the 1970s and early 1980s.

In 1981, for instance, a Liberal administration convened the first national conference linking Canadians from all parts of the country in a heritages languages conference. Two years later that Government tripled the funding for heritage languages and introduced, for the first time, new moneys for the production of Canadian teaching materials. Later it also established a national heritage language resource centre for heritage languages at the Ontario Institute for Studies and Education in Toronto.

During our time in opposition during the last number of years we have rallied to the defence of heritage languages. In fact, in an effort to bring to the forefront and crystallize a new agenda for a multiculturalism policy in June of 1987 the committee, in a report entitled *Building a Canadian Mosaic* recognized the importance of heritage languages. In that report, page 3, it says that the standing committee recommends that the new multiculturalism policy embodied eight principles. One of those principles was the enhancement of heritage languages. On page 47 the committee recognizes that the policy should encourage the preservation and enhancement of the heritage languages of all Canadians, recognizing the cultural and economic benefits of multilingual resources.

It was heartening that the Government took at least this idea from the report, since it rejected virtually every other recommendation in the standing committee report which was a unanimous position of the members of that standing committee. Nonetheless, I have a number of concerns which I wish to table for discussion at committee stage in terms of fine tuning and upgrading various parts of the proposed legislation.

I must say at the outset that I am disappointed that the Government waited until the eve of a federal election campaign to introduce this legislation. The report by Professor Henry Kreisel and Professor Michael Batts was prepared and submitted to the Government more than a year ago. When it was submitted there was no urgency, no discussion, and very little communication with regard to proposing a response to that report. All of a sudden, on the eve of a federal election campaign, we have the crystallization of this legislation.

I am disappointed because for the four years of this administration's life Parliament and the country have had to endure a multicultural drought. All of a sudden it rains all sorts of gifts on the eve of a federal election. It took four years to get to a multiculturalism Bill, and even then many of the proposals submitted by the standing committee composed of members of all three Parties were left out.

For four years the communities and organizations were crying for redress. The individual budgets of the Departments were dwindling compared to their levels in 1984 and there were no answers. All of a sudden a few weeks ago increased funding was announced.

For four years the third language media was complaining that there was not enough government advertising in their various media compared to the media in the English and French worlds. A few weeks ago at a conference in Toronto, after some three years of such complaints, the Minister came through with additional dollars. We now also have the institute.

It is fine to come up with some initiatives, but it is somewhat of a shame that we have to wait to the very end of the administration's life to see some improvement in the situation found by a new Parliament and particularly by a new Government. If we were to look at this year's Estimates, before the gifts started to be showered around the country, we would see that in terms of transfer payments there was a decrease in this current fiscal year of funds to various voluntary groups, universities, and institutions of some $435,000. We would see there was a decrease of $500,000 in group development initiatives, a decrease of $223,000 in citizenship and community participation, a decrease of some $19,000 to the performing and visual arts, a decrease in intercultural communications, in performing and visual arts, and a decrease in Canadian ethnic studies of some $250,000. These are in this year's Estimates. That goes to show the intentions of the Government in the normal course of its administration, compared to the number of initiatives we have seen triggered by an election call.

• (1550)

I would suggest very sincerely that the Government of Canada stop advancing multiculturalism through the eyes of a general election. It should not attach the multiculturalism cart to an election roller-coaster. That does not engender confidence or pacify cynicism. Certainly in the aftermath of an election, there will be an accounting. The Government must look at its promises, its commitments, and at reality.

In a conference attended by the Prime Minister (Mr. Mulroney) in 1984 before the last election, he made perfectly clear some 48 specific promises he would deliver once becoming Prime Minister. Looking at these promises now we see a litany of unfulfilled expectations and broken promises on behalf of the many organizations and volunteers which make multiculturalism on a day-to-day basis the force it is today. My message to the Government is to stop showering the country with gifts just because there is a pending election. Let us have a long-term, consistent and genuine policy we can be proud of year in and year out.

The second concern I have with respect to the principle of a Canadian Heritage Languages Institute has to do with our official policy of bilingualism. I believe we require greater and

parallel initiatives and resources to encourage more of our landed immigrants to learn better one of the two, if not the two official languages. This was recognized back on October 8, 1971 by the former Prime Minister, Pierre Elliott Trudeau, who was the architect of the official policy adopted by all Parties of the House in 1971. In introducing the concept of multiculturalism, he said: "the Government will continue to assist immigrants to acquire at least one of Canada's official languages in order to become full participants in Canadian society". He found the time, while making the multicultural announcement, to highlight and reinforce the importance of those Canadians participating in if not both, one of the two official languages, as a way of being completely integrated and mobile in the mainstream and lifestyle of this country.

I believe that in 1988 we have not done enough to encourage this mobility. Many individuals do not have access to proper language training, but this should not stop the Government from its first priority of welcoming as many landed immigrants and newcomers as possible and integrating them linguistically into either English or French. The person who is affected the most is the immigrant woman. Many times, because of our criteria, she is blocked from entering into English or French language training because she may be deemed not to be the head of a household. The husband may qualify. The children will learn either English or French by playing with their peers, but the woman becomes ghettoized. She becomes locked in her home with the resultant inability to master the English or French language. That will determine the type of job she gets. It will determine the amount of dollars she is paid per hour, and it will determine the vertical mobility of that woman in the workforce. Therefore, I believe greater emphasis, while saluting the value of heritage languages, must be placed with those same Canadians in order to have them become fluent in one of the two languages which will increase their confidence as citizens and their positioning in Canadian society. From an economic standpoint, it would certainly enhance their life much more rapidly.

If one were to look at the statistics of the Canadian Employment Immigration Commission, one would take some care in listening to the argument I have just put forward in terms of a percentage of total immigration for selected years. For instance, in 1968 the percentage of immigrants knowing English well was some 51.3 per cent. In 1984 that dropped to 44 per cent. In terms of knowledge of French, in 1968 the percentage was 6.3 per cent. That dropped a full percentage point to 5.1 per cent in 1984. Those landed immigrants knowing neither English or French in 1968 numbered 38.7 per cent. In 1984 that percentage rose quite dramatically to 47 per cent.

Therefore, while one can attach different factors to produce that sort of trend in terms of the sources of immigration and so on, it is nonetheless important for us as a Parliament to try to take the message from these numbers, and while we are reinforcing the value of heritage languages, at the same time put additional resources into the training our new immigrants in English and French in terms of business, in terms of social, economic and political pursuits, being fluent in one of our two official languages is absolutely crucial.

My next concern is with the inherent risk in this legislation, and I underline the word "risk", that heritage languages to a certain degree will be ghettoized. I believe it is very important that no ghettoization be formulated through the body of a national institute. It is simply not good enough, in my judgment, simply to link up the Greek Canadian community in Alberta, for instance, with the Greek community in Toronto or Montreal through the institute. While that is valuable, it should not stop there. Instead, we must interlink those communities with different cultural communities. Cross-cultural linkages are absolutely vital if we are to share and be united as a Canadian family. The networking within and among different communities is an important part of advancing the cause of change and reform in that very community.

More important, rather than simply stopping at utilizing heritage languages as an institute within Canada and among communities, the real challenge for this Government will be to utilize heritage languages as a national tool and resource. More Canadians capable of speaking in a variety of languages should find themselves in government circles as well. They should find themselves in increasing numbers in the Public Service of Governments federally and provincially. They should find themselves in greater numbers in the trade missions to which we send people in all parts of the globe. They should also find themselves in greater numbers in our foreign embassies, immigration posts, and trading posts abroad.

• (1600)

We need to recognize that it is important to co-ordinate the various heritage language programs. However, what more dynamic solution do we have to that situation than to utilize that natural resource—since that is what it is—to the advantage of our country on the international stage? Canada is indeed in a very unique position. Not every other country possesses the national treasures which we possess. We have over 62 languages in which Canadians are fluent.

We have to put that to good use, not only domestically but internationally, to open those cultural doors through the ability to converse and to communicate. I am sure that if we can harness that talent, that resource, Canada will not be poorer for it. Canada will obviously be richer. We will be sharper on the cutting line in terms of international competition with other countries of the world if we can also adopt Canadians who, in addition to being competent in their fields, can also naturally and efficiently communicate in the languages of the world. This is a global village, to quote the words of a famous Canadian.

It is important that an institute undertake this work at this time. If one were to conduct a survey in our high schools and universities, one would find that the number of people taking

various language courses is dwindling at an alarming rate. I have met with a number of high school professors and directors of various language programs. There has been an emphasis to take the three Rs, to do well in mathematics, sciences, and English. Of course, that is of fundamental importance to any student and of particular importance to any graduate from our educational institutions. While pushing the fundamental courses we should not underestimate the capabilities and the values of a young man or woman leaving university at the age of 22 or 23. In addition to being solid in a number of areas of his or her degree, he or she could also be capable and educated in a third or fourth language.

I believe that this institute can play a significant role to try to reverse the trend that is beginning to take place in our high schools, colleges, and universities. It can rekindle a certain value for languages among our students. It can try to impress upon them that it is not only a question of culture but that at the end of academic training the ability to converse in another language also takes on an economic dimension. Students emerging from various institutions need as many advantages today in the competing world as they can possibly afford.

I have a number of concerns with respect to the structure of the institute. For instance, the legislation would create a board of directors numbering 21. However, the staff, as articulated by the Minister of State for Multiculturalism at his press conference when he announced this measure a few weeks ago, suggested that the staff can be as small as three individuals. One question that I obviously have is: What kind of an organization are we going to put in place when there is a board of directors numbering 21 and a staff of three? It is obvious that not only is it top-heavy in terms of directors but also in terms of the responsibilities that the legislation is expecting the institute to carry on. On page 2 of the Bill it states:

> 4. The purpose of the Institute is to facilitate throughout Canada the acquisition, retention and use of languages, other than the official languages of Canada, that contribute to the country's multicultural heritage by
>
> (a) promoting, through public education and discussion, the learning of heritage languages;
>
> (b) providing the public with information about heritage language resources;
>
> (c) developing programs to improve the quality of heritage language instruction;
>
> (d) assisting in the production and dissemination of Canadian-oriented materials related to the study of heritage languages;
>
> (e) assisting in the development of standards for the learning of heritage languages;
>
> (f) conducting research into all aspects of heritage languages;
>
> (g) establishing scholarly and professional links between the Institute and universities, colleges and other organizations—

It then goes on to state that it should initiate, finance, and administer programs and activities created to this purpose; support, encourage, and organize conferences; publish and otherwise disseminate information related to this; and establish award scholarships and fellowships.

Those are all fine tasks. I think all Members of the House would agree with every one of them. The question is: Can three people as a staff undertake successfully the tasks that the legislation sets out? I believe that we need to take a very close look in committee at the ability of a staff of three to fulfil the expectations of this legislation.

I also have questions with respect to how the board of directors will be appointed. It states in the Bill that the Government will appoint 13 and the board will make another eight appointments. I think that it might be useful to list some of the qualifications which members of the board possess. I would also like to know where the community input is in terms of those appointments. Will we have the community proposing some names which the Government and the board will take under advisement? Or, will the appointments be made as we have seen in the Canadian Multiculturalism Council in a vacuum? Will there be members of various communities asking themselves who is that person on that board who purports to represent community A or community B when in fact that person is not an integral part of that community?

There are questions with respect to funding. Will the funding proposed by the Government in fact allow the institute to do the kind of job over the long term? The Bill suggests that it wishes the institute over the course of time to be its own fund raiser to keep the institute alive. That also raises a number of serious problems. Many organizations, in particular voluntary organizations and non-profit groups in our society, are always scrambling for funds.

Before I was elected to office I was associated with a number of non-profit organizations. Sometimes as an organization we spent more time fundraising than in fact fulfilling and delivering the programs on which the group was designed. I am somewhat concerned that the small staff of three will be too preoccupied with financial requirements of keeping the institute afloat as opposed to delivering on the expectations set out by Parliament in this legislation.

There is no mention in the Bill about native and aboriginal languages. It is unclear whether native or aboriginal languages will be included within the heritage language programs or whether they are outside it. I think clarification from the Minister would certainly be helpful in clarifying that question. It is an important question, and one that many communities, particularly those in the North, are asking *vis-à-vis* this legislation.

• (1610)

I also ask whether there has been any consultation with the provincial Governments. The question of education and schooling is clearly within provincial jurisdiction. It would be interesting to see if the federal Government has dovetailed or communicated with the provinces, and whether there will be co-operation or any financial assistance from the various provinces, because obviously an institute of this calibre, or potentially of this calibre, can be of extreme help to the various

Ministries of Education under the auspices of the provincial Governments.

In the actual legislation there is little input on the role that various community and ethnocultural organizations will be playing. I would like to see a greater role and assessment by various ethnocultural communities and national bodies in terms of interweaving their resources, talents, and aspirations with those of an institute. There must be a way in legislation of affording those community and group interests a role in this national institute.

Finally, in the legislation it states that the Minister will review the institute and its directions after a period of four years. That may be appropriate. However, others are asking if perhaps that is a little too long to wait in terms of a review. Perhaps that review should come earlier so that if there are a number of modifications to be made they are made well into the mandate of the institute rather than follow a direction that, after four years, proves not to have been as advantageous as a modification or a change.

The institute must report to the Minister in an annual report. I would suggest that we look at that situation and perhaps expand it. Perhaps that report should be made to Parliament, so that that report is shared by all Members of Parliament. Perhaps the report could be made to the Standing Committee on Multiculturalism and Members of Parliament from all three Parties could be apprised on an annual basis of the institute, rather than the report going directly to the Minister and perhaps never becoming public. Secrecy will not enhance a new launching of that institute. That report should be made public on the floor of the House of Commons or through the Standing Committee on Multiculturalism which would benefit the advancement of the institute and of the policy.

Another concern I would like to touch upon quickly is that a number of people and Members have been questioning the appropriateness of locating the institute in the City of Edmonton. I feel that that criticism is unfair and unwarranted. The location is not as important as whether the program will be delivered and whether the standards and expectations set by the legislation will be maintained. In my estimation, Edmonton is a fine city that is dynamic, enterprising, and cosmopolitan. It is perhaps advantageous to have the institute located in Edmonton as opposed to having it, and every other program that deals with multiculturalism, targeted to or located in the Montreal or Toronto area. It speaks highly of the policy if at times such as this we can move westward or farther east than Toronto or Montreal when we talk about multiculturalism. While those two cities and Vancouver certainly embody in numbers and in programs the very spirit of multiculturalism, to stop in those cities is to be incomplete.

The Province of Alberta is a leader in terms of heritage language instructions. After Ontario at 49, there are 42 languages taught in the Province of Alberta. Alberta has 116 schools where those languages are taught, the highest after Ontario and B.C. Alberta has 899 classes of heritage languages, 10,900 hours of instruction, almost 11,000 students, and some $324,000 of federal moneys. In 1971 it was the first province to pass legislation to permit languages other than English or French in the teaching of heritage languages in the public school. In 1974, as you well know, Mr. Speaker, being a representative of that city, the program was instituted on a bilingual basis with one of the heritage languages for 25 per cent to 50 per cent of the school day for some subjects. Therefore, I believe that Edmonton is most appropriate, and in fact recognizes the spade work and the lead work that Edmonton and Alberta have done with respect to heritage languages.

In conclusion, I look forward to a discussion of this Bill at the legislative committee, or perhaps in the Standing Committee on Multiculturalism. I have raised a number of concerns that I and my Party have with respect to the Bill. I am sure that my colleagues in the House will be amplifying on some of their thoughts and concerns and that those concerns will be best able to be addressed by that committee. Unlike the multiculturalism Bill that got a quick ride through committee and Parliament, the community organizations and the very many experts out there in the field will have the opportunity to give their input, have their say, and put forward their recommendations. By the conclusion of committee stage there will be a piece of legislation that will be stronger and not weaker. In principle we are in accord and we support this Bill on heritage languages. We also look forward to making it bigger and better for the benefit of our national fabric.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Paproski): Order. It is my duty, pursuant to Standing Order 66, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Davenport (Mr. Caccia)—Environmental Affairs—Bill C-74—Size of Government funding/Reduction in person-years within departments; the Hon. Member for York East (Mr. Redway)—Housing—Metropolitan Toronto—Vacant land at Downsview air base.

* * *

[*English*]

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Bouchard (Lac-Saint-Jean) that Bill C-152, an Act to

establish the Canadian Heritage Languages Institute, be read the second time and referred to a legislative committee.

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, I rise with pleasure to join in the second reading debate of Bill C-152, a Bill to establish the Canadian Heritage Languages Institute. With my colleague, I readily accept the absence of the Minister for Multiculturalism (Mr. Weiner) this afternoon who I am sure is with his family celebrating the Jewish New Year, as are other persons across the country and around the world. That is only one manifestation of a multicultural Canada. I am sure the Minister would have liked the Bill to come forward in late August, a time when his office did consider the possibility that it might do so, because I am sure the Minister would have liked to speak to the Bill. I am sure no one will take it amiss if I observe that if he had been here, a Member of Parliament from Montreal, and a speaker of Hebrew, to some extent, taking part in the debate this afternoon on this heritage language institute, there would have been a completeness or a certain symmetry in terms of appropriate representation in the debate.

The debate on the Canadian Heritage Languages Institute this afternoon is a little heavy with Epps. When there are two people whose first language is German speaking to the Bill this afternoon, it leaves it a little incomplete. You, Mr. Speaker, may well represent one of those other Canadian realities, Ukrainian, or Polish, I am not quite certain of your capabilities, your presence in the Chair, and your membership in the House. If the Minister had been present there would have certainly been three of the leading heritage languages of western Canada represented, which are well practised and well taught in the Cities of Edmonton and Winnipeg, and particularly represented in a certain sense of the debate.

I would never wish to slight my colleague, the Hon. Member for York East (Mr. Marchi), who represents the Italian speaking realities of this country in this debate. At one point I spoke to some of the persons involved in heritage languages in this province, persons of Italian origin, and said to them quietly, and I trust this will not upset anyone, that what the Ukrainians have done in the West the Italians have done in Ontario in terms of establishing the importance of heritage languages. I say that quite readily because aside from the fact that my father and the father of the Minister would have understood and spoken Ukrainian, there is obviously no ancestral pride in my stating that particular recognition of the role of some of the communities in asserting the importance of heritage languages.

• (1620)

I did not look at that particular aspect of the topic in preparation for this afternoon, but I was interested in having my colleague, the Hon. Member for York West, scan heritage languages across the country and note some of the instances. In a few moments I want to explore more carefully what some of the situations are in various provinces of Canada, so that we will have a better sense of the situation into which this institute will be injected, the situation which the institute will be required to work with, to transform, to develop.

He mentioned in British Columbia, a province which would surely exemplify, as its name might well suggest, as perfectly as any province has the desire to create a unilingual English-speaking Canada, a desire that prevailed for so long, to the detriment of French-speaking Canadians and the Québeçois, and of course to the detriment of all of us and our ancestors who came to Canada with languages that we now call ancestral or heritage languages and who found themselves being discouraged from using the languages, encouraged to forget them and to merge into the Canadian English-speaking mainstream.

In recognizing that reality, the first program in British Columbia was brought to my attention, because having lived for nine years just down the road from Castlegar, British Columbia, when I was teaching at Notre Dame University in Nelson in the interior of B.C., I thought immediately, of course, that is a bilingual program. It is also in Russian, with the Doukhobors who live in the area.

That took me back 16 years to the misfortune of a broken knee suffered in the faculty-student football game. I was in the Trail Regional Hospital that fall of 1972, during the Canada-Soviet hockey game. I must say, I do not suppose that there were many places, many hospital wards in Canada, where the four patients in that ward were all persons who, if history had taken a different course, would have been happily cheering Tretiak and his team-mates on the Soviet team. As it happened, in that particular hospital ward the four of us—two Doukhobors, one of white Russian ancestry and myself of Mennonite stock; all of us from parts of the Soviet Union, now Canadians—were cheering the Canadian team on. This particular incident is just a reminder of the multicultural realities of Canada in which we have been involved in this Parliament over the years in trying to recognize, and to which we have, surely, in the multiculturalism Bill of these last months, given statutory statement, though not, I would assert, anything like adequate institutional roots.

We are now, certainly in this Bill to establish a Canadian Heritage Languages Institute, in this particular case, moving to establish one of the vital institutions of the federal Government, established by and supported by the federal Government, to ensure that all of our talk about multiculturalism, ever since the beginning of the last decade, is not simply talk.

That, of course, takes us back to the context that I have already alluded to, the long decades during which immigrants to this country, wherever they came from, were encouraged to become English-speaking Canadians. As a nation pressed its nationalism on all the citizens of Canada and urged them to merge, a pressure or a tendency developed which was only arrested in the 1960s, in the context of the quiet revolution in Québec, the work of the Royal Commission on Bilingualism and Biculturalism which led to the Official Languages Act, the recognition of French as well as English, as fully the official

languages of the federal Government and the federal institutions and which led two years later to the enunciation of a policy not of biculturalism but of multiculturalism.

In the midst of all of that development, it is surely more than just appropriate this afternoon to remember the work of one of the Royal Commissioners, Dr. J. B. Rudnyckyj, who is surely, among all the scholars and the public figures of Canada in all those years, the person who in his insistence on the importance of recognition of the languages other than English and French in Canada deserves to be remembered in this Chamber and thanked for his efforts.

I have been informed that he is disappointed time after time by the very, very limited recognition in the multiculturalism Bill, in the broadcasting Bill, and in the legislation brought forward of the multilingual realities of Canada as they were, as they might be, as they should be, if we were only prepared to see funds put in, if we were only prepared to put national support behind the efforts of communities to maintain their languages, to build up the culture to which language is so integral, in order to ensure that the multiculturalism of Canada, the mosaic that we have talked about, the diversity that is there and yet is so often still under challenge, is really fostered and built up.

What has happened, of course, in province after province, as communities recognized from the beginning of the 1970s, is that the Government of Canada was no longer hostile to culture and language—other than the English speaking and the French—but was prepared to encourage, and some funding was made available—a bit here and a bit there—enough to do it very impressively.

In Saturday schools and in various ways through continuing education programs, languages have been encouraged to some extent. I think that the reality remains, and that is what makes the Castlegar school development important.

We have the pioneering efforts in Edmonton and the achievements in Winnipeg, and wherever it is possible to move beyond the voluntary effort, the community effort, the Saturday school, into the establishment of schools in which it is possible not just to study another language, as I did to some extent as a high school student in Manitoba, where German was my foreign language, if you will, and on into the university. To do that goes some limited way toward what we are talking about. The real achievement in the use of heritage languages is the possibility of studying subjects in that language. We have the bilingual school, in which half the day is in English and the other half may be in Ukrainian or in Hebrew or in German, to take them in reverse alphabetical order. In those realities on the Prairies, we have the most important developments that we could imagine, in the way of ensuring that heritage languages are more than just something that we work at desperately on a limited or no-pay basis, doing our best to pass the language on to the next generation.

In that context, of course, the western achievements in the Provinces of Alberta and Manitoba certainly deserve to be recognized first and foremost. It is saying something about the question of how the institute would be well established.

I say, without any hesitation at all, that Edmonton deserves to be the place to establish the centre. If one is going to have one institute with obviously one head office, the challenge would be in how the whole country could be served in this way.

In contrast to that, I want to refer to the sad experience still in this province of mine, my adopted province now, if you will, having had to practise as an Ontario MP for a couple of weeks in the Edmonton area. I still find that a bit ironic. It was not the context in which to make very much of my years of growing up in Manitoba and my years of teaching in the West, when people had me cast as an Ontario MP. I say, bluntly, that Ontario disappoints one so very often. In a few areas, I suppose it is more than in the area of heritage languages.

It is very much regretted that across this province languages are still being taught in Saturday schools and by voluntary efforts, and that that is all that we can achieve.

In the previous Legislature of Ontario a member of my Party, Mr. Tony Grande—and I say this with considerable pride—proposed a motion, which got support from all the Parties, to have the heritage languages incorporated in the curriculum of the public schools of Ontario. It was an initiative that got support at that point but which the Peterson Government has not really followed through on, although a study goes on to determine what kind of assistance the Province of Ontario will give to the heritage languages in this province.

• (1630)

That, of course, is the kind of contrast that I put forward with regret but may, in fact, provide the justification for concern about how the new institute will be able to develop the teaching and the study of heritage languages in Canada. A great deal of effort is required across the country and in our communities where persons want to study the language.

What we have had up to this point is really fairly half-hearted efforts. I say that from the perspective of government in terms of resources put in. I have no doubt about the determination and dedication Dr. Jim Cummins of the Ontario Institute for Studies in Education and his colleagues, to whom the Hon. Member for York West has already alluded, have brought to this subject.

This has been with very limited resources. There was a certain amount of funding from Employment Canada at one point, an application to the Government for assistance by the Department to provide additional funding and a proposal for $250,000, something which becomes relevant in further consideration of the funding to be provided. Those efforts have gone on far more by the determination of individuals matching that of efforts of the various ethnocultural communities. Those efforts and some efforts along the same line in the Province of Québec to develop a unit, a centre or whatever at Laval, matched by the efforts of Professors Kreisel and Batts who

were invited to partake by the previous Secretary of State in July, 1987, pointed to having three institutes established.

We should not gloss over the fact that Professors Kreisel and Batts were looking at a national institute for heritage languages in western Canada. Although they carried their research beyond western Canada to Toronto and Montreal, the report is oriented in its organizational structure and surely in its funding, proposals and so on to the establishment of an institute which would provide for western needs. It would then be a co-ordinate, I would think, with the expansion of activities at OISE presumably given the work already built up there and quite likely at Laval University in Quebec City.

This would still leave Atlantic Canada having to look where? Toronto is a fair distance away. Laval might conceivably assist. Experience would show the possibilities, but we have in Bill C-152 the acceptance of the Kreisel-Batts report and a generalization of it for the entire country. That will point the way to certain questions that need to be asked.

In this one institute with limited human resources we will have the responsibility to support the training of teachers, the development of resource materials and texts—all the effort required to advance heritage language teaching in communities. As I was saying, talking to Dr. Cummins this morning, the existence of a centre is the merest beginning. The unit at OISE does not really amount to very much because the efforts are needed in Hamilton, Thunder Bay, Sudbury, and Windsor to single out only a few communities in Ontario. Teachers, after all, are doing this as volunteers. They are not being paid. There is no board with great resources to send them somewhere for instruction. They have no kind of reward, and one can hardly expect that taking some instruction will advance their credentials and give them more salary. That is not the nature of a system which is still outside the public school system of the Province of Ontario. Those are the brute realities that face us when we set out to do something as important and as admirable as establishing an institute to ensure heritage language teaching in this country and the study of it is as advanced as it should be.

The fact that education is a provincial responsibility poses questions which in the legislative committee we shall have to explore with care. I wonder to what extent Departments of Education will respond. I say that without any prejudice as far as any one place is concerned because I would imagine the Department of Education for the Province of Alberta would have limited interests in something coming out of OISE. I am concerned that the Department of Education for the Province of Ontario may need the persuasion of activities in the Province of Ontario to put the kinds of resources into the institute that will certainly be required.

That may well suggest that what the Bill proposes to do is to get a brain or a heart or whatever the right organ might be for the institute. Then we will have the limbs across the country. The Kreisel-Batts report envisions that almost half the moneys each year should be spent for program activities, namely, $200,000 out of the $454,000, the suggested annual cost. It is in those programs that the institute would be a reality in its activities across the country.

Having said these things, let me say categorically again that the choice of Edmonton for the centre or the institute is certainly one place that is more than just appropriate.

What we have to be concerned about is the way in which this decision will work out, recognizing that others have been in the field and recognizing the costs incurred. I have already alluded to the proposals in the Kreisel-Batts report which suggest that the annual cost of a national institute for heritage languages in western Canada could well amount to $454,000. One rather odd thing about this Bill is that it is far more specific than is commonly the case. We are actually told in Clause 23 of the Bill how this institute will be endowed over the first several years of its operation. After providing for an initial establishment payment or investment of $250,000, Clause 23 goes on to provide for five fiscal years. The first $250,000 will be for the current fiscal year and then in the next fiscal year we will have $800,000 going toward the capital of an endowment fund and we shall have $500,000 to be expended for the purpose of the institute.

I want to raise one of the most important questions about this admirable initiative. That $500,000 annual cost operating allotment compares rather poorly—this is $500,000 for the country—with the $454,000 in the Kreisel-Batts report for a western Canada institute. Put that beside the proposal to the Department of the Secretary of State for $250,000 to support the efforts of the unit at OISE in Toronto. That amounts to $700,000 which is significantly more than the Bill envisions this particular institute having. Taking these applications and proposals at face value, that would still not provide for efforts in the Province of Quebec or in Atlantic Canada. There I feel very real concern about the limited resources, the straitened resources, the institute is actually being given through the Government's Bill.

• (1640)

It will be necessary to obtain the co-operation of all concerned with the matter across Canada and to do so very rapidly. It will be desirable to have the director and his or her program officers at work very quickly establishing connections with communities and with provincial Governments and other organizations to ensure that provincial assistance is also obtained so that the work of the institute is successfully carried out in the communities.

I should recognize that the Bill also provides, in Clause 22, for the new institute to be deemed a registered charity within the meaning of the Income Tax Act. For the new Canadian Heritage Languages Institute to be a charity in this sense means that the fund raising possibilities will be larger than those that are sometimes the case for multicultural organizations. We might expect to have resources increased from donors. The donors would probably like to build up the

endowment fund, and if that is done quickly, the additional resources that might be available could be used for the operations of its institute and the carrying out of its programs across Canada.

Although the funding in this Bill does not compare very well with that suggested by the Kreisel-Batts report, I find it ironic that when so much of the report has been taken up, one of the specific recommendations made about how an institute should be established was not, and that is it should not be done by a Bill of the Canadian Parliament. Here we are this afternoon debating Bill C-152 which establishes this institute by legislation.

I have been assured by officials of the Department of the Secretary of State that this had to be done through a Bill in order to provide the proper context for federal funding to be provided. Without meaning to reflect in the least on their integrity, I find myself a little suspicious about that particular assertion. I am sure that a context could be provided in which federal funds might go to an institution that was not established by Act of Parliament. It is quite possible to do that to achieve this goal very quickly. I know that the Government, in these days, weeks or months, whichever it may happen to be, before the next federal election, is interested in moving very quickly. I am sure it is not only a Bill that can allow that to be done with the proper speed.

There is one additional aspect of the new institute on which I would like to comment, and this is the nature of its board of directors. I have already said a good deal about the challenges that will face the executive and obviously the board as well in ensuring that this institution is well grounded, established, and accepted across Canada. The Bill proposes a board of perhaps 21 appointees, 13 to be appointed by the Governor in Council, and another 8 to be drawn in by the members of the board. This would provide 21 board members. The Kreisel-Batts report recommended a detailed membership structure of the board. Of course, the report was talking about a western Canadian institution.

The Kreisel-Batts report recommended as many as 23 members of the board including the director. If the director were to be *ex officio* and would not vote, that would bring us down to 22 members on the board plus the chairperson. The recommendation was for a board of about 24 people drawn only from western Canada. They were looking to a couple of people from heritage language associations in each of the western provinces, a representative from a university in each of the western provinces, a couple of representatives from the community colleges which are concerned about heritage languages, and up to eight persons appointed from provincial Departments of Education and/or culture and multiculturalism, depending on how the provincial Government is organized. That was clearly designed with representation from the provinces, from universities and colleges, and from heritage languages associations which would ensure that from the provincial level down through to the grass roots, the board would be aware of what was going on and would be able to carry back to those organizations news of the activities of the institute.

There will be a very great challenge to the Governor in Council in constructing anything like a board as good as the one suggested by the report with only 13 persons from across Canada. It will clearly be necessary to make selections. As I know, with my slip of the tongue about Edmonton in my reaction to a place when I was thinking of an institute, these are invidious selections. The Cabinet will have to make many invidious selections in choosing which of the persons involved with heritage languages associations, universities, and provincial Departments of Education and/or culture will be selected. It will not be possible for there to be two persons from each provincial Department of Education and culture in the context of the Canadian Heritage Languages Institute Bill. I do not envy the Secretary of State (Mr. Bouchard) or the Minister for Multiculturalism the nice job of making these choices.

If the patronage barrel is rolled out one more time, a number of Tory hacks will be appointed. The word "hack" is not really fair to those who have been active in political Parties, as many of my friends have been. I would not necessarily call them hacks just because they chose to be active in a partisan context. However, this means that the expertise of those persons may be in Party work but that they are not necessarily equipped to direct an institute of this sort.

I will not go into the sorry history of patronage in this Government or previous Governments at this point. We all know what a sad thing it is, based on the greediness of individuals and leading to ineffective leadership. The Canadian Heritage Languages Institute deserves better than that.

That is why concerns were raised in the recommendations made by the report of the Standing Committee on Multiculturalism and even more strongly in my minority report of 16 months ago entitled *A Living Diversity* which emphasized the importance of a genuinely representative structure to the advisory council to Government and to a research centre for multiculturalism. I think the Heritage Languages Institute deserves to be representative in that way. It will be a very great challenge to have anything remotely resembling that in this particular institute through the structure the Government has given us.

There are a number of questions to be asked, and there are a number of serious concerns to be explored in the legislative committee as we consider Bill C-152 and move ahead what remains to be an important initiative. Because it is so important, this initiative deserves to be as well constructed and as well begun as it possibly can be. It is because of my concern that it be effective in the communities of every province that I have expressed the concerns I have felt in the past and do so again this afternoon.

• (1650)

There remains only one point I would like to make since I do not suppose there will be any more debate on the Bill before it goes to the legislative committee. That concerns the question of aboriginal languages and how they are going to be supported by this institute. There was some discussion at the press conference, following on the Government giving first reading to this Bill last month, which suggested that this institute would not be constrained in its activities other than recognizing the official languages of Canada are English and French and they have abundant support. Therefore, the institute will be responsible for all the other languages. I was looking at the Bill again and it may be unfortunate that in Clause 2, as is customary in these Bills, heritage languages are not defined. There is then no recognition of the fact that aboriginal languages might well be treated as heritage languages of still another sort and this institute might do something to advance them.

It is to the credit of Professor Kreisel and Professor Batts that they looked at this matter. It is worth putting a paragraph of their report on the record. They say:

> Finally, a word about a special problem, namely, the place of aboriginal languages in the plans for the Institute. Our view is that, while native groups have special needs and special programs designed to meet these needs, they should certainly be able to approach the Institute for helping in the teaching of aboriginal languages, the creation of teaching materials, et cetera.
>
> Certain other, and no doubt pressing, issues, like the preservation of native languages that are in danger of extinction, will presumably fall outside the mandate of the Institute.

I find those last two sentences somewhat contradictory because any support given to ensuring aboriginal languages are taught and learned in Canada, one would expect that would happen in the native communities across the country. It could also apply to others, however, as was nicely demonstrated over the last few days by this German immigrant living in Manitoba. He has finally found the spiritual home he has been seeking all his life. He found it on an Indian reserve in Manitoba. That deserves to be taken quite seriously.

Mr. Epp (Provencher): My riding.

Mr. Epp (Thunder Bay—Nipigon): Yes, in the riding of the Minister of National Health and Welfare (Mr. Epp) who introduced the Bill. A fascinating development.

However, if that is done, then surely those languages will continue to exist. Surely the aboriginal languages will not suffer extinction as quickly if the institute provides this help. I hope, although this is from the report and not the Bill, that the institute established in Edmonton where Professor Kreisel has his home will operate on the terms he suggests in his report.

I say that with particular concern for many of the aboriginal tongues. I live in northwestern Ontario where Ojibway and Cree are a dynamic reality. Yet I have no doubt that even there support for the teaching and learning of those languages would be useful and the institute could be helpful. I suppose what Professor Kreisel and Professor Batts were concerned about was that they did not think the institute should become responsible for preventing the actual extinction of the aboriginal languages. The situation is of course very serious. The vast majority of native tongues are in danger of dying out. As one of my native constituents said the other day, "when any of our languages from Europe or Asia or whatever fall into disuse in Canada, there is no global loss suffered in the sense that the language remains alive somewhere, but if my language, Ojibway, dies out, it is gone forever". That underscores the urgency of the institute being attentive to the needs of every language other than English and French.

In conclusion, the Government has put forward a proposal with much potential. I trust that it will be successful. We may need to put more resources into it than what the Government has proposed, but that is a matter of working with an initiative which is worth fine tuning and improving to make sure it does the job we all want it to do.

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to a legislative committee.

The Acting Speaker (Mr. Paproski): It being awfully close to five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS--MOTIONS

[*English*]

EXTRADITION

PROCEEDINGS REGARDING LEONARD PELTIER

Mr. Jim Fulton (Skeena) moved:

> That this House deplores the extradition of Mr. Leonard Peltier to the United States from Canada on the basis of false information filed with a Canadian court by American authorities, and that this House calls upon the government to seek the return of Mr. Peltier to Canada and the annulment of all extradition proceedings in this regard.

He said: Mr. Speaker, I am pleased to again have an opportunity to bring the Leonard Peltier matter before the House. I think there are very clear parallels between this case and the case of a perhaps more well known Canadian, Donald Marshall, and the inquiry into what really went on when an innocent native Canadian was held for so many years when he was absolutely innocent of the charge of which he was convicted.

Leonard Peltier is presently being held in Leavenworth Penitentiary, Kansas, and for those members of the public who are interested in looking at more of the precise legal arguments with respect to this case, they can find them beginning at page 5025 of *Hansard* of April 9, 1987, when a large number of Members of this House participated in the debate on what was then known as Motion M-28.

The treaty was broken by the United States in the Peltier matter. That treaty is a very old one, established between Canada and the U.S. on August 9, 1842. It was amended July 12, 1889. It is Article 9 that I am specifically addressing in relation to the motion presently before the House today. If one looks at Article 9 of the treaty, one sees that there is a requirement that the *prima facie* evidence put before the courts of another country be provided in an honest, factual, forthright manner by the foreign country party to the treaty. Otherwise serious damage is done to the treaty, obviously. In this case, serious damage is done to the highest courts of Canada, the Supreme Court of British Columbia, the Government and people of Canada, and most obviously to Leonard Peltier who is presently serving two concurrent life sentences for an offence which it is unlikely that he committed.

There is a basic legal argument that all the evidence, not just the Myrtle Poor Bear affidavits, had no validity. There was no evidence sufficient to warrant Peltier's extradition in 1976 to stand trial on charges of murder. Evidence advanced in support of extradition, apart from the fabricated affidavits, does no more than place Peltier with several others hours after the probable time of the shoot out. This counters the current Minister of Justice's position that "the evidence held against Mr. Peltier was considered sufficient to warrant committal for extradition on four of the five charges contained in the extradition request".

The extradition was successfully obtained by fraud committed by agents of the Government of the United States against the Government of Canada and the Supreme Court of British Columbia. The basic argument is that evidence obtained by fraud is no evidence. The legal argument and challenge to us as Members of this House and Canadians generally is that the "impugned extradition" should be declared null and void so the U.S. Government is not permitted to retain the benefit of its own fraud, which in this case is the damage done to Canada and the continued incarceration of Mr. Peltier.

There are certain basic facts which should be on the record, and then I intend to quote from a number of articles written by a large number of journalists on this matter in recent months. The facts are that on June 18, 1976, Mr. Justice Schultz of the Supreme Court of British Columbia granted an order to the Government of the United States of America for the extradition of Leonard Peltier on, *inter alia*, two counts of first degree murder.

• (1700)

Second, the Federal Court of Appeal dismissed an appeal without written reasons on October 27, 1976. The applicant was extradited on December 18 after an unsuccessful appeal to the Minister of Justice.

Third, the order put the applicant on trial for the murder of special agents Ronald Williams and Jack Coler of the Federal Bureau of Investigation at the Pine Ridge Reservation in South Dakota, U.S.A., on June 26, 1975. The applicant was convicted on both counts at Fargo, North Dakota, on April 18, 1977.

In October, 1987, the Supreme Court of the United States refused to hear an application for a new trial, exhausting all available domestic legal remedies. The applicant was also extradited by the State of Wisconsin on a charge of attempted murder and by the State of Oregon on a charge of burglary. He was acquitted on the charge of attempted murder and the charge of burglary was dismissed at the request of the prosecution.

The applicant was not ordered to be extradited on a count of attempted murder of an Oregon state policeman on November 14, 1975, on the ground that the details of the incident was scanty and the identification of the assailant weak, notwithstanding the deposition of Officer Kenneth T. Griffiths.

The extradition of Mr. Peltier was the result of a fraud perpetrated on the Government of Canada and the Supreme Court of British Columbia by agents of the Government of the United States in that it was based on affidavit evidence known by said agents to be false, and thus is void *ab initio*.

On October 1 of last year members of all three Parties joined together and held a press conference and released documents, those Members being the Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand), who is here and will, I imagine, participate in today's debate, myself, and the Member for Nunatsiaq (Mr. Suluk). The three of us have obviously reviewed many thousands of pages of documents in relation to Mr. Peltier and truly believe that the way in which to remedy the matter is through Motion 115 which is before us today.

On April 9, 1987, *The Gazette* ran an article entitled "Indian leader extradited via false evidence: lawyer". Lou Gurwitz, who was here for the debate last year, has for many years been Mr. Peltier's counsel. He described the conviction as "the clearest case of frame-up I've ever seen." That is a lawyer who has practised criminal law in the United States for many, many years.

Last year representative Don Edwards of the U.S. Congress and Chair of the House Subcommittee on Civil and Constitutional Rights stated that the evidence clearly indicated "government abuse of the investigative process, suppression of evidence and falsehood".

The U.S. Government itself admitted that the affidavits used to extradite Leonard Peltier were entirely false. This prompted an article in the *Yale Law Review*, Volume II, number one in the fall of 1983 by J. J. Privitera in reference to Canada and the Peltier case. He said:

> Implicit in any workable contract between nations in which they agree to submit evidence in support of probable cause to the courts of either state must be an understanding that the parties will not defraud one another.

There are many other articles, including several more recent ones from which I would like to quote. One was written by Kirk Makin for *The Globe and Mail*. He actually travelled to Kansas City where he interviewed Mr. Peltier at Leavenworth. The article reads:

> Leonard Peltier is in the hole again, undergoing the worst punishment a prison can mete out.
>
> But to the native Indian activist, it is almost like going home. For nine of his first 12 years in jail, Mr. Peltier languished in isolation in even worse conditions—23 hours a day in a two by 2.5-meter cell.
>
> Yet Mr. Peltier's stature as a symbol of Indian oppression continues to grow. The next scene is due to unfold on a Canadian stage later this year. A team of lawyers is currently preparing several legal challenges.
>
> In the main one, they will try to convince the Supreme Court of Canada that Mr. Peltier must be returned because the Federal Bureau of Investigation falsified evidence used to extradite him in 1976.
>
> "It was not only Leonard Peltier's rights that were violated," Mr. Peltier said in a prison interview observed by two sour guards and a revolving camera. "It was the rights of all Canadian citizens.
>
> "There was a fraud committed on the whole judicial system. The United States seems to have no respect for its allies."
>
> Mr. Peltier's fame extends to Europe and Asia, and he has defence committees dotted all over. Thousands of Californians recently attended a benefit concert for his defence, and the Human Rights Commission of Spain recently awarded him the International Human Rights Prize.

Mr. Makins' article of June 3, 1988, continues:

> The Canadian lawyers are also looking into a civil suit against the FBI, and into the possibility that Mr. Peltier has Canadian relatives might afford him Canadian Indian status, permitting him to be transferred to a Canadian prison.
>
> "There is no question the legal focus has turned to Canada," Toronto lawyer Dianne Martin said. "And this is not some kind of show trial. It is the most time-consuming, exhausting project I have ever undertaken.
>
> "We became party to a terrible injustice," she said. "Canada has an obligation to that man. We allowed ourselves to be used in the FBI's paranoid attack on American Indians.

June Callwood wrote an article which appeared in *The Globe and Mail* on October 21, 1987. She says:

> In the fall 1976, Marlon Brando went to Ottawa to see Warren Allmand, who was then Minister of Indian affairs, to beg him to help obtain a new extradition hearing for an Ojibway-Dakota Indian, Leonard Peltier. The U.S. Government wanted the American Indian Movement leader to try him for the shoot-out deaths on June 26, 1975, of two FBI agents at the Harry Jumping Bull hall on the Pine Ridge reserve in South Dakota.
>
> Leonard Peltier, a charismatic man who was leading a protest against the giveaway of Oglala Sioux reserve lands on which uranium had been discovered, was viewed by the Federal Bureau of Investigation as a dangerous person.
>
> The agency was so anxious to bring him to trial that it falsified the evidence it presented at the extradition hearing in Vancouver, a fact that emerged in examination of the 12,000 relevant documents since obtained under the U.S. Freedom of Information Act. The FBI's deceit at the hearing is no longer in dispute.
>
> The critical evidence was given in a affidavit by Myrtle Poor Bear, an addled woman who had been hospitalized more than 100 times for mental illness. The FBI obtained from her five separate accounts of the shootings and chose the most damaging of these, the one in which she declared she watched Leonard Peltier kill the men at pointblank range. On the basis of that affidavit, a federal court of Canada sent Leonard Peltier back to the United States. The truth is that Myrtle Poor Bear was not present at the shootings.
>
> Warren Allmand did not act on Marlon Brando's personal plea that the evidence at the extradition hearings had been concocted, and now he's a sorry man. Last April, the Montreal Liberal spoke in the House of Commons in support of a private member's bill, Motion 28, brought by James Fulton, the New Democrat member for Skeena. It asked that the Canadian Government request Washington to return the Indian leader to Canada, on the grounds that the extradition was obtained by fraudulence. Warren Allmand now describes the extradition as "a travesty of justice."

Motion 28 was, of course, talked out. A government engaged in a dimpled dance of courtship with the United States is not likely to prejudice its hope of coitus by rushing to assist a native person going blind in a Kansan prison.

> Leonard Peltier, 42, is serving two life sentences in Leavenworth. An arterial hemorrhage threatens his sight. All appeal recourses have been exhausted, the last one only two weeks ago, despite proof that the evidence at his trial was poisoned and much that was favourable to him was suppressed.
>
> It has been more than 13 years since two FBI agents turned up at the hall occupied by Leonard Peltier, two other men, and some women and children. Although the agents had no warrant, they said they wanted to search the premises for used cowboy boots they believed Jimmy Eagle, a 12-year-old boy, had stolen. Leonard Peltier, mindful that more than 400 native people had been killed on the reserve in recent years, resisted. Within minutes the place was swarming with state troopers. The National Guard, SWAT teams, the 82nd Airborne Division in helicopters, armed personal carriers and M16s.
>
> The two FBI men and a native person died as thousands of rounds of ammunition shredded the building.
>
> Four AIM members, including Leonard Peltier, were charged. Two went to trial for murder but were acquitted unanimously by juries critical of the FBI's evidence. The man the FBI really wanted, however, was Leonard Peltier, who had fled to Canada. He was arrested in Hinton, Alta., in February of 1976, and extradited in December, despite strong suspicion that he had been railroaded.
>
> The support for Leonard Peltier is unprecedented and resembles that given Nelson Mandela of South Africa, with whom his name is often linked.
>
> The White House has received petitions bearing more than 20 million signatures, 18 million of them from the Soviet Union, which views the native leader as a martyr to U.S. racism. Congressman Donald Edwards, a Californian democrat and a former FBI agent himself, joined 55 other Republican and Democratic Congressmen this year to seek a new trial for Leonard Peltier. In Canada, 60 Members of Parliament support the cause and so do 74 international church groups, Amnesty International, the Archbishop of Canterbury, Desmond Tutu of South Africa, George Erasmus of the National Indian Brotherhood and four Nobel Prize winners.

• (1710)

I think that gives some idea of the research that journalists have undertaken with respect to Leonard Peltier's case. The *Sunday Star* on May 10, 1987, published a short editorial which is worthy of being placed on the record. It is entitled "A subversion of due process".

> A little known case involving an American Indian extradited from Canada to face murder charges in the United States is testing Canada's willingness to protect its judicial process from abuse by foreign countries.
>
> The case involves Leonard Peltier, an American Indian leader alleged to have killed two FBI agents in 1975. Peltier was extradited after a 1976 Vancouver hearing. It has since been learned that U.S. authorities submitted

false evidence at the extradition hearing, but the Canadian Government has not demonstrated the will to protest.

However, Jim Fulton, a New Democratic Party MP from British Columbia has put forward a Private Member's Bill calling upon the Government to demand Peltier's return to Canada for a new hearing. Fulton points out that the key evidence at the 1976 hearing was an affidavit sworn by Myrtle Poor Bear, who said that she had observed Peltier shoot the FBI agents at point-blank range as they lay wounded behind a car. It has since been confirmed that the judge was not shown an earlier affidavit in which Poor Bear, a psychotic with a record of 105 hospital stays—admitted that she wasn't present when the agents were killed.

The Peltier case demonstrates how the authorities were able to take advantage of an extradition treaty in which the evidence consists of affidavits that must be accepted on blind faith and the accused person is not present at the hearing to offer a rebuttal.

Furthermore, under the terms of the treaty, the U.S. Government was represented at the Peltier hearing by a Canadian lawyer on the staff of the federal Department of Justice. This demonstrates the conflict of interest surrounding then Justice Minister Ron Basford's decision not to exercise his discretion to override the decision of the judge.

The Fulton Bill parallels an American effort to vindicate Peltier, now in his 11th year of imprisonment in the U.S. The Bill has the support of 60 MPs representing all three Parties. But it recently failed to come to a vote because of the limited time allotted for the debate of Private Members' Bills.

But the Government does not need the approval of Parliament before launching a protest over the use of false evidence to win Peltier's extradition. What is it waiting for?

I have another article with the headline "Evidence on Peltier was false, MP says", and other articles entitled "U.S. told lies in extradition case—lawyer", "MPs seek new hearing", "Indian leader extradited via false evidence: lawyer", "MP's Bill seeks return of Indian from U.S. jail". The articles go on and on. In October of 1986, *The Ottawa Citizen* published an article by Stephen Bindman entitled "Jailed Indian activist has new hope international clamour will set him free". The article is worthy of quoting as well:

Amnesty International, the human rights monitoring agency, has said "the interest of justice would best be served" by giving Peltier a new trial because of "serious doubts" about his first encounter with justice.

The National Association of Criminal Defence Lawyers in the U.S. has gone to bat for the native leader and the Chairman of the House of Representatives sub-committee on civil rights has said the Peltier case clearly indicated "government abuse of the investigative process, suppression of evidence and falsehood".

In his latest unsuccessful appeal, three judges of 8th U.S. circuit court of appeal conceded last month that the prosecution had withheld ballistic evidence at the trial which was favourable to Peltier.

"There is a possibility that the jury would have acquitted Leonard Peltier had the records and data improperly withheld from the defence been available to him," the judges said.

They also said there was clear evidence in the case of "improper conduct on the part of some FBI agents".

But the judges said that under guidelines issued by the Supreme Court, a possibility is not enough to order a new trial, there must be a probability.

I think Members of this House need to understand what those guidelines of the U.S. Supreme Court mean to someone like Leonard Peltier.

Said Peltier's New York Lawyer William Kundstler: "Sitting Bull and Crazy Horse had the seventh Calgary and Leonard Peltier now has the 8th circuit.

"There can be no rational explanation of this ruling other than that the court was unwilling to grant a new trial, no matter how justified, in a case involving the death of two FBI agents".

I have another article written by Michele Landsberg from New York. It was published in *The Globe and Mail* on June 14, 1986. Again, it is worthy of being placed on the record.

Looking back 10 years Vancouver Lawyer Don Rosenbloom called the extradition of Leonard Peltier "the most disgusting experience of my life".

Saul Terry, president of the B.C. Union of Indian Chiefs, remembers the case as "sleazy".

Right Rev. Robert Smith, moderator of the United Church of Canada, calls it "a shadow (across) the national conscience of Canada".

And I call it terrifying.

The more I plow through the documents in the case of Mr. Peltier, the more chillingly I am reminded that legislators and law enforcers are capable of every kind of treachery, and that Canada, the bland and the good, has been party to a fraud.

If that seems extreme, let me backtrack to June, 1975, to Pine Ridge Reservation in South Dakota. The U.S. Government was virtually at war—complete with armed men and heavy weaponry—against American Indian movement dissidents camped on the reserve. AIM was there to protest against the tribal chief, who was busily selling one-eighth of the reserve lands, rich in oil and uranium, to the federal Government.

The FBI committed a fraud as the U.S. Government later admitted (but only after it had Mr. Peltier back in its grasp) and on the basis of that fraud, the Canadian judge ordered Mr. Peltier's extradition. Mr. Rosenbloom desperately flew to Ottawa to ask the then Minister of Justice, Ron Basford, to stay the extradition on the grounds that the affidavit was now known to be false. Mr. Basford refused.

It is at this point that one must wonder about the propriety of having one of Mr. Basford's staff representing the U.S. Government. Is there not even a ghost of a suspicion that there could be a conflict of interest here?

What makes it worse is that it's now clear that we Canadians sent Mr. Peltier off to South Dakota to a travesty of a trial. The FBI agents emerge as shabby and ruthless tricksters. Vital evidence was illegally suppressed. The judge has since had a decision overturned for biased, anti-Indian remarks.

Let me conclude by reading Michele Landsberg's conclusion:

Canadian Members of Parliament of all three Parties are petitioning Justice Minister John Crosbie to intervene with Washington.

Canada, a victim of a fraud by a U.S. agency, has a right—and a duty—to ask for Mr. Peltier back. We should not, as Mr. Rosenbloom said, "sleep on our rights", but we have to do more than that if we want to shake that shadow off our national conscience. We have to look at the terms of our extradition treaties that leave us wide open to official deceit by other governments. We have to ask ourselves, is that what we mean by justice?

I hope Bill M-115 carries today and that we see Mr. Peltier back in Canada for a fair, open, honest and factual extradition hearing.

[*Translation*]

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, I listened attentively to my colleague from Skeena (Mr. Fulton) and I would also like to take this opportunity to thank him for presenting a motion to ask the Government of Canada to seek the annulment of the extradition of Leonard Peltier to the United States, which occurred in 1976, that is 12 years ago. Mr. Peltier was turned over to the American authorities in December 1976 after an extradition hearing was held in

Canada. He was sent back to the United States where he faced charges relating to the death of two FBI officers in June 1975 and infractions he allegedly committed in other U.S. states.

This motion, Mr. Speaker, calls not only for annulment of the extradition proceedings but also for action to bring Mr. Peltier back to Canada. For that, he would have to be released, since he is now serving two life sentences for his part in murdering two FBI agents. Nowhere does it say what will happen if Mr. Peltier is allowed to return to Canada.

Mr. Speaker, the motion before you this afternoon is extremely unusual: nowhere does the law provide for annulment of extradition proceedings once a fugitive is turned over to the appropriate authorities. In fact, the motion calls upon the Government of Canada to do something that is impossible.

Furthermore, Mr. Speaker, it is inconceivable that the American authorities will agree to release, and thus waive their jurisdiction over, someone who was given a fair trial, found guilty and sentenced for having committed the most serious criminal offence there is.

Mr. Speaker, this particular case has, over the years, taken on near-mythical proportions. Mr. Peltier is a hero to those people in Canada, in the United Stats and in the international community who believe he was extradited on false evidence and wrongly convicted as a result of the suppression of evidence and the fabrication of testimony to convict him of crimes he did not commit. No one doubts the sincerity of the people who support Mr. Peltier's side of the case. However, the facts do not support the claims of the people who proclaim his innocence.

It is clear, Mr. Speaker, that we must look at the facts if we are to understand this case. In my comments on the motion I would like to examine certain important facts, and hope that many of my colleagues will do the same.

Early in 1975, Mr. Peltier went to the Pine Ridge Indian Reservation in South Dakota to take part in a political struggle that was taking place between the local Native government and younger members of the tribe who supported the more radical position taken by the American Indian Movement. The confrontation occurred at a time when relations between young reservation chiefs and the Indian Affairs Bureau in Washington were particularly strained. By the summer of 1975, the situation had become explosive.

On June 25, 1975, two special FBI agents, Ronald Williams and Jack Coler, came to the Pine Ridge Reservation to investigate a robbery allegedly committed by a person who was supposed to be living on the reservation.

Upon arriving in a part of the reservation called the Harry Jumping Bull Compound, the two agents were met with gun fire. The shooting came from a section of the reservation occupied by supporters of the American Indian Movement. Leonard Peltier himself did not deny his presence on the scene that day, and in January 1987, during an interview on *Fifth Estate*, on CBC television, he did not even challenge the allegation that he participated in the first exchange of gun fire when the FBI agents arrived.

As soon as the first shots were fired, the two FBI agents took cover behind their vehicle. A subsequent examination of the vehicles revealed the presence of more than 125 bullet holes.

At Mr. Peltier's trial, it was proved that although the two FBI agents had been wounded during the initial exchange of gun fire, they were shot down at close range as in an execution-type shooting, with a small caliber weapon and high velocity ammunition. It was proven that Mr. Peltier was carrying a weapon of that kind that day and that he also happened to be in the area where the bodies of the FBI agents were subsequently found.

Mr. Speaker, this evidence alone is enough to justify the extradition of Mr. Peltier so that he could answer the murder charges. However, there was further evidence, a large body of evidence that implied that Mr. Peltier took an active part in the murder of the two FBI agents. It was also established that Mr. Peltier had in his possession the personal weapon of Jack Coler, one of the two FBI agents who were killed.

Although the evidence justifying the extradition of Leonard Peltier is overwhelming and conclusive, we must admit, Mr. Speaker, that we deplore the use of the two affidavits signed by Myrtle Poor Bear who claimed she saw the murder, since this flawed the proceedings. Subsequently, it was shown that Mrs. Poor Bear's testimony was entirely unreliable and that the FBI knew she had left the Pine Ridge Reservation the day before the shooting. It is unfortunate that the Canadian authorities were not informed of the problems connected with these affidavits before Judge Schultz of the British Columbia Supreme Court admitted them as evidence during the first extradition hearing early in 1976.

Mr. Speaker, the motion before the House today is based mainly on the fact that Mr. Peltier's extradition was obtained on the basis of the affidavits of Myrtle Poor Bear. Quite simply, this is not true. Before Mr. Peltier was handed over to the American authorities we had been advised that the testimony given by Mrs. Poor Bear was unreliable. Mr. Peltier was extradited on the basis of other admissible evidence which did warrant this course of action.

Mr. Speaker, the position of the Government of Canada is that Mr. Peltier was legitimately extradited to the United States to face charges pending against him. Moreover, no point of law would allow us to annul the extradition proceedings or seek the return of an individual serving a sentence for crimes for which he was duly found guilty.

Were such recourses possible, Mr. Speaker, nothing indicates we would be justified to act on them in this case.

• (1720)

[*English*]

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, I want to start by congratulating the Hon. Member for Skeena (Mr. Fulton) for once more introducing this important resolution. I think I should read into the record this important resolution once more. It states:

> That this House deplores the extradition of Mr. Leonard Peltier to the United States from Canada in 1976 on the basis of false information filed with a Canadian court by American authorities, and that this House calls upon the Government to seek the return of Mr. Peltier to Canada and the annulment of all extradition proceedings in this regard.

Leonard Peltier is an American Indian from North Dakota. In June of 1975 he was involved in a shoot out at the Pine Ridge Reserve in the State of North Dakota. This shoot out took place as a result of two FBI agents coming to the reserve in search of a suspect, at least that is what they said. They said that they were coming to look for a suspect by the name of Jim Eagle. However, they had no warrant to go on to the reserve or to approach the ranch on the reserve where a certain number of Indians were staying. In any case, in the process of these events gun-fire broke out between the FBI agents and the Indian people. As a result of that gun-fire the two FBI agents were killed and one Indian was killed.

Following these incidents there were warrants of arrest drawn out against three of the Indians who there were there that day, a Mr. Butler, a Mr. Robideau and Leonard Peltier. Peltier escaped into Canada and was finally arrested in Hinton, Alberta in February, 1976. He was sent to Oakalla Prison in Vancouver where the extradition proceedings took place.

The proceedings started in May of 1976 and concluded in December of 1976. He was extradited to the United States where he then stood trial and was convicted of the murder of these two FBI agents.

It is interesting to note that the other two accused, Robideau and Butler, were both acquitted on the grounds of self-defence. They were all involved in this shoot out. As you know, Mr. Speaker, in a shoot out like this no one knows where the gun-fire is coming from or who started it. However, at the end of it all two FBI agents were dead and one Indian was dead and warrants for arrest were issued for three people. Two of the three were acquitted, having stood trial in the United States. However Peltier was extradited from Canada to the United States, then tried and found guilty.

It was only after the extradition that it was found that one of the principal sources of evidence used against Peltier was false. That was an affidavit signed by a Myrtle Poor Bear who was allegedly the girlfriend of Leonard Peltier. In the affidavit she swore that she was at the Pine Ridge Reserve that day and that she was with Peltier and she saw Peltier fire the gun.

Later, she repudiated that affidavit and said that she was coerced. The affidavit was so discredited that it was not even used in the trial of Leonard Peltier when he came to trial in the United States after his extradition. The Americans themselves admitted that the affidavit was false. They accepted that. After the trial the three main witnesses against Leonard Peltier had the charges against them dropped. Two of them then stated that they were coerced to testify in the trial, and the third person died and could not comment on what took place at the trial.

• (1730)

Still later, through the use of the freedom of information law in the United States, it was found that the American FBI had concealed certain evidence. There was evidence that the shell casings found at the scene of the event did not come from the gun of Leonard Peltier, but from another gun. It was sworn at the trial that the shells that had shot the two FBI agents had come from Peltier's gun. First, the affidavit of Myrtle Poor Bear was shown to be a false affidavit, then the witnesses who testified against Peltier in the trial claimed that they had been coerced. Then there was the fact that certain evidence was concealed or hidden and later found to be very critical with respect to the conviction of Leonard Peltier.

On that basis there was an appeal to the American Circuit Court of Appeal to have a new trial ordered on the basis of this new evidence. It is interesting to note that the Circuit Court of the United States concluded that Peltier's defence had been hampered by the misconduct of the FBI, and by possible perjury, but it did not order a new trial. It admitted that there had been possible perjury, and it admitted that these incidents to which I referred certainly hampered Peltier's defence, but it did not order a new trial. There was a petition presented to the United States Supreme Court to order a new trial, but it turned down that request.

I am particularly incensed about this case. In 1976 when the extradition proceedings commenced, I was the Solicitor General of Canada. When the extradition proceedings were concluded, I was the Minister for Indian Affairs. During that period of time I was approached by certain Indian leaders both from Canada and the United States to intervene to have the extradition cancelled or to stop it. At the time I made inquiries with respect to this matter, but I was told that it was before the courts and justice would take its course. Something took its course, but it was not justice. It was only after the extradition and after Peltier was sent back to the United States that we found out that the affidavit was false, the evidence of the witnesses were false, and that certain evidence was concealed.

I consider this to be a travesty on the system of justice and a breach of faith between two sovereign states. Here the FBI of the United States used false evidence before a Canadian court to have an individual extradited to the United States. I consider that to be a serious breach of trust. As a Minister of the Crown at that time, I consider myself to have been misled by the authorities of the American Government.

I feel that the motion put forward by my hon. colleague, the Member for Skeena, is one that must be taken seriously. I was very disappointed to hear the response of the Parliamentary Secretary speaking on behalf of the Government. He almost seemed to be building a case to justify what the Americans had done in this matter. He stated that the affidavit of Myrtle Poor Bear was not the telling evidence in this case. How are we to know? It certainly was accepted that the affidavit was false. It also came out later that other evidence was false. Surely this extradition should be annulled and be declared null and void, as the motion requests, and Peltier should be returned to Canada for a new extradition hearing, and then there should be a new trial. Perhaps there will be enough evidence to convict him. I do not know, and I am not going to make a judgment on that. What I do know is that the extradition proceeding was false, and it should not be accepted. It is totally wrong that we here in Canada should be submitted to this type of treatment and behaviour by American authorities. I cannot understand why the Government would not take a stronger position with respect to this matter.

The type of treatment of Leonard Peltier is not an isolated case. He is only one of many Indians who have been treated unfairly by our judicial system. In a way he has become a symbol, just as Donald Marshall has become a symbol, of what is wrong with respect to our justice system in the way it relates to Indians.

It is interesting to note that, in June, 1988, the Canadian Bar Association, a rather staid and conservative organization of which I was a member at one time, put out a report entitled: "Locking up Natives in Canada: A Report of the Committee of the Canadian Bar Association on Imprisonment and Release". This report was published by Professor Michael Jackson of the University of British Columbia. In the report it states that Indians in Canada receive a raw deal before our justice system, and some radical changes should be made.

In conclusion, let me say that this case represents a serious miscarriage of justice which must be corrected. The Peltier case is an important case because of its symbolism. If we believe at all in our sovereignty as a nation, we as Canadians should make it clear to the Americans that this type of thing is not acceptable, and we should cancel that extradition.

Mr. Alan Redway (York East): Mr. Speaker, I appreciate the opportunity to speak in connection with this motion of the Hon. Member for Skeena (Mr. Fulton). The motion states:

> That this House deplores the extradition of Mr. Leonard Peltier to the United States from Canada in 1976 on the basis of false information filed with a Canadian court by American authorities, and that this House calls upon the Government to seek the return of Mr. Peltier to Canada and the annulment of all extradition proceedings in this regard.

The impact and effect of that motion is that of an application to Parliament, an application to the highest court of the land to review a proceeding that has been held and to take a fresh look at it and see if there should not be a different result. As you know, Mr. Speaker, Parliament is the highest court in the land. It means that this is the court of last resort in dealing with problems of any nature, and problems of this type in particular.

The Hon. Member for Skeena and other Hon. Members have indicated that this particular case is one of a travesty of justice, and to quote the Hon. Member for Skeena in his quotes of others, that a fraud was committed on the judicial system. In dealing with the question of whether a fraud was perpetrated on the legal system, I suppose that we are looking at two legal systems, that of the United States and that of Canada, when we are discussing the issue. In particular, I think that Canadians generally, in viewing American courts and the American judicial system, have a tendency to feel that quite frequently American courts will go further than Canadian courts in striking down convictions of persons, whether they be native people, or otherwise, in the United States on grounds of tainted evidence.

Generally speaking, that is the impression that most Canadians have had over many years. It has only been in recent years with the Charter of Rights in this country that the Canadian courts have started to take a different attitude and a different look at the type of evidence presented and whether the evidence itself is tainted and therefore should not be allowed to be the foundation of a conviction in this country.

Having said that, as far as the Canadian courts are concerned, all Hon. Members, and particularly those who come from the legal profession, will have to agree that for a long time the American courts have been viewed much differently in this respect and have been considered as perhaps leaning a long way overboard from what Canadian courts would have done in the past with respect to dealing with evidence that was suspect in any way. That being the case, what we are being asked to do, and what apparently has been done in the United States—

• (1740)

THE ROYAL ASSENT

[*English*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

> Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

• (1750)

And being returned:

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that when the House went up to the Senate Chamber the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following Bills:

Bill C-61, an Act to amend the Criminal Code, the Food and Drugs Act and the Narcotic Control Act—Chapter No. 51.

Bill C-150, an Act to amend the Indian Act (death rules)—Chapter 52.

Bill C-82, an Act respecting the registration of lobbyists—Chapter 53.

Bill C-153, an Act to amend the National Capital Act—Chapter 54.

Bill C-139, an Act to amend the Income Tax Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 and certain related Acts—Chapter 55.

Bill C-110, an Act to establish the Canadian International Trade Tribunal and to amend or repeal other Acts in consequence thereof—Chapter 56.

Bill C-123, an Act to amend the Indian Act (minors' funds and surviving spouse's preferential share)—Chapter 57.

Bill C-143, an Act to establish the Canadian Centre on Substance Abuse—Chapter 58.

Bill C-210, an Act to amend the Blue Water Bridge Authority Act—Chapter 59.

Bill C-264, an Act to amend the Criminal Code (instruments and literature for illicit drug use)—Chapter 60.

PRIVATE MEMBERS' BUSINESS--MOTIONS

[*English*]

EXTRADITION

PROCEEDINGS REGARDING LEONARD PELTIER

The House resumed consideration of the motion of Mr. Fulton:

That this House deplores the extradition of Mr. Leonard Peltier to the United States from Canada on the basis of false information filed with a Canadian court by American authorities, and that this House calls upon the Government to seek the return of Mr. Peltier to Canada and the annulment of all extradition proceedings in this regard.

Mr. Alan Redway (York East): Mr. Speaker, prior to the break I was commenting that under our system compared with the American system, we have had a tendency over the years to feel that the American courts are much more likely to accept the fact that tainted evidence should be used to overturn a decision or strike down a trial or, in fact, not be allowed to be introduced in evidence at all so that a conviction can be founded upon it.

It appears somewhat strange to those of us who are not entirely familiar with this case and all the facts and evidence surrounding it to hear that so many people have made statements that this is a fraud committed on the judicial system in a jurisdiction like the United States where the American courts traditionally have been quite fair and much more fair, if you will, in the sense of rejecting evidence and failing to found convictions on tainted evidence or overturning a trial based on that sort of evidence.

When we are dealing with a case like this, Mr. Speaker—and we are dealing with it in the context of a court application to the highest court of the land to review it as far as we are concerned in Canada—it is only fair and reasonable that both

sides of the argument be heard, the side of the argument which says this is a fraud committed on the judicial system and that we should, in fact, overturn it. It is also fair, I would submit, and I am sure you and all our Members would agree, Mr. Speaker, that the other side of the story should be heard in order to determine which is right and which is wrong. As well the Department of Justice has its side of the story.

As has been said, we are deciding a question here of whether Leonard Peltier was improperly convicted for the murder of Ronald Williams and Jack Coler, two special agents of the Federal Bureau of Investigation in the United States.

This matter has been before the courts in the United States, at trial and before U.S. appeal courts. The trial court that heard the evidence against Mr. Peltier and the various appellant courts that have examined the case in the intervening years have commented adversely upon aspects of the investigation and some of the conduct associated with the extradition and the prosecution of the case against Mr. Peltier. At the same time, notwithstanding that, the conviction has survived all of these judicial scrutinies so far in the United States.

Following Mr. Peltier's trial, and conviction in the summer of 1977, an appeal was taken to the United States Court of Appeal for the Eighth Circuit. That court upheld the conviction and subsequent appeals were similarly unsuccessful. This included a hearing before the Supreme Court of the United States.

The difficulties encountered with the affidavits of Myrtle Poor Bear continued to be an issue before the United States courts even after Mr. Peltier's conviction, although for reasons of an obvious nature, I am told, Ms. Poor Bear was not called as a witness for the prosecution at the trial. Mr. Peltier raised the affidavit issue with the Court of Appeals of the Eighth Circuit Court to underline the concerns about the way the United States investigated and prosecuted the case. It was suggested that the U.S. authorities had, in effect, presented false evidence at the extradition hearing in Canada to secure Mr. Peltier's return to the United States. The FBI was condemned by Judge Ross of the Eighth Circuit Court, who was prepared to find that the FBI had abused the investigative process by submitting the affidavits of an individual whose credibility and reliability was entirely suspect.

The judgment of Justice Ross is of interest and significance in that it demonstrates that the Court of Appeal was able to comprehend that Mr. Peltier's extradition had been justified on the basis of evidence other than the unreliable evidence contained in the affidavits sworn by Myrtle Poor Bear. It is interesting to note that when the Peltier case was before the Court of Appeals, he or his counsel did not purport to claim that he had been extradited on the basis of insufficient evidence. Mr. Justice Ross characterized the distinction in the following way:

> We do not find it necessary to decide what standard should be applied to the review of claims of government misconduct in international proceedings, since, under any standard, Peltier's claim is on its face lacking in substance. Peltier does not claim that he was extradited solely on the basis of Myrtle

> Poor Bear's affidavits or that the other evidence presented to the Canadian Tribunal was insufficient to warrant extradition. It is clear from a review . . . of the transcript that other substantial evidence of Peltier's involvement in the murders was presented in the extradition proceedings . . .

In 1979, after exhausting the first round of conventional appeals open to him, Mr. Peltier took his case before the Human Rights Committee of the United Nations. By this time he was claiming that he had been unlawfully extradited from Canada on the basis of false evidence fabricated either by U.S. law enforcement officials in collaboration with Canadian authorities or by Canadian officials who acted on behalf of the Government of the United States during the extradition proceedings. He further alleged that he had been poorly treated while he was in custody in Canada and this had resulted in prejudice to his ability to prepare an adequate defence to the extradition request. Because Canada is a signatory—I notice, Mr. Speaker, that you are giving me the high sign. I will close but I would like to close by indicating that there are apparently two sides to this story. I think in fairness we should hear both sides before the highest court in the land, Parliament, makes that final decision in this particular case.

[*Translation*]

The Acting Speaker (Mr. Paproski): The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 41(2), the order shall be dropped from the Order Paper.

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 66 deemed to have been moved.

ENVIRONMENTAL AFFAIRS—BILL C-74—SIZE OF GOVERNMENT FUNDING/REDUCTION IN PERSON-YEARS WITHIN DEPARTMENTS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, on June 19, I asked a question related to insufficient funds for the Minister of the Environment (Mr. McMillan) to implement and enforce the Canadian Environmental Protection Act, but in a broader sense, I meant the lack of commitment to the environment on the part of this Government. A week ago, the Prime Minister (Mr. Mulroney) proclaimed himself a born-again environmentalist. Surprise, surprise. If the declaration of the Prime Minister is to be taken seriously and not as smoke and mirrors, then an explanation is due for the following.

We have a Minister of the Environment who engages in the trade, literally speaking, of environmental issues with the Premier of Saskatchewan, thus giving up his role and mandate on the Rafferty-Alameda dam. We have a Minister who, for three years, virtually sat on the commitment made on PCBs by the Ministers when they met in 1985. We have a Minister who used his Parliamentary Secretary and his back-benchers to weaken the Canadian Environmental Protection Bill in committee on four major fronts.

First, the Bill was weakened because it did not give the federal Government the power to issue enforceable national standards. Second, it was weakened because it does not allow citizens instead of only the Minister of the Environment to seek injunctions so as to prevent violations of the Act. Third, the Bill was further weakened by not inserting a so-called general prohibition clause so that the release of any toxic substance would become a violation. Finally, an amendment was forced upon us in committee whereby the management of emergencies was slowed down by providing as mandatory the provincial consultations in which the Minister of the Environment has to engage now.

In addition, we have a Minister who has not acted on even one recommendation of the task force on the economy and the environment which is now one year old. We have a Minister who could not convince the Minister for International Trade (Mr. Crosbie) to add water to unprocessed fish, lumber and beer as items which are exempted from the trade agreement with the U.S.A. The Minister still maintains that trade and the environment are not related. So much for the depth of belief of this Government in the integration of the environment and the economy.

We have a Minister who sat for three years on the federal water policy before bringing legislation to Parliament a few weeks ago. We have a Minister who still has to take a stand on the federal commitment to provide money to small municipalities and businesses not in a position to afford the cost of the destruction of PCBs. So much for the Minister's swooping in, particularly when it comes to money matters.

We have a Minister who has shown so much interest in his own legislation that he has not made one speech on either Bill standing in his name at any stage of debate in the House. We have a Minister who has allowed his Department to lose over $70 million to inflation since 1984, a Minister who has over the same period lost 336 person-years. We have a Minister who has not initiated nor asked for a single study on the environmental consequences of the trade agreement with the U.S.A.

• (1805)

We have lost people in every section of Environment Canada in a manner that would take too long to illustrate in the limited time available. Against this background, therefore, I have to ask how credible can the Prime Minister's statement of last week be and how seriously can we take it? Canadians would like to believe their Prime Minister, they would, no matter what their political beliefs might be. You know that. However, because the environment is so important, it cannot be left to chance nor rhetoric. The gap between rhetoric and fact is so wide and flagrant that it requires an explanation on the eve of

an election campaign, by the Minister of the Environment at a minimum.

Moreover, Canadians are entitled to know whether the Prime Minister's sudden interest in the environment is driven by the polls or by a genuine desire to change alarming trends in air, water and soil, at home and abroad, which require much more than just a declaration accompanied by generalities.

I thank you for your indulgence and I would stress that Canadians are entitled to know.

Mr. Lee Clark (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, the Hon. Member who has just spoken asked about this Government's commitment to environmental issues. I am very happy to have this opportunity to briefly outline just a few of those initiatives. I think the record speaks for itself and the list of issues speaks for itself. With your indulgence I will try to describe some of those initiatives, although I suspect time will not permit me to do justice to the entire list.

For example, comprehensive new environmental legislation, the Canadian Environmental Protection Act, was promulgated on June 30 of this year. Regulations were introduced to reduce motor vehicle emissions. Lead additives are being removed from gasoline by regulation, and I am pleased that the deadline for that has been advanced. Chlorofluorocarbons will be reduced by regulation. We are putting in place national requirements for the storage of PCBs, which has of course been very much an issue these last few weeks.

We have expanded our pesticides management program. We have introduced new water legislation prohibiting large-scale water exports. We have upgraded the U.S.-Canada Great Lakes Water Quality Agreement and signed a Niagara River pollution accord with the Americans. We are cleaning up Windermere Harbour in Hamilton and the Sydney tar ponds. We are working with the City of Halifax to build an oil-from-sludge sewage treatment facility. I think that is a very exciting development in itself.

We have signed agreements with seven provincial governments to control acid rain. It was this Government that introduced the first amendments to the National Parks Act in over 50 years. We established four new national parks, Ellesmere, Pacific Rim, South Moresby and the Bruce Peninsula. We hosted the International Conference on Ozone Depletion in the Upper Atmosphere and were instrumental in securing the world's first ever global treaty on the atmosphere.

We negotiated the Canada-U.S. Porcupine Caribou Herd Management Plan. We increased the number of sites designated for wetland protection to 30, a number greater than that of any other country. We signed with the United States the North American Waterfowl Management Plan, a 15 year program to reverse declining waterfowl populations. That is of course extremely important in the drought areas of western Canada.

We issued a comprehensive report on the state of the Canadian environment. We will supplement that initiative with fact sheets on particular ecosystems and issues. We have established a working group with industry and the provinces to implement the principles of sustainable development.

The list goes on, as you know. However, incomplete as that list may be, it certainly speaks of commitment. It certainly speaks of a record in which the Minister of the Environment (Mr. McMillan), indeed all members of Cabinet, all members of this Government, and I would go further and say all Members of Parliament, can take some pride in and accept some credit.

HOUSING—METROPOLITAN TORONTO—VACANT LAND AT DOWNSVIEW AIR BASE

Mr. Alan Redway (York East): Mr. Speaker, I will bet you have been at some red hot public meetings in your time as a Member of Parliament. When I say that, I mean meetings where your constituents were concerned, disturbed, upset, worked up, and perhaps even rip-roaring mad. I can see from the look on your face that you have been at a few of those meetings, and I imagine more than one. I have, too, and I suspect that all Members in this House have been at those kinds of meetings from time to time.

• (1810)

I had that sort of an experience earlier this year when I met with some tenants in my constituency. These are tenants who live in the five apartment buildings that are located at the southeast corner of Don Mills Road and Lawrence Avenue East in my riding. They are the residents of 16 The Don Way East, 18 The Don Way East, 1065 Don Mills Road, 1071 Don Mills Road and 1001 Lawrence Avenue East. They formed an association of tenants called the Five Rs Tenants' Association. The President of that Association is a dynamic guy called Peter Bate, and you know that sort of dynamic guy, Mr. Speaker. You have had them on your tail before with a blowtorch, and so have I.

That meeting was held on a Saturday afternoon at Don Mills Collegiate and there were an awful lot of people there. They were worked up, upset, and really mad about the fact that their rents were going up and the maintenance on their buildings was going down. They were afraid that their rental buildings might be converted into condominium apartments and were concerned about the fact that they did not have anywhere else to go. There was no alternative.

The reason there was no alternative and still is no alternative for those tenants and others in Metropolitan Toronto is the fact that the vacancy rate on rental apartments is so low. In addition to that, no rental apartments have been built in Metropolitan Toronto for years. When the rents go up and they have to move there is just no alternative accommodation, particularly for people on modest incomes and for senior citizens.

At that particular meeting they were interested in having some answers to the problem. They wanted answers from their municipal representatives, their provincial representatives and, of course, from me, their federal representative. You are aware I am sure, Mr. Speaker, that all three levels of government play some role in the housing and accommodation picture.

The municipal government has a role to play as far as zoning by-laws are concerned and are part of the approval process for building. The provincial governments have a role to play in the area of rent control, rent review, and the whole planning process. In spite of the fact that some people would like us to believe that the federal Government does not have much of a role in this, it does have a role to play as you and I know, Mr. Speaker.

How can the federal Government help in a situation like this? Any federal program must apply across Canada. That does create a problem for the federal Government, particularly in this sort of a housing climate, because there are different vacancy rates in different parts of the country.

In my City of Metropolitan Toronto the vacancy rate is .2 per cent. It used to be .1 per cent, virtually nil. In Ottawa here it is almost 2 per cent. In Halifax it is almost 6 per cent and in Edmonton, from where you come, Mr. Speaker, I am told it is almost 7 per cent. In Saskatoon it is almost 9 per cent and in St. John's, it is almost 11 per cent. They tell me that in Montreal some places will give you three months free rent just to rent an apartment. However, in Metropolitan Toronto there is virtually a nil vacancy rate. When the federal Government looks at what it can do for rental housing in particular in Metropolitan Toronto, it has to examine it in the light of the that situation across the country.

There is one thing for sure that the federal Government can do in this situation, and that is to make available some of the surplus land that the Government has in the greater Metropolitan Toronto area. There is a lot of land which has been discussed and talked about, but there is one area which has been identified in particular and that is the land at the Downsview air base. Perhaps 260 acres of land are potentially surplus and could be made available for badly needed affordable housing in the Metropolitan Toronto area by the federal Government.

• (1815)

The federal Government has to get going. It has to get moving to make this land available. It is not an easy process, I admit. That land is under the control of the Department of National Defence and it has to decide whether or not it is surplus as far as it is concerned. Perhaps it has to move some buildings from one part of the base to another.

The federal Government, through the Treasury Board and the Bureau of Real Property Management, has to make a decision that it is surplus land to all of the federal Government. It then has to decide on what basis it is going to release the land, who would administer its release, whether Canada Mortgage and Housing or Public Works, and under what conditions the land should be released. All of these matters have to be decided.

I admit, and you know, Mr. Speaker, as does the Parliamentary Secretary, that it is not an easy task. But we have to get on with it if these people in the Five Rs Tenants' Association are ever going to have an alternative place to live.

I hope tonight the Parliamentary Secretary will start the process of releasing that land at the Downsview air base and, in Heaven's name, tell the poor deserving people of Metropolitan Toronto that that land is going to be made available. I am sure they will applaud the Parliamentary Secretary tonight if he makes that announcement.

Mr. Lee Clark (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, first, I would like to commend the Hon. Member for York East (Mr. Redway) for the manner in which he has consistently, throughout the life of this Parliament, represented the views of his constituents and others. I say to him both as a member of the Government and as an individual that we are certainly well aware of the housing crisis which exists in Metropolitan Toronto. I can say that as a father. My daughter went to York University last year to study law and found just how difficult it is to find suitable accommodation. During the course of that year she, fortunately, was able to find suitable accommodation on campus, but we understand that is not an alternative which is open to all people, even all students. In an economy such as the economy of Metropolitan Toronto, which is, of course, one of the most vibrant in the country, there are many benefits, but there are also some disadvantages. A shortage of suitable housing and accommodation and increased pricing for that housing and accommodation is one of the by-products of that healthy economy.

I must say that some of us who live in other parts of Canada where the economy has not been so vibrant perhaps may be forgiven for wishing on occasion we had some of those characteristics of the Metropolitan Toronto economy. But there are certainly two sides to every coin, and with the benefits comes some problems.

As a result of our awareness that there is a shortage of suitable land for additional building, the Government began an inventory some time ago. It asked all its federal agencies, as the Hon. Member knows, to investigate its holdings with great care. Of course, the Department of National Defence was asked to do that as well. All of us in this House know that CFB Toronto's Downsview site is a very active military establishment. It is certainly anything but abandoned. It represents one of the nation's four military supply points. Nevertheless, the Department of National Defence has been asked to investigate very carefully its own plans for the future, its needs for the space, as have other agencies.

While I cannot give the Hon. Member the information he would prefer to receive, I can say to him that I understand the

study is all but complete. I am advised that an announcement of the results of the investigation should be made available very shortly, at which time he will, hopefully, be able to take that information to his constituents.

[*Translation*]

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 3(1).

The House adjourned at 6.20 p.m.

HOUSE OF COMMONS

Wednesday, September 14, 1988

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 21

[*English*]

DISASTERS

JAMAICA—DESTRUCTION CAUSED BY HURRICANE GILBERT

Hon. Bob Kaplan (York Centre): Mr. Speaker, a tragedy of colossal proportions is unfolding on the Island of Jamaica as Hurricane Gilbert sweeps across the Caribbean. Early reports on television and what we have heard on the news indicate widespread destruction on the island, including houses, hospitals, schools, and places of employment. Indeed, I heard last night that the airport in Kingston which was built by Canadian engineering and partly by Canadian resources is totally destroyed.

We have to be conscious of Jamaica's problem as a fellow member of the Commonwealth and because the historic homeland of thousands and thousands of Canadian citizens is Jamaica.

• (1405)

So far, perhaps understandably, the Government has taken no action and made no gesture, waiting, I understand, to hear from the Minister's office exactly what type of assistance is required.

As soon as the dimensions of the tragedy are known, and as soon as it is possible to make any offer or any indication, I urge the Government to do so. Canadians will broadly support generosity toward Jamaica in this terrible hour of need.

* * *

COURT CHALLENGES PROGRAM

APPOINTMENT OF NEW BOARD URGED

Mr. Jim Jepson (London East): Mr. Speaker, the Court Challenges Program is a federal program that funds human rights cases, and is comprised of a government appointed committee that operates at arm's length from government.

The committee, in its wisdom, has stated that it has money to offer to two homosexual lovers who wish to prove that homosexuals are discriminated against and deserve special protection under the Charter. The committee also awarded $25,000 to an Ottawa-based homosexual rights group, EGAL, to research five areas in the Immigration Act that would lead to other court challenges on gay rights.

The Court Challenges Program recently gave LEAF, a feminist action group, $35,000 to defray its expenses as interventionists in the Borowski trial on fetal rights, yet denied REAL Women the same amount to defray their expenses as interventionists in the same trial. This is not democracy in action, but a clear case of discrimination. I urge the Minister of State to cancel these committee appointments and appoint a new board that will operate in a fair and equitable fashion.

* * *

[*Translation*]

HOUSING

POSSIBLE INCREASE IN FEDERAL TAX—IMPACT

Hon. Jean Lapierre (Shefford): Mr. Speaker, a document published yesterday by the *Association des constructeurs d'habitations du Québec* and the Canadian Home Builders' Association explains that because of the hidden agenda of the Minister of Finance (Mr. Wilson), and especially to his federal sales tax, the average cost of a house in Canada would increase by $8,000.

Mr. Speaker, this measure is a direct contradiction of the right to adequate housing, and if we analyse the Minister's proposal in greater detail, we find as well that monthly rents will increase by an estimated $65.

Mr. Speaker, tax reform would have the effect of denying thousands of Canadians the right to accommodation, and it would also deny thousands of young couples the right to own property.

Mr. Speaker, I hope the Minister of Finance will have the courage to do what he did in the case of the tax on food and give us the assurance that this tax which puts an extra $8,000 on houses and $65 per month more on rental accommodation will not be implemented and that there will be a special exemption for the housing sector.

S. O. 21

[*English*]

WINE INDUSTRY

TRIBUTE TO CANADIAN WINES

Mr. Joe Reid (St. Catharines): Mr. Speaker, some people still do not believe that Canadian wines are first-class. They suffer from a wine inferiority complex. If you do not believe me, Mr. Speaker, read the September issue of *En Route*, a first-class corporate magazine put out by a first-class airline, which contains an article written by a first-class author. He states in that article that Canada does produce world-class wines, and when they are served in downtown Paris that wine inferiority complex might just relax a bit.

If you are still not convinced, Mr. Speaker, I invite you to the Niagara Grape and Wine Festival in St. Catharines, September 23 to October 2, where and when you will have the opportunity to learn first-hand that there is no taste better than the Niagara taste.

* * *

INDIAN AFFAIRS

CLOSURE OF SANDY LAKE SCHOOL

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, the people of Sandy Lake are today despondent over the closure of their school because of a suspected leak of oil possibly contaminated with PCBs. It is not the first time that that school has had to be closed. Problems with the sewage system and the roof have led to it being closed before. In many communities it would have been closed in any case because of its condition.

• (1410)

The students of Sandy Lake face overcrowding, with 500 plus students in a school designed for 300, 32 classrooms in a space designed for 24, no resource rooms, no shop room, no home economics, a library that is crammed into half a classroom, and a gym that is drastically undersized for the size of the student population.

These substandard facilities are a disgrace, particularly when the Minister has recently published national standards for school space and facilities.

Meanwhile, 25 and 35 miles away, two communities of the Kee-way-win Band suffer even worse problems. They have no school, they have no program, and some of their students are now in their third school year without education.

The Government is failing in its responsibilities and, ironically, if it addressed the problem of no school in Kee-way-win, it could solve some of the pressure on Sandy Lake.

There are generations growing up under-educated, and they deserve the best.

* * *

HOUSE OF COMMONS

REDUCED TELEVISION COVERAGE

Mr. William G. Lesick (Edmonton East): Mr. Speaker, it has been more than 10 years since Canadians first saw parliamentary proceedings on television. Unfortunately, since some cable companies across the country have added new specialty services, the House of Commons proceedings have been bumped from basic channels to converter channels.

It has become more difficult for Canadians to watch the House of Commons proceedings without obtaining costly new converter equipment. This directly affects senior citizens who make up a large part of the television audience.

This week the CRTC hears applicants for the Commons broadcast licence. It should require cable companies to put the service on channels that all Canadians can watch without extra cost.

Parliament belongs to Canadians. Let them have access to it.

* * *

[*Translation*]

EXTERNAL AFFAIRS

SITUATION IN HAITI

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, the reign of terror of the *macoutes* has come back to Haiti with the help of the military. On Sunday, Saint-Jean Bosco in Port-au-Prince was burnt down. Yesterday, another church in the capital met the same fate. The CNTU is actively looking at the situation. Mr. Jean-Claude Icart, of the *Bureau de la Communuaté chrétienne des Haïtiens de Montréal* is looking at the situation. Mr. Pierre Bain of *l'Écho politique des régions d'Haïti au Canada* and Mr. Serge Bouchereau of the Canadian *Comité de coordination de la solidarité avec le peuple haïtien* are also analysing the situation.

Mr. Speaker, I think the time has come for Canada to call a meeting of the *Club des amis d'Haïti*, which includes France and West Germany, and to raise the matter most vigourously at the next session of the United Nations. This evening, together with my colleague from Papineau—Saint-Michel, we will be in my native parish of Saint-Édouard, where the Haitian community of Montreal will be gathered to discuss, pray and meditate on these terrible events.

FREE TRADE

QUÉBEC'S PERSPECTIVE

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, in a few days, Liberals and Socialists will be dithering away against free trade during the election campaign. They will be dithering away against the Province of Quebec, and I would like to remind them of the official position taken by Quebec. The Canada-U.S. Free Trade Agreement has been analysed from the Quebec perspective, and here is the conclusion. The analysis looks at the main points of the agreement from a Quebec perspective. This is not a macroeconomic analysis or a sectorial study of the impact of the agreement on each industry. Some people feel it is too technical. Others think it is not detailed enough. To me, the important thing is that we can conclude from an analysis of the text of the agreement that the document signed on January 2, 1988 by the Prime Minister of Canada (Mr. Mulroney) and the President of the United States, Mr. Ronald Reagan, is definitely a step forward for Quebec, according to the Minister of External Trade and Technological Development, Mr. Pierre MacDonald.

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UNEMPLOYMENT INSURANCE

SITUATION OF CERTAIN OLDER WORKERS—REQUEST THAT MINISTER OF STATE INTERVENE

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, this morning at eleven o'clock, members of the *Association des retraités sans assurance-chômage* occupied the office of the Minister of State (Employment and Immigration) (Mrs. Vézina), and they are still there. Mr. Speaker, the Secretary of State and Member for Lac-Saint-Jean (Mr. Bouchard) promised during his campaign that he would deal with the problems of 2, 000 older workers across the country who are being penalized on unemployment insurance. The Minister of State (Employment and Immigration) had led them to believe that she, as the Minister, could solve their problems. Recently she did an about-face when she said it could not be done.

Mr. Speaker, as we draw nearer to an election, Canadians and especially older Canadians remember how the Prime Minister lied to them. Older workers will remember that the Minister of Employment and Immigration (Mrs. McDougall) deceived them. Canadians who are ill will remember the tax on drugs . . . I would urge the Minister of State (Employment and Immigration) to correct the injustice being done to older workers.

• (1415)

[*English*]

TRADE

CANADIAN THERMOS PRODUCTS—EXPORTS TO UNITED STATES

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, Canadian Thermos Products is one of the oldest industries in Scarborough, but in August of this year Canadian Thermos entered a new era. It is now producing for the United States market all its thermos glass vacuum bottles, coffee carafes and workers' lunch kits. This has meant an increase in the workforce of about 60 per cent.

One of the factors is the anticipation of free trade. It is argued that when free trade comes and the 9 per cent tariff is eliminated, this company will have an even greater share of market possibilities around the world.

Something that leads to the closing of a U.S. plant and the expansion of a Canadian plant cannot be all bad.

* * *

NATIONAL DEFENCE

PROPOSED ACQUISITION OF NUCLEAR POWERED SUBMARINES—ENVIRONMENTAL CONSIDERATIONS

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, Canadians oppose the Government's planned purchase of nuclear submarines for many reasons such as the cost to our social programs, but not the least of the reasons is the effect on the environment, yet the Government never had any environmental impact studies done before making the decision and the Government has recently reaffirmed that.

When I raised the question in the House previously, the Associate Minister of National Defence (Mr. Dick) came up with the astonishing reply that because nuclear wastes can be put in a swimming pool for storage, and there is no bigger swimming pool than the Pacific and Atlantic Oceans, obviously it would be just fine to spew out the radio-active wastes into our oceans as a means of disposal.

This is a contemptible approach to the environment. I hope that Canadians will see through this. I hope when they look at this Government's record on the environment and think particularly about the effect of the nuclear submarine decision on the environment, they will see that this Government does not deserve to be supported. They will see through the Government's attempt to use the environment for public relations purposes.

Oral Questions

POLITICAL PARTIES

CANADA-UNITED STATES FREE TRADE AGREEMENT—POSITION OF LIBERAL PARTY

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, the question persists as to whether or not the Liberal Party can be trusted in its opposition to the Canada-U.S. Free Trade Agreement. It took the Leader of the Liberal Party (Mr. Turner) a couple of years to make up his mind on the agreement. He was then going to tear it up. Now he is going to renegotiate it. He is now playing to high-powered Liberals in Québec. We have Gerald Regan taking Donald Macdonald's place in heading up the lobby group which is promoting the free trade agreement. We have other Liberal Senators who are in favour of the agreement.

When the Leader of the Opposition said he did not want the Senate to deal with it, what he did not want to be exposed was that he could not muster a majority in the Senate to oppose this agreement. Now we see the shameful act of the Senate actually approving this agreement in principle.

Any Canadian who is against this agreement has only one Party to vote for, and that is the NDP.

* * *

[*Translation*]

SENIOR CITIZENS

TRIBUTE TO ACTIVE RETIREES

Mr. Claude Lanthier (LaSalle): Mr. Speaker, our senior citizens find active retirement increasingly attractive. Dynamic Canadian retirees represent a major social group which exerts considerable influence in Canada generally and in LaSalle—Émard in particular.

The innate and confirmed wisdom of these robust workers of yesteryears who have chosen either to start new careers or devote their time to more humanitarian than profit-making activities remains a national wealth which the Government will have to take into account from now one when developing its policies.

I want to say how impressed and greatful we all are to these fine people who have already done so much for our society and who have now chosen to dedicate their time and efforts to improving the lot of their less fortunate fellow citizens and this, in the interest of the many generations which will follow us in this great country Canada!

• (1420)

ORAL QUESTION PERIOD

[*Translation*]

THE ENVIRONMENT

TREATMENT OF SEWAGE—GOVERNMENT POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister. On May 4, 1987, his Environment Minister said that eight million Canadians live in cities that do not treat their sewage. He added, and I quote, "They now expect the federal Government to help them out. The federal Government has no intention to revive purification projects that will cost hundreds of billions of dollars. The answer is no."

Nevertheless, Mr. Speaker, during the recent provincial election in Nova Scotia and the by-election in Lac-Saint-Jean, the Government announced such projects. Can the Prime Minister tell us why his Government is dealing with this issue on an *ad hoc* policy basis? Why are all Canadian cities not treated the same way, regardless of how they vote or of whether provincial elections or federal by-elections are being held?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think that I have just heard, albeit by implication, a new position taken by the Liberal Leader. Is he telling us today that he is against the measures taken to clean up Halifax harbour?

[*English*]

If the new position of the Liberal Party is that it is opposed to the Halifax Harbour clean-up—that is what he said—then this is going to be bad news for the Liberal Party, I think, in Nova Scotia.

[*Translation*]

We did everything we had to with respect to cleaning up Halifax harbour in a timely way and according to appropriate objective criteria. We also applied the same criteria for cleaning up the St. Lawrence. We have taken other initiatives in the area of environmental protection, Mr. Speaker, and we will do more to protect the environment. We have acted quickly in a host of areas to protect Canada's environment, be it in South Moresby, British Columbia, or in cleaning up the St. Lawrence or Halifax harbour. And if the Liberal Leader is against these projects, let him say so today!

[*English*]

Mr. Turner (Vancouver Quadra): I think the cynicism of the Prime Minister is absolutely disgusting.

MUNICIPAL INFRASTRUCTURES

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, this Party has been on record, in responding to the Canadian Federation of Mayors and Municipalities, for a one-

third, one-third, one-third split of all infrastructure costs, including anti-pollution costs for our cities and towns. We are on record firmly for that, and my question really addresses why Halifax when there was a provincial election, why Lac-Saint-Jean when there was a by-election? Why not Vancouver, why not Windsor, why not Winnipeg, why not Victoria, why not Laval?

Does it take a provincial election? Does it take a political event to sponsor this kind of intervention? Why is every city in this country not entitled to help in cleaning up pollution?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, clearly it takes a pending federal election to instil in the bosom of the Leader of the Opposition an interest in environmental matters.

Some Hon. Members: Hear, hear!

Mr. McMillan: I have been Minister of the Environment for three years. This is the first question I have ever had from the Leader of the Opposition on pollution.

Ms. Copps: Nonsense.

Mr. Axworthy: That's because you're never here.

Mr. McMillan: He was not asking about the Halifax Harbour or the St. Lawrence River two or three years ago.

In his first question he referred to the St. Lawrence River clean-up, wrongly, I might add, as a sewage treatment program. It has nothing to do with sewage treatment. It has everything to do with stemming the flow of industrial wastes from point sources in an international waterway for which we have international jurisdiction under the Constitution.

RADON GAS—NON-INCLUSION IN ENVIRONMENTAL PROTECTION ACT

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, we have been on record since 1986 at a convention in Hamilton of the Canadian Federation of Mayors and Municipalities supporting this program to clean up our cities across the country.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): The blow-dried Minister is not demonstrating much response in dealing with this particular issue.

Since we are not getting serious answers on pollution, let me turn to another subject.

• (1425)

Yesterday the United States announced that most homes in that country should be tested for radon gas, the second leading cause of lung cancer. Will the Prime Minister explain why he refused to allow radon and other radioactive substances to be covered under the Environmental Protection Act despite requests from government experts to do just that? As well, does the Government now intend to reassess that policy on radon in light of the very disturbing announcement by environmental authorities in the U.S. yesterday?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I would much prefer to be blow-dried than a blow-hard.

Some Hon. Members: Hear, hear!

Mr. McMillan: Mr. Speaker, I caused to have appointed a very distinguished environmentalist, an academic and scientist, who was asked to head a blue-ribbon panel to advise the Government of Canada on all substances that, in the panel's judgment, should be scheduled and regulated under the Environmental Protection Act. The Minister does not unilaterally pick this chemical or that substance for that purpose. I rely on the advice of scientists, in this case a very important panel that was established for the purpose. If in their judgment the relevant substance should be scheduled and regulated under the Act, I will view their advice very seriously and with favour.

* * *

HEALTH

PRESENCE OF RADON GAS IN WINNIPEG HOMES

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I would like to direct a supplementary question on the same subject to the Minister of National Health and Welfare.

In releasing a report yesterday, the U.S. Surgeon General indicated that the highest levels of radon were found in the States of Minnesota and North Dakota. He went on to say the same conditions would prevail in those parts of Canada just north of those states, particularly in Manitoba, in the Red River Valley and the city of Winnipeg. He went on to suggest that it might be wise for us to undertake comprehensive testing of all homes in that area.

I ask the Minister why it is that since 1986 we have known that 40 per cent of the homes in Winnipeg have been way above even the highest levels reported in the U.S. study, yet we have undertaken no public education, no comprehensive testing, and no establishing of national standards to deal with a serious health problem, not just for the residents of Winnipeg but for the entire country?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I am sure the Hon. Member is referring to the report from the Environmental Protection Agency respecting radon gas, and the report released in the U.S. yesterday. I take those reports seriously and I would indicate to him that I have further checked with departmental officials today to further establish the regulations that would be needed respecting

radon. I should point out as well that work has been done. When he says that possibly the highest levels of radon exist in homes in Winnipeg and the Red River Valley, that is correct, and that is the reason why this scientific survey has been going on, both as to the extent of the gas and the recommendations that should come from that type of study.

Additionally, on October 12 a federal-provincial meeting on occupational health and safety is taking place. This has been put on the agenda and I have indicated to my officials that I want recommendations as to what position should be taken.

I would also say to the Hon. Member that when the EPA comes forward with the study it did yesterday, it has to have State support for radon work. Additionally, I should point out that there are in fact four standards relating to picocuries which the U.S. uses.

• (1430)

REQUEST THAT MINISTER ISSUE HEALTH ADVISORY WARNING

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I am pleased to note that the Minister of National Health and Welfare takes the matter seriously. However, I point out to him that the study into a correlation between lung cancer and radon in the city of Winnipeg will not be completed for another two years. In the meantime the conditions described in the U.S. Surgeon General's report will prevail and there may be a serious health risk right across the country.

In light of the findings by the U.S. Surgeon General would it not be proper for the Minister's Department to issue a health advisory, similar to that which U.S. officials issued yesterday, warning all provincial and municipal officials about the dangers and indicating that comprehensive testing should be a requirement in all areas across the country which might have a potential for the kind of serious high level radon pollution which is affecting the city of Winnipeg? We share the same province, and I think it would be advisable to issue that advisory particularly for the city of Winnipeg.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I am obviously going to take that recommendation seriously. It is for that reason that I said that after the October 12 meeting I want a very clear recommendation from scientists and officials as to what the approach should be.

I am not trying to deprecate the work of either the EPA or the report. The Government has previously done studies through CMHC. While there is a question about the linkage between radon gas and lung cancer, that is not the point of contention for this Minister of Health. I am interested in the best position to take with regard to whether testing should take place and a health advisory should be issued. That must be based on scientific fact.

The Member says that there should be information provided to the public. I have further instructed the Department, under what we refer to as issues papers, that information regarding radon and its control is to be published and released to the public by the Department in very short order.

* * *

ENVIRONMENTAL AFFAIRS

REQUEST THAT DEPARTMENTS CARRY OUT ENVIRONMENTAL IMPACT STUDIES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is for either the Prime Minister or the Minister of the Environment. The Prime Minister recently expressed concern about a national vision on the environment. At present no federal Department is legislatively required to have an environmental impact study done in terms of the consequences of major decisions.

The Federal Environment Review Office, an agency of the federal Government, earlier this year recommended to the Government that it act to change the Canadian law and make it mandatory that environmental impact studies be done automatically according to law.

Given this expressed concern about the environment, why was this legislative requirement not included in the Environmental Protection Act when it was drafted and put into place in June?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Leader of the NDP is obviously not speaking to the environment critic for the NDP. When I appeared before the legislative committee on the Canadian Environmental Protection Act, although I do acknowledge that she was rarely there, I made the point that I thought it vital that we have two different but parallel consultation processes; one leading up to the Canadian Environmental Protection Act itself, focusing on a major reform of chemicals legislation in the country, and a separate one on FEARO, the process having to do with federal environmental assessments and reviews.

The public consultation on FEARO has now been completed. I have in my office the report of the broadly-based group. The group recommended that the federal environmental assessment review process be legislated. I am on record as favouring that principle. The issue is now before the Cabinet and is being discussed and resolved. I think that, in very short order, there will an announcement one way or the other. It would be premature for me to say what the decision of Cabinet will be on the substantive question, but I am personally on record as favouring a legislative approach.

Mr. Broadbent: Mr. Speaker, I am sure the people of Canada will find it very reassuring that the Minister is on record. They want to see law passed by the Parliament of Canada, not another promise.

GOVERNMENT RECORD

Hon. Edward Broadbent (Oshawa): Mr. Speaker, maybe the Prime Minister will actually answer the question. He made the commitment to a new environmental vision being needed for Canada, with which most Canadians would agree. His Government has cut more than 400 people from the Department since he was elected. It has cut back on research on PCBs and ignored the recommendation of the Law Reform Commission to put environmental matters into the Criminal Code. It ignored another commission which the Minister has just acknowledged today.

Considering all of that, why should the people of Canada believe the Government is serious and is not just indulging in pre-election posturing?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, inasmuch as the Leader of the NDP used some rhetoric to justify the conclusion at which he arrived, perhaps he would also be interested in some matters of which he has personal knowledge as a Member of this House.

In less than four years the Government and the House have created the Canadian Environmental Protection Act, the strongest piece of environmental protection legislation passed by the federal Parliament. The International Protocol on Ozone, the Montreal Protocol, was ratified. We have advanced by two years the regulations for phasing out lead in gasoline.

We updated the National Parks Act for the first time in a decade. We have created parks on Ellesmere Island, the Bruce Peninsula, the Pacific Rim, and South Moresby. We are going to create a marine park on the Saguenay River. We have moved to begin implementing the Canada-U.S. Agreement on the North American Water-Fowl Management Plan. We have taken action with the provincial Governments, to which the Leader of the Opposition is apparently opposed, to clean up areas such as the St. Lawrence River and Halifax Harbour.

The Leader of the New Democratic Party asks why we plan to do more on the environment. Because we already have a record of very substantial accomplishment to protect the environment in Canada.

Mr. Broadbent: Mr. Speaker, there is not a serious environmental group in the country who will believe what the Prime Minister says.

Some Hon. Members: Hear, hear!

[*Translation*]

DESTRUCTION OF PCBS—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I wish to ask the Prime Minister or the Minister a question.

The provincial and federal Ministers discussed the problem of PCBs last week, but they did not decide on a date for the elimination of PCBs in Canada. At the same time, although they mentioned costs of $500 million to solve this problem, the federal Government did not offer any money.

The question is very simple: Why not set a date for the destruction of all PCBs in Canada and why not offer federal money to solve this problem?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think that the Minister answered this question quite specifically yesterday, and today we have provided some answers to serious environmental protection questions.

But right at the beginning, the Leader of the New Democratic Party told us, perhaps in jest, but he said in passing:

[*English*]

—that there is not an environmental group that would take the Government seriously on that. I point out to my hon. friend that the Minister of the Environment was honoured by the Sierra Club as the most outstanding public official on the protection of the environment.

Some Hon. Members: Hear, hear!

Ms. Copps: Did they pay him $10,000?

Some Hon. Members: Oh, oh!

* * *

• (1440)

TRANSPORT

CLOSURE OF TRUCKING COMPANY—APPLICATION OF CANADA LABOUR CODE

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Minister of Labour. Yesterday the Minister stated that he is having his officials look into the closure of Transportation Route Canada to assure that there are no abuses of the Canada Labour Code. Yet on December 16, last year, I wrote to the Minister and stated that I believed he was in violation of the Canada Labour Code with respect to lay-offs by Route Canada the month before, last November, and that the workers across Canada, including those my constituency, were unemployed because of the arbitrary acts of the Government and Canadian National. The Minister did nothing then. How can we believe now that he will do something to help these laid-off workers?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, obviously I will look at that letter again because I do not have it with me today. I will be able, I am sure, to let my hon. colleague know that my officials most probably looked it up and there were probably no difficulties at that time.

Ms. Copps: Right. Several thousand people out of work.

Mr. Cadieux: With respect to the situation today, if the Hon. Member for Hamilton East is at all interested in this

serious problem, as I indicated yesterday Labour Canada officials are looking into the books of the company and will make an audit and make sure that all provisions of the Canada Labour Code have been respected.

Mr. MacLellan: I have a copy of the letter that I can give to the Minister today, as well as a copy of the 10-page memo I sent him to back up the allegations I made.

REQUEST THAT GOVERNMENT ASSIST LAID-OFF WORKERS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the Minister is obviously stalling until after the election. That will not wash. The workers are unemployed. What will the Government do to help these laid-off workers? After all, it has given millions of dollars to its friends in big business. It is time now to help these laid-off workers.

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, as I said, I think we are dealing with a very serious situation. It is not because my colleague sends me a 10-page memo or 20-page memo that makes the facts contained in it true or accurate. I will respond on that particular situation to my hon. colleague.

With respect to the situation today, we have not yet received any group termination notices, but our officials are doing an audit in order to make sure that the Canada Labour Code provisions are respected.

ROLE OF GOVERNMENT

Mr. Rod Murphy (Churchill): Mr. Speaker, my question which deals with the same topic is directed to the Deputy Prime Minister. Does the Government not feel it has a moral obligation to the laid-off workers and the private contractors who are losing their jobs as a result of the privatization move of the Government? It has allowed all that asset stripping of CN Route to take place. The company that is doing it is making a profit and there is no protection for those workers or those private contractors. What is the role of the Government?

[*Translation*]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, when Canadian National sold CN Route in 1986, there were two possible options. Canadian National was losing $70 million. One option was to close down the business; the other was to sell it, which CN did. What my colleague seems to be suggesting is that CN should then have shut down the business and laid off 2,700 workers.

[*English*]

REQUESTS FOR MEETINGS WITH MINISTRY

Mr. Rod Murphy (Churchill): Mr. Speaker, the Government has known for months that there was asset stripping. The Minister of Labour received letters in August asking for an immediate meeting about this situation. The Prime Minister has received letters asking for meetings about this. Why did the Government not meet with the people concerned and try to protect their interests? Why has there been a complete failure to represent the many as it protects the few?

[*Translation*]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I must remind my colleague that Routes Canada is a private company that was sold in a proper, legal way by Canadian National and for this reason, the present operations of the company . . .

Some Hon. Members: Oh, oh!

Mr. Bouchard: Mr. Speaker, everyone knows the sympathy New Democrats have for workers and we understand why!

So I would simply say this: The company was sold properly. Routes Canada is a private company and until further notice, to my knowledge, based on the published documents, no liquidation or bankruptcy notice was issued. I would ask my colleague to wait and see what happens before making assumptions, probably for purely electoral purposes again!

* * *

TAX REFORM

ACCESS TO PROPERTY OWNERSHIP—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the Minister of Finance or, in his absence, to the Prime Minister or another Minister. This morning we heard that the *Association provinciale des constructeurs d'habitations du Québec* had prepared a study of the impact of Phase II of the Government's tax reform and that it had reached the conclusion that after Phase II, a new home would cost the prospective home owner $8,000 more.

Mr. Speaker, I would like to ask the Minister of Finance or his substitute a question: Is this the kind of surprise the Minister has for us in Phase II of his tax reform, and why isn't the Government honest enough to stop this exercise in hypocrisy that will cost every couple that wants to buy a new home $8,000 more, once the tax reform has been implemented?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, the impact of sales tax reform is impossible to calculate at the present time because we have yet to determine the base and the rate. This means the concerns expressed by the *Association provinciale des construteurs d'habitations du Québec* are premature to say the least.

TAX ON HOUSES—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, the Minister of Finance said the same thing when we started to talk about the tax on food, and he finally had to reverse his decision. We know that this particular tax will also have an impact on tenants, because according to the Canadian association and

also according to Clayton Research, once Phase II of the tax reform is implemented, it will cost tenants $65 more per month per unit. What I want to ask the Minister of Finance is this: could he give the House the assurance that there are no plans for a tax that would have the effect of restricting the right to housing or the right to own property? And will the Government ensure that there will be no tax on homes for couples and families?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I would like to repeat what the Minister of Finance said in Regina on September 6. When the details of the new system are worked out, and there are still many details to be dealt with, we will see whether there is any danger that the system will stand in the way of affordable housing. If that is the case, we will do what is necessary to deal with the problem, either by providing direct assistance to private citizens and to families, or by changing the way the tax is implemented in this important sector. These measures will be taken in the spirit of consultation I just described.

* * *

TRADE

ALLEGED VIOLATION OF FREE TRADE AGREEMENT BY AMERICANS—GOVERNMENT POSITION

Mr. Dan Heap (Spadina): Mr. Speaker, my question is directed to the Parliamentary Secretary to the Minister for International Trade. The Secretary knows perfectly well that the House of Representatives and the U.S. Senate have just passed a bill that violates the trade agreement. The bill restricts imports of textiles, clothing and shoes, without the promised exemptions for Canada. Has the Government sent a protest note to the U.S. Government, since this measure calls into question U.S. support for the trade agreement with the United States? If so, what answer did it get? If not, why has the Government failed to do anything?

[*English*]

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the short answer is yes. The Canadian Government made very strong representations on the proposed legislation.

Suggestions that they are on the point of enacting this Bill are a little misleading and alarmist. Let me inform the Hon. Member that the Senate and the House of Representatives have not settled their differences on the Bill. In any event, if he looks at the votes that were taken there they cannot override a veto and the President has made the commitment that he would veto that particular Bill.

CANADIAN TEXTILE FIRMS

Mr. Dan Heap (Spadina): Mr. Speaker, does the Hon. Parliamentary Secretary not consider that the fact that the majority of the American Congress voting in plain defiance of the so-called free trade agreement adds to the pressure on Canadian textile firms to shut down in Canada and relocate in the American south?

• (1450)

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, just the opposite. Canadian textile firms and Canadian garment workers are going to expand and grow because of the free trade agreement. We feel the textile Bill in the United States is in opposition to the free trade agreement. That is why the administration has made a commitment. Mr. Yeutter has made it clear, and the President has stated that he will veto this Bill. The Senate and the Congress will not have the votes to defeat that veto.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF MANITOBA MINISTER OF FINANCE

Mr. Speaker: I wish to draw to Members' attention the presence in the gallery of the Hon. Clayton Manness, Minister of Finance for the Province of Manitoba.

Some Hon. Members: Hear, hear!

* * *

HOUSING

METROPOLITAN TORONTO—FEDERAL RESPONSIBILITY

Mr. Sergio Marchi (York West): Mr. Speaker, in the absence of the Minister responsible for housing I address my question to the Prime Minister.

The Prime Minister surely knows that Metro Toronto is in the middle of an unprecedented housing crisis in part because his Government has betrayed the traditional federal role in a national housing policy. During the last four years we have had to endure a reduction in federal non-profit housing; CMHC subsidies have fallen dramatically; federal capital funding has been cut by 61 per cent; federal grants for rehabilitation of residences has been cut by 51 per cent; and the home ownership program for first-time home buyers has been completely eliminated.

Why has the federal Government completely abdicated its responsibilities in the area of housing? Will it now, without waiting for an election call, re-establish an active federal presence in housing so that this dangerous trend in Metro Toronto, where the average home price is approaching $230,000, can be quickly reversed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am surprised to hear my hon. friend with a litany of

complaints like that when he has forgotten that the key impulsion to new housing starts in Canada is precisely what this Government has delivered, namely, lower interest rates. Lower interest rates have resulted in a record number of housing starts in the last year. The exact number is somewhere in the neighbourhood of some 200,000, which is the highest it has been in about a decade.

I think that while there is clearly overheating in the housing market because of the powerful prosperity in southern Ontario, in particular in Toronto—something about which we are concerned and very conscious of—the Government will be working with the Government of Ontario to alleviate that concern to the extent humanly possible. I think my hon. friend would agree that in terms of housing in Canada there has been enormous progress under this Government in the last four years.

FEDERAL LAND HOLDINGS

Mr. Sergio Marchi (York West): Mr. Speaker, if the Prime Minister ever visits Toronto—

Some Hon. Members: Oh, oh!

Mr. Marchi: —he will understand that there is not a crisis in housing starts, there is a crisis in affordable units. Toronto is becoming a playground for the well-to-do.

I ask the Prime Minister again, given that the federal Government can also ease this crisis of affordability by utilizing its surplus land holdings in Metro, which are extensive, for the purpose of affordable housing construction, why has the Government refused to commit surplus federal real estate for constructing affordable housing rather than fuelling land speculation by selling these lands that are already owned by the taxpayers to the highest bidder?

Will the Prime Minister make the undertaking now that such federal lands will be made available immediately for some badly needed housing for working and middle-income Canadians on a first priority basis, rather than simply building luxury homes?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I give this information to my hon. friend for his consideration. Housing starts in July, 1988, were at a seasonally adjusted annual rate of 209,000, up 48 per cent since the election of 1984.

Ms. Copps: He said affordable housing.

Mr. Mulroney: Housing starts last year were at their highest level in Canada since 1977.

Mr. Marchi: So are the prices.

Mr. Mulroney: I have already discussed the concern of the Government in regard to affordable housing and our intention to co-operate very fully with the Government of Ontario, the City of Toronto, and the authorities of Metropolitan Toronto in regard to that. This has been the object of strong discussions between us. Hopefully, some important progress will be made.

My hon. friend asks me to take note of this when I visit Toronto. I was in Toronto only a few days ago. However, I was also in Toronto a few years ago when interest rates were at 24 per cent and no houses were being built. We can now see the prosperity in Toronto.

Some Hon. Members: Hear, hear!

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ENVIRONMENTAL AFFAIRS

SASKATCHEWAN DAM PROJECT—WATER QUALITY STANDARDS

Mr. Simon de Jong (Regina East): Mr. Speaker, my question is addressed to the Minister of the Environment. I have in my possession a document entitled: "Final Draft Agreement Between the United States of America and Canada for Water-Supply and Flood Control in the Souris River Basin". This agreement is for 100 years whereas the Minister of the Environment has signed an agreement and a licence with the Province of Saskatchewan for only 50 years. More disturbing, the agreement talks about water quality objectives as being unbinding.

My question to the Minister is this. Who is responsible for setting the standards of water quality? Who will enforce those standards?

Some Hon. Members: Hear, hear!

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, it would take an entire Question Period to deal with the falsehoods surrounding the premises of the question.

Let me tell you, Mr. Speaker, and the House that I have in hand the 13 conditions, the stringent environmental conditions, that were associated with the permit under the International River Improvements Act in connection with the Rafferty Dam. The Director General for Inland Waters told me at noon hour—and he is the foremost hydrologist in the Government of Canada—that the stringency of these environmental conditions connected with the permit is the toughest in the history of Canada.

SCHEDULED AMOUNT OF DAMAGE PAYMENT

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, I rise on a supplementary question. The fact remains that in this draft agreement which the Minister has not repudiated or disowned all that is talked about is non-binding standards.

Is the Minister also aware that in Article 8 of this draft agreement with respect to compensation for the Province of Manitoba it states that the Department of the Army shall pay the Province of Manitoba the sum of $204,000 as full and complete compensation for any and all damages that might

occur in Manitoba? I ask you, Mr. Speaker, and I ask the Minister, is he willing to say here and now that he will not have anything to do with that agreement that stipulates a paltry sum of $204,000 for any and all damages for a dam that is supposed to last for 100 years, and a 50-year permit that he signed?

Some Hon. Members: Hear, hear!

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Hon. Member refers to the unbinding—is that the word he used?

Some Hon. Members: Non-binding.

Mr. McMillan: Let me tell you, Mr. Speaker, the licence with the 13 conditions states that the licencee shall not divert water from outside the Souris River drainage basin if such diverted waters would increase the annual flow of the Souris River at the international boundary above that which would have occurred in a state of nature.

That is one of the 13 very stringent conditions attached to the permit. The Minister of the Environment, under the International River Improvements Act, has the full authority to revoke the permit if any one of those conditions is not met, and to bring the project itself to a sudden end in that eventuality.

* * *

[*Translation*]

CANADA POST CORPORATION

ALLEGED CLOSING OF POST OFFICES IN LÉVIS—GOVERNMENT POSITION

Mr. Gabriel Fontaine (Lévis): My question is directed to the Minister responsible for the Canada Post Corporation. For a few days now some people in my riding have been claiming that Canada Post officials have decided to close certain post offices, including one on Commerciale Street in Lévis and one on Bélair Street. I want to know if Canada Post did decide to close post offices in my riding.

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, I can assure the Hon. Member that no change nor any closing is planned which would lead to reduced services or fewer post offices in his community.

• (1500)

[*English*]

AGRICULTURE

ONTARIO FARMERS AFFECTED BY DROUGHT—GOVERNMENT ASSISTANCE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Minister of Agriculture. In early July, after a meeting of the federal-provincial Agriculture Ministers, the Minister of Agriculture promised that he would be providing assistance to Ontario agriculture producers who suffered from the drought in the early spring months and during the summer, on an equitable and fair basis similar to what had been provided in western Canada, which amounted to some $150 million from the two levels of government.

Can the Minister say when that promise will be kept? The Ontario producers estimate their losses at over $750 million. When will that promise to give immediate and urgent aid to those producers be kept?

Hon. Pierre Blais (Minister of State (Agriculture)): Mr. Speaker, I can tell the Hon. Member that, as we said this summer, we are following the situation very closely, not only in the West but in Ontario and in Québec. We will not know the result of the situation until after the harvest but we are following it very closely. My colleague, the Minister of Agriculture, and I will be able to announce our position in a few weeks.

CROP INSURANCE PROGRAM

Mr. Maurice Foster (Algoma): Mr. Speaker, I would like to point out to the Minister that those producers have bank commitments to meet. In some cases their crops are 60 per cent lost. I think it is urgent that the Minister act.

Two weeks ago representatives of 12 farm organizations, representing 60,000 producers, called on the Minister to bring in amendments to the Crop Insurance Program so that when disasters such as this occur in the future there will be adequate coverage from the Crop Insurance Program.

Can the Minister advise when those changes and amendments will be made to the Crop Insurance Program in order that there can be adequate coverage in the future?

Hon. Pierre Blais (Minister of State (Agriculture)): Mr. Speaker, my hon. colleague knows that we have been working on the crop insurance situation for a while. We are negotiating with all the provinces, and that is very important. We do not always receive collaboration from all our counterparts at the provincial level.

I wish to assure the Hon. Member that we are taking the situation under consideration. For those farmers, particularly in Ontario, who have some problems with their crops this year, we will follow what we said at the end of July. We will stand

up for the farmers, as we have done for the last four years. That was never done before for the farmers.

* * *

[*Translation*]

SOCIAL WELFARE

TREATMENT OF STUDENT LOANS AS REVENUE—GOVERNMENT POSITION

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, my question is for the Minister of National Health and Welfare. Does the Minister know that, since August 11, the New Brunswick Government considers that student loans are an income? This is why the New Brunswick Government has reduced social welfare payments to men and women attending university because this is required under regulations concerning the Canada Assistance Plan. Does the Minister agree with that?

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, the Hon. Member should be aware that under the Canada Assistance Plan the federal Government pays 50 per cent on an expended cost basis for costs eligible under the Canada Assistance Plan. The rates are subject to provincial determination.

I wish to remind the Hon. Member that when changes were made here to the Canada Pension Plan, and particularly the disability provisions of that plan, this Government put it on the record very clearly that it wanted to see a pass-through for those types of increases that came through here in a legislative form and that the disabled, for example, would have those benefits.

I would suggest to the Hon. Member that the principle, just as we applied it to Bill C-116 from a federal point of view, is that if a province increases those rates the federal Government will pay its share of the 50 per cent under the CAP.

FEDERAL POLICY

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, I think there has been a misapprehension on the part of the Minister. The question has to do with the fact that mothers and single parents wishing to go to university and who have Canada Student Loans are having those student loans counted as income for the purpose of eligibility for welfare assistance, and welfare assistance payments are being cut.

Does the Government approve of a situation where the very people we would like to see get off welfare are being denied, by the action of the provincial Government, an opportunity to do so by attending university through the help of Canada Student Loans?

Hon. Jake Epp (Minister of National Health and Welfare): No, Mr. Speaker, I was not labouring under any misconception. The point I wanted to make to the Member was exactly the position that we held with respect to pass-through. I am saying to the Hon. Member that it is for the province to determine what is used for the purposes of calculation of social benefits.

I also suggest to the Hon. Member that what he should keep in mind is that it was this Government and this Minister, after 13 years of discussion prior to the Government coming into office, that wanted to have a change in the Canada Assistance Plan relating both to payments that were made to people who were eligible for upgrading, for example, under UIC, and under CIC, as well as social benefits that they were receiving, and that if they got partial or part-time work as they improved themselves they would not immediately lose dollar for dollar assistance through welfare.

That principle has been one that has guided us for four years. If the provinces want to make changes as to the rates, obviously we will pay our 50 per cent.

Mr. Speaker: This will be the last question in Question Period.

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PROVINCIAL AFFAIRS

ONTARIO—TEMAGAMI LAND CLAIM

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development. As the Minister is no doubt aware, recently there has been a lot of concern in northern Ontario over the progress of the settlement of the Temagami land claim, especially among the local residents whose jobs, future, and livelihood are wrapped up in the Temagami wilderness controversy.

Could the Minister inform the House whether the federal Government has played any part in the settlement process? Could the Minister also indicate whether the federal Government has been informed by provincial counterparts as to progress on settlement of this claim?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Diversification): Mr. Speaker, as I am sure the Hon. Member is aware, for over 100 years the Temagami Band has been attempting to make a treaty with the Government of Ontario.

The Government of Canada is not directly involved in the band's claim. We have been supportive of the band's appeal to the Supreme Court of Ontario by providing $400,000 in costs for the band to make the appeal, but the Government of Canada is not directly involved.

As to whether we have had any discussions with my provincial counterparts, Mr. Speaker, not in recent months have I had any contact whatsoever with any of my colleagues in the Government of Ontario.

* * *

POINT OF ORDER

NEW HOUSE OF COMMONS SEATING PLAN

Mr. Rod Murphy (Churchill): Mr. Speaker, I rise on a point of order. Recently there have been rumours that there has been some confusion within the ranks of the Liberal Party. I have in front of me the new seating plan for the House of Commons. It indicates by the line between the Liberal and the Conservative Party Members that the Members for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand), Davenport (Mr. Caccia), Bourassa (Mr. Rossi), and Saint-Léonard—Anjou (Mr. Gagliano), have joined the Conservative Party. I wonder if there has been any communication to the Speaker that would justify this new seating plan.

Mr. Speaker: I want to assure the Hon. Member for Churchill (Mr. Murphy), and other Hon. Members, that I see no distinction at all.

Some Hon. Members: Oh, oh!

• (1510)

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the New Democrats have their own copies of everything. I have a copy of the seating plan of this House, which indicates very clearly that the Members that they just referred to, Mr. Allmand, Mr. Rossi, and all these other people, are indeed members of this caucus and are seated in their appropriate places.

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I would just like to confirm what we have heard from our colleague from the Official Opposition. The seating plan on the Conservative side does have the distinction between the Conservatives and the Liberals. What bothers us on this side of the House is that there is a line between the NDP and the Liberals. That probably does not belong.

ROUTINE PROCEEDINGS

[*Translation*]

CANARCTIC NAVIGATION COMPANY LTD.

TABLING OF 1987 ANNUAL REPORT

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, pursuant to Standing Order 67(2), I have the honour of tabling, in both official languages, the 1987 Annual Report of Canarctic Shipping Company Limited.

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PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour of tabling, in both official languages, the Government's response to seven petitions numbered as follows: 332-5297 to 332-5299 inclusive, 332-5355, 332-5356, 332-5363 and 332-5419.

[*Editor's Note: See today's Votes and Proceedings.*]

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EXTERNAL AID

DAMAGE CAUSED BY HURRICANE GILBERT IN THE CARIBBEANS—CANADA'S RESPONSE

Hon. Monique Landry (Minister for External Relations): Mr. Speaker, speaking on behalf of the Government of Canada and on my own behalf and also on behalf of the Canadian people, I would like to express our heartfelt sympathy with the suffering caused by Hurricane Gilbert in the Caribbean, and especially in Jamaica.

I want to apologize to my colleagues and opposition critics for not having distributed the text of my statement earlier, but until the very last minute I expected to receive additional information for my statement and that is what caused the delay.

Hon. Members and Canadians have been able to ascertain from initial reports the devastation caused by this hurricane in Jamaica as well as in several other countries and territories in the Caribbean. The Government, through the Prime Minister (Mr. Mulroney), and the people of Canada have already indicated they are prepared to play an active and effective role in helping to meet the basic needs of the people of Jamaica, and responding to the future priorities of the Government of that country for recovery and reconstruction.

[*English*]

However, Mr. Speaker, there is a serious lack of detailed information about the status of Canadians in Jamaica; the extent and nature of damage and Jamaica's needs; and about the friends and relatives of Canadians living on the island. In these circumstances we have decided on a phased approach to enable the people and Government of Canada to make an appropriate, prompt, and effective response to this tragedy.

Canada and Jamaica have shared a special relationship for many years. The Canadian response to the present tragedy takes this multi-faceted relationship into account.

Phase one consists of the following humanitarian, consular and administrative elements. The first task is to reactivate the Canadian High Commission in Kingston, Jamaica, to enable it to serve as our eyes and ears in Jamaica. As Members may have heard, the High Commission was seriously damaged by the hurricane, and we still have no direct communication links with it. This will involve dispatch of a satellite telecommunication unit and communications personnel. This will be done in co-operation with the Minister of National Defence (Mr. Beatty), who has agreed to send a DND aircraft, which will also include additional consular personnel to be able to provide consular services to Canadians in Jamaica and to help respond to queries of concerned friends and relatives in Canada.

[*Translation*]

Our second task will be to provide emergency humanitarian aid in order to meet the most pressing needs of the people of Jamaica. Our country will raise the Canada fund to one million dollars, an increase of $600,000. This fund, which is supposed to help meet the socio-economic needs of the people of Jamaica, is administered by the Office of the High Commissioner in Kingston.

I am also pleased to announce that Canada will give international humanitarian aid organizations a cash contribution of one million dollars that will be used immediately to meet the needs of the Jamaican people. An additional one million dollars will be allocated to the relief fund set up by the Office of the High Commissioner of Jamaica in Canada, subject to matching. In fact, Canada will match contributions made by Jamaican and Canadian communities in Canada and credited to the High Commissioner's relief fund.

[*English*]

The third element in Canada's humanitarian response will be our readiness to send a team of Canadians to Jamaica to work closely with the Jamaican Government and to assist in meeting emergency needs and to help assess additional short term needs and Canada's capacity to respond.

[*Translation*]

Phase II of Canada's response will also consist in close co-operation with the government of Jamaica in order to assess long-term requirements for reconstruction and recovery. During the current financial year, Canada is prepared to reallocate $4 million in the form of government-to-government assistance, as soon as it has further information on Jamaica's priority development needs. Canada will of course see to it that its contribution will, to every possible extent, be coordinated with that of other industrialized and developing countries.

[*English*]

As an initial step in this longer term phase I have asked the Vice President of CIDA's America's Branch to visit Jamaica as soon as possible for discussions with senior Jamaican officials. His visit will be followed up by other planning missions as appropriate.

[*Translation*]

Finally, Mr. Speaker, I would again like to express my heartfelt sympathy to the people and the government of Jamaica after the disastrous impact of Hurricane Gilbert. Canadians from all walks of life have responded consistently and with understanding to the serious problems caused by this disaster. Together, with our Commonwealth partners and other nations, we will help Jamaica recover from this tragedy.

[*English*]

Mr. Roland de Corneille (Eglinton—Lawrence): Mr. Speaker, I wish to express my appreciation to the Minister for having sent to me a copy of her statement. I was happy both to read and to see her commitment to bringing additional financial aid to the people of Jamaica.

The most recent information that I have is that the population of Jamaica, which numbers, I understand, some 2.8 million, has suffered a tremendous amount of damage in terms of the fact that some .5 million people are homeless. This means that one out of six or even one out of five people in Jamaica is without a home. This means that there was tremendous destruction of some 100,000 homes, which we understand are badly damaged. These are the most recent reports that have come to my attention.

I have also learned that Mr. Edward Seaga, the Prime Minister of Jamaica, has indicated that the situation is very grave, that there are no telephones, in effect, operating, that 95 per cent of the people are living without electricity, that the sugar cane, banana and citrus crops have been totally devastated, and that they have declared in the United States—and we have, too, I trust—that that area is a disaster area.

I also understand that there are some 500 Canadians who are living and working there, some at the Bauxite Mining Plant and some at the Alcan Aluminum Plant, and I trust efforts are being made by the Government to assess their situation urgently.

We must address this issue of emergency as our first priority. But it is too human and too common for us to forget the ongoing needs of the people, after the disastrous storm moves on and media coverage stops, and other problems and other disasters in other parts of the world occur.

We must make sure that we keep this issue of Jamaica alive while showing concern for others in the Cayman Islands and in other islands in the Caribbean area, including Mexico, which is about to suffer devastation as well. What other human tragedies occur, of course, must receive our attention, but a special command post, I suggest, should be set up by our Government for aid to Jamaica in order to deal on an ongoing basis with the long-range economic and human disaster. Some of the steps announced by the Minister indicate a desire to be

helpful. I hope that a special command post will be established to deal with this specific crisis and this ongoing tragedy.

• (1520)

On a personal note, there are hundreds of people from Jamaica in my congregation of St. Hilda's Church in Toronto, thousands of people in my riding and hundreds of thousands in Toronto, who are of Jamaican origin. They are no doubt pleased to know that Canada and Canadians join them in wishing to help in this urgent and tragic situation. The Government and the people of Jamaica have already declared their own intention to face and meet this challenge alone, if necessary, but they are calling on their friends to join them.

We call upon our Government to carry on, after the attention moves away, extra long-range assistance and to provide regular reports from the Department of External Affairs on the problems in Jamaica and the efforts Canada is making on its behalf. It should not be just a passing matter. What is happening there should be reported from time to time in a regular way.

I am sure I reflect not only the sentiments of the Liberal caucus but the feeling of all Canadians when I express our anguish and sympathy and concern for the people of Jamaica, wherever they are, and to the anxious relatives and friends of Jamaican extraction, especially to our Canadian population of Jamaican origin.

What I have said about Jamaica, I feel should also apply to the Cayman Islands and to other areas which have been devastated and which have received less publicity. I trust our Department of External Affairs will commit itself to monitoring those problems and needs with the same dedication.

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, on behalf of the New Democratic Party, and Canadians generally, I want to join the Minister in expressing our sympathy and concern for the peoples of the Caribbean, particularly those people of Jamaica who have been devastated by Hurricane Gilbert. As has been pointed out, Hurricane Gilbert is the most devastating storm we have seen in this century. The losses are incalculable. We do not yet know the extent of loss in terms of life or in terms of goods and property. As the Minister noted, that problem extends even to our own High Commission in Jamaica.

We need to reflect on what this means for ordinary people in Jamaica who have seen the loss of everything for which they have worked.

We need to remember that Jamaica has not only been buffeted by Hurricane Gilbert but it has been at the centre of the storm on world's debt. It has been buffeted in recent years by the International Monetary Fund and by its policies. We are talking about a Government and a people who have very little latitude to deal with their own problems. They have very little in the way of resources because in effect that country has been bled dry by the policies of the IMF. We need to keep that in mind as we think of this generous response of the Canadian people. This response of the Canadian people to a crisis such as a hurricane is generous, but we also have to remember that Canadians, as part of the IMF, have been part of the problem for a country like Jamaica.

I am sure that all Canadians will welcome the initiative of the Canadian Government to help the people who are most affected in sending money and in attempts to trace the relatives of Canadian immigrants who still live in Jamaica and, indeed, visitors, because there are many Canadians who visit Jamaica on a regular basis.

I think the Government's decision to send a task force to assess the damage is very important because, as the Minister pointed out, this is an emergency that has come upon us suddenly. We have not had time to prepare. The Minister pointed out that she did not even have time to give the kind of notice to opposition Members she would have liked to have given with respect to her statement, and we can understand that. There was a need for emergency action in response to something no one could have foreseen.

I am very pleased the Government is taking the initiative to match the contributions individual Canadians and Canadian organizations will be making. I hope it will also play some kind of co-ordinating role to help encourage Canadians to give. I was pleased to see there is no ceiling placed on this matching limit. I hope the Government is not going to impose a ceiling later on as it did with the matching contributions to relief in Ethiopia three years ago.

The Minister and my colleague in the Liberal Party have pointed out that there is a long and historic tie between our two nations. This has been deepened by extensive immigration from Jamaica to Canada in the last few decades. I think that indicates that this Government must continue to give the Jamaican situation very high priority. Jamaica is this week's news. Hurricane Gilbert is this week's news. But all of us know that this week's news has a way of passing into yesterday's rather dry history. What we need to emphasize in this House today is the need for the Canadian Government, CIDA and the Department of External Affairs, to continue to watch over this situation and ensure our response in terms of personnel and money is commensurate with the situation. We do not yet know what the total situation is, but as the facts become more available, Canadians want to be sure that the Government will be responding in a way that is appropriate to the real needs of the Jamaican people, and to ensure also that the money goes where it is most needed, to the poorest of the poor.

Again, I want to express our sympathy and support for the people of Jamaica and our support for every effort the Canadian Government will be making to help.

[*Translation*]

STRIKING COMMITTEE

PRESENTATION OF SEVENTY-FIRST REPORT OF STANDING COMMITTEE

Mr. Scott Fennell (Ontario): Mr. Speaker, I have the honour of tabling the seventy-first Report of the Striking Committee.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

CANADA-ALASKA INTERNATIONAL BOUNDARY ACT

MEASURE TO ENACT

Mr. Jim Fulton (Skeena) moved for leave to introduce Bill C-320, an Act respecting the international boundary between Canada and the United States of Alaska.

Mr. Speaker: Shall the Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Fulton: Mr. Speaker, I am pleased to put a few brief remarks on the record with respect to the introduction of the Act respecting the international boundary between Canada and the State of Alaska. What this Bill does is to settle once, finally, and for all, the boundary between Canada and the United States, what is known as Dixon entrance, the A-B line or 54-40. This, of course, is entrenched in the 1825 treaty. The 1867 treaty of purchase of the State of Alaska by the United States from Imperial Russia was finally settled in 1903 by an international tribunal in a unanimous vote of the British delegation, the Canadian delegation and the American delegation, and it is perhaps timely that it is being introduced today in that our own Secretary of State for External Affairs (Mr. Clark) is meeting with George Shultz in Washington at this very moment.

• (1530)

This is one of the agenda items being discussed between the Secretary of State for External Affairs and Mr. Shultz. I think perhaps Hon. Members might want to send good wishes in the hopes that the Secretary of State for External Affairs keeps a strong spine and does not allow any consideration of negotiations on the boundary to be undertaken, as Mr. Shultz is requesting the appointment of Mr. Derwinski from the United States—

Mr. Prud'homme: A great friend of mine.

Mr. Fulton: —and a Canadian to negotiate the reduction of the size of Canada in relation to the A-B line.

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

* * *

CRIMINAL CODE

MEASURE TO AMEND

Hon. Bob Kaplan (York Centre) moved for leave to introduce Bill C-321, an Act to amend the Criminal Code (Social Insurance Number).

Mr. Speaker: Shall the Hon. Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Kaplan: Mr. Speaker, when the social insurance number was first introduced, there was a fear that it was the thin edge of the wedge and that eventually every Canadian would be identified by a number for all purposes. I discovered some time ago that when one applies for a library card in one of the municipalities around Toronto, one has to give the library one's social insurance number. This is going much too far, and I have introduced an amendment to the Criminal Code that prohibits the requirement of a person to give his or her social insurance number except for the original purpose for which social insurance numbers were introduced. I commend this measure to the House.

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

* * *

PUBLIC SERVICE EMPLOYMENT ACT

MEASURE TO AMEND

Mr. Neil Young (Beaches) moved for leave to introduce Bill C-322, an Act to amend the Public Service Employment Act (staff of Members of the House of Commons).

Mr. Speaker: Shall the Hon. Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Young: Mr. Speaker, the purpose of this Bill is to provide equitable treatment to the staff of Members of the House of Commons, including the staff of the Speaker of the House of Commons, when employment is lost as a result of Members ceasing to be Members, by according them the same priority to be appointed to the Public Service that employees in the following offices now enjoy: the office of a Minister, the office of the Leader of the Opposition, the office of the Leader of the Government in the Senate, and the office of the Leader of the Opposition in the Senate.

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

* * *

[*Translation*]

FOOD AND DRUGS ACT

MEASURE TO AMEND

Mr. Robert Toupin (Terrebonne) asked for leave to introduce Bill C-323, "An Act to amend the Food and Drugs Act (food irradiation)".

Mr. Speaker: Is it the pleasure of the House to grant the Hon. Member leave to present the Bill?

Some Hon. Members: Agreed.

Mr. Toupin: Mr. Speaker, the purpose of this Bill to amend the Food and Drugs Act which I am tabling in this House is to forbid the sale of irradiated food unless it bears a label stating that the food was irradiated.

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

Some Hon. Members: Agreed.

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

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

Some Hon. Members: Agreed.

* * *

[*English*]

FRUIT, VEGETABLES AND HONEY ACT

MEASURE TO AMEND

Mr. Jim Manly (Cowichan—Malahat—The Islands) moved for leave to introduce Bill C-324, an Act to amend the Fruit, Vegetables and Honey Act (Country of Origin).

Mr. Speaker: Shall the Hon. Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Manly: Mr. Speaker, Canadians who are concerned about apartheid in South Africa would not want unwittingly to support the economy of South Africa by buying oranges from that country. Canadians who are concerned about human rights would not want to buy fruit or vegetables from Chile. Canadians who are concerned about the environment or about labour conditions would not want to purchase California grapes. Therefore, the purpose of this Bill is to require that fruit and vegetables sold in Canada shall be clearly marked or have close to them a sign indicating the country of origin of those fruits and vegetables.

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

* * *

CANADA SHIPPING ACT

MEASURE TO AMEND

Ms. Marion Dewar (Hamilton Mountain) moved for leave to introduce Bill C-325, an Act to amend the Canada Shipping Act (attachment and assignment of wages).

Mr. Speaker: Shall the Hon. Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

Ms. Dewar: Mr. Speaker, it is a privilege to be able to introduce this Private Members' Bill to repeal Section 205 of the Canada Shipping Act, a section that exempts seamen's wages from court attachments. A constituent brought to my attention this section of the Act in connection with a single mother who was unable to collect custody and child support payments from her ex-husband because his employment was as a cook on a merchant ship. Section 205 of the Canada Shipping Act conveniently sheltered the ex-husband from court-enforced alimony and child support payments.

I find it intolerable that this section of the Act has been in place since 1873 when the Act was known as the Seamen's Act. It was overlooked when statutes were revised in 1906, 1927 and 1934. It is clearly time that we stopped exempting seamen from their legal family obligations and brought the Canada Shipping Act into line with other Acts.

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

* * *

PETITIONS

PROTECTION OF ROUGE RIVER VALLEY WILDERNESS AREA

Mrs. Pauline Browes (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, it is my pleasure to present to the House of Commons a petition entitled "Help Save the Rouge". There are two petitions here signed by residents of Scarborough, Metro Toronto and surrounding regions. The petitioners state that the Rouge River Valley in Scarborough, a part of Metro Toronto, is a unique and precious natural area and that protecting the endangered wildlife and wilderness

areas is in the national interest. They join with the Scarborough City Council, the federal Minister of the Environment (Mr. McMillan), the Save the Rouge Valley System, which consists of thousands of volunteers, and the Coalition of Scarborough Community Associations in support of saving the Rouge Valley as a park. This petition calls on Parliament to work with the Government of Ontario to establish the Rouge River Valley as a Canadian heritage land or a provincial park.

[*Translation*]

REQUEST FOR LEGISLATION ON USE OF NOXIOUS GASES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, on behalf of my colleague, the Hon. Member for Saint-Maurice (Mr. Grondin), I am pleased to present in this House a petition signed by several thousand people from the St. Maurice Valley who, in cooperation with the *Mouvement Vert Inc.*, ask Parliament to pass legislation on the use and recycling of harmful gases.

The petitioners intend to boycott such products as halon fire extinguishers, meat packaging and fast food containers, styrofoam plates and cups, styrofoam egg boxes, air conditioners and blue and pink S.M. styrofoam panels for home insulation.

Mr. Speaker, I have thousands of signatures from petitioners who want the House and the Minister of the Environment (Mr. McMillan) to understand that this question is most important and that the environment must be protected.

• (1540)

REQUEST FOR DOOR-TO-DOOR MAIL DELIVERY

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, in 1983-84, I succeeded in having the supermailboxes removed from the Marcelin-Wilson district in Bois-de-Boulogne, thanks to citizen support. But now, Mr. Speaker, it has started again and today I have several petitions, including two that I shall present right away to help you from one of the best construction districts in Montreal, from Vittorio Musto of the Alice-Nolin district and Emilio di Fiori from the Villas di Fiori.

Mr. Speaker, it is absolutely incredible that we are still talking about supermailboxes now. These community letter boxes are really horrible in every way and they prevent our seniors and handicapped people from enjoying the same service as their neighbours. That is why I have the honour to table today two well prepared petitions that were collected very quickly and several others will follow in the days and weeks to come from the Marcelin-Wilson district and Arthur Lismer Street in Bois-de-Boulogne, in the riding of Saint-Denis.

These people, Mr. Speaker, according to the hallowed usage, call for home delivery for all residents of Bois-de-Boulogne. They want everyone without discrimination to have the same service as their neighbours and they want an end as soon as possible to this aberration whereby some people have home delivery, while their next-door neighbours on the same street have to go and get their own mail. So I have the honour to present these two petitions to Parliament, if someone wants to come and get them.

[*English*]

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I have a petition to present from residents of Windsor, Ontario, represented by my colleague. The petition concerns the Mulroney-Reagan trade deal.

Mr. Hawkes: Order!

Mr. Waddell: There is nothing the matter with saying that. It is called the Mulroney-Reagan trade deal.

Mr. Hawkes: Order!

Mr. Waddell: Whereas the trade agreement threatens the very fabric of Canadian political and economic sovereignty by removing the power of the Canadian Government effectively to control foreign ownership, to develop Canadian energy resources in the best interests of Canadians and not Americans, and to equalize opportunities between the regions, for example, in British Columbia, southwestern Ontario and other regions of the country, the petitioners call upon Parliament to dissolve to allow the people of Canada an opportunity to accept or reject the proposed trade deal through a national general election. I am pleased to table this petition on behalf of those citizens.

BROCKVILLE CABLE COMPANY'S ADDITION OF CHANNELS

Mrs. Jennifer Cossitt (Leeds—Grenville): Mr. Speaker, I have the honour and duty to present a petition signed by residents of Brockville, Ontario, in the riding of Leeds—Grenville. The petition of some 107 signators is certified correct pursuant to Standing Order 106. However, there are some 321 signatures that were certified incorrect under Standing Order 106(2)(d) and Standing Order 106(2)(f).

The petitioners object to the fact that a company known as Brockville Cable of Brockville, Ontario, is imposing extra channels and additional costs without the consent of its subscribers. Wherefore, the undersigned, your petitioners, humbly pray and call upon Parliament to investigate whether this company was or was not given permission by the CRTC to do this.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, it is my pleasure to present a petition pursuant to Standing Order 106 from a number of constituents who believe that the trade deal with the U.S. threatens the very fabric of Canadian political and economic sovereignty. They believe that the trade deal denies Canada the policy freedom to determine its own economic future and undermines our ability as Canadians to build a society distinct from that of the U.S. Therefore, they ask the Government of Canada to dissolve Parliament to allow

the people of Canada an opportunity to accept or reject the proposed trade deal during a national general election.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, I have the pleasure of submitting a petition, again from Windsor, thus adding to the thousands of names of those who have signed petitions of this sort. It has been approved by the Clerk of Petitions pursuant to Standing Order 106 and is consistent with the almost universal opposition to the deal in Windsor.

The petitioners observe that whereas the trade deal negotiated by the Mulroney Government threatens the very fabric of Canadian political and economic sovereignty by removing the power of the Canadian Government effectively to control foreign ownership, to develop Canadian energy resources in the best interest of Canadians, or to equalize opportunities between the regions, and would deny Canada the policy freedom to determine its own economic future, the undersigned petitioners humbly pray and call upon Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement during a national general election. They suggest that this be on Friday.

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, I have the privilege and responsibility of presenting this petition from citizens in that very active community of Windsor. The petition says that whereas the trade agreement negotiated by the Government threatens the very fabric of Canadian political and economic sovereignty by removing the power of the Canadian Government to control foreign ownership effectively, to develop Canadian energy resources in the best interests of Canadians, and to equalize opportunities between the regions, therefore the undersigned, your petitioners, humbly pray and call upon Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement during a national general election.

Mr. Jim Fulton (Skeena): Mr. Speaker, I also have the pleasure to table in the House a petition certified correct pursuant to Standing Order 106 by a large number of petitioners who are concerned that the Conservative Government had no mandate from the Canadian people to conclude a Free Trade Agreement with the U.S. and they humbly pray that a general election be called prior to any such agreement coming into force.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Shall all questions stand?

Some Hon. Members: Agreed.

MOTIONS FOR PAPERS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Shall all notices of motions for the production of papers be allowed to stand?

Some Hon. Members: Agreed.

Mr. Speaker: I wish to inform the House that because of the ministerial statement, Government Orders will be extended by 16 minutes.

GOVERNMENT ORDERS

[*English*]

BROADCASTING ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication, as reported (with amendments) from a legislative committee.

Mr. Speaker: It may be that more than one Hon. Member might want to address the Chair briefly with respect to Bill C-136, but I would ask Hon. Members to wait until I make my preliminary ruling on the amendments. I do not think any Hon. Member will be in any difficulty because what I will be announcing here is what I feel I can deal with at this time. I have some other matters which I am considering and I want to say that I received two letters from two Hon. Members, one from the Official Opposition and one from the NDP, on this issue.

I want to thank both Hon. Members for the very kind expressions of appreciation contained in those letters with respect to the negotiation and consultation process which we have had working, very well I think, for many months now. I just want to say to Hon. Members that when the Chair receives letters in which there is a clear recognition of the attitude and co-operation between Members and the Table Officers, it makes this place a lot easier to function. I just wanted to say to both Hon. Members that I appreciate it.

[*Translation*]

The *Order Paper and Notices* contains 91 notices of motions for amendments to the report stage of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication.

[*English*]

At this time I am prepared to give the House a preliminary ruling in order that the debate can commence. I shall

endeavour to return to the House with a more comprehensive ruling as soon as possible.

• (1550)

[*Translation*]

Motions Nos. 1, 1A, 2, 3, 4, 5, 9 and 12 are in order and will be grouped for debate, and a vote on Motion No. 1 will also apply to the other motions.

[*English*]

Motion Nos. 7 and 8 are acceptable and will be debated separately and voted upon separately.

[*Translation*]

I will now call Motions Nos. 1, 1A, 2, 3, 4, 5, 9 and 12 . . .

[*English*]

I will hear the Hon. Member for Mount Royal (Mrs. Finestone).

Mrs. Finestone: Mr. Speaker, I would like to personally thank the Table Officers, the Office of the Law Clerk and Parliamentary Counsel and the Journals and Distribution branches. They have been very vital to the process, as you mentioned before. My office and I, in particular, are very appreciative of the role they have played. The spirit of Parliament has been well served.

I wrote following the consultations precisely because you were going to be ruling with respect to how the amendments were to be grouped. My major concern was that we had received so many, shall I say, complaints or shall I say disappointments, from very many interested parties which will be affected by a new broadcasting policy.

The Government commissioned an excellent study by Caplan-Sauvageau which took 1985 and 1986 to complete. In 1987 and 1988 the standing committee addressed itself to those issues and held good, sound hearings which were well received. The Minister took a great number of these issues into consideration and brought forward a Bill, which was not easy for her to do. I commend her for that.

The Bill is very complex and there have been very many changes over the 20-year period. Since the Bill was brought in during the summer months when many people, particularly in the big associations and institutions that will be affected, were on holidays. They wrote to say that they were most uncomfortable with it and that they had not been able to address the draft language in the two months available.

My concern, Mr. Speaker, was that you would regroup, particularly under Clause 3, that section which deals most specifically with the broadcast policy. Are you dealing strictly with the definition section in your decision? If so, I will be most pleased to accept the rulings. However, the amendments that relate to Clause 3 deal with the Canadian broadcasting system and the programming mandate for that system, particularly for the CBC and for the educational broadcasters, introduce a new alternative programming service, and look at special requirements for private sector networks for programming undertakings and for the provision of special requirements for distribution undertakings. It is a very serious part, Mr. Speaker, and I hope they will be split in a way which will allow us more than 10 minutes per clause. I thank you very much for your kindness.

Mr. Speaker: I have perhaps been somewhat more generous than I might be at other times. I have listened to the Hon. Member. I think I understand the point that she is making. The Chair will, of course, always try to do what is appropriate. If some of the Member's concerns can be accommodated the Chair will, of course, try to do so.

I want to say to the Minister, who has been very patient, that my decision must, nonetheless, be based on sound procedural grounds.

I know that the Hon. Member for Vancouver—Kingsway (Mr. Waddell) has some concern. I will hear him, but very briefly.

Mr. Waddell: Mr. Speaker, my remarks will be very brief. I wrote you a letter on this aspect and I concur with what my colleague from the Liberal Party has said.

Clause 3 of the Bill is entitled "Broadcasting policy for Canada". It contains about a dozen major policy thrusts. If we debate all of the 27 amendments on it in 10 minutes we will not come close to doing justice to such a serious and important debate. In my letter I suggested somewhat of a compromise, that we break it down into four debate areas.

The first would be general programming provisions, policy which applies to all broadcasters. The second would be provisions which deal with this new alternative television network and educational broadcasters. The third would be provisions that deal with the CBC, which is defined in here. The mandate of the CBC is in this clause and you can see how large that is. The last would be provisions dealing with distribution undertakings, that is, undertakings which private networks would make and private broadcasters and so on.

I think that that is reasonable. I suppose that you have difficulty, Mr. Speaker, with the technical rules in doing this. I hope that you can find a way of giving a little more room for debate on these amendments.

Mr. Speaker: I thank the Hon. Member for Vancouver—Kingsway. Being an experienced Member here, I think he realizes that I am bound by certain rules. However, I will say to both Hon. Members that the Chair is considering with considerable care the very courteous and helpful letters which I received. Again, I thank both Hon. Members for their generosity in referring to the co-operation of the Table Officers. I will return as soon as I can and give what guidance is appropriate with respect to the matters which have been raised.

Again, I want to say to the Hon. Minister that I appreciate the fact that she has been generous in not raising any objection to the comments which have been made.

I want to say one other thing as well, that is, that the system of consultation under which we have been operating has been working extremely well. I know that neither Hon. Member, on rising on this particular matter, would wish the general approach which we are taking not to continue. I know all Hon. Members would want to support that.

I will now put to the House all of the motions which were the subject of my ruling to the House.

Mr. Neil Young (Beaches) moved:

Motion No. 1

That Bill C-136 be amended in Clause 2 by striking out line 12 at page 2 and substituting the following therefor:

""distribution undertaking" means any commercial under-".

Mr. Alan Redway (York East) moved:

Motion No. 1A.

That Bill C-136 be amended in Clause 2 by striking out line 13 at page 2 and substituting the following therefor:

"taking, other than a boarding house, for the reception of broadcasting".

Motion No. 2.

That Bill C-136 be amended in Clause 2 by striking out line 13 at page 2 and substituting the following therefor:

"taking, other than a senior citizens' home, for the reception of broadcasting".

Motion No. 3

That Bill C-136 be amended in Clause 2 by striking out line 13 at page 2 and substituting the following therefor:

"taking operated on a profit basis for the reception of broadcasting".

Motion No. 4.

That Bill C-136 be amended in Clause 2 by striking out line 13 at page 2 and substituting the following therefor:

"taking, other than an undertaking operated by students or youth organizations on a non-profit basis, for the reception of broadcasting".

Motion No. 5.

That Bill C-136 be amended in Clause 2 by striking out lines 17 and 18 at page 2 and substituting the following therefor:

"porary residence or to more than the total residences in a multiple housing complex;"

Hon. Lloyd Axworthy (Winnipeg—Fort Garry) moved:

Motion No. 9

That Bill C-136 be amended in Clause 2 by adding immediately after line 8 at page 3 the following:

"(3) For the purpose of this Act, a multiple dwelling unit grouped as a condominium complex is deemed to be one permanent residence, on such terms and conditions as the Commission deems appropriate."

• (1600)

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 12

That Bill C-136 be amended in Clause 2 by adding immediately after line 13 at page 3 the following:

"(4) For the purposes of this Act, persons who occupy apartments, hotel rooms or dwelling units situated in the same building are part of the public and a transmission intended to be received exclusively by such persons is a transmission for reception by the public."

She said: Mr. Speaker—

Mr. Waddell: Mr. Speaker, I rise on a point of order. Since the first motion is the motion of the Hon. Member for Beaches (Mr. Young), would it not be normal that he speak to his motion?

Mr. Speaker: The motions are grouped together. I am in the hands of the House.

Mrs. Finestone: Mr. Speaker, I would be pleased to defer to the Member for Beaches (Mr. Young) if he would like to start the debate. It would be my pleasure to do so.

Mr. Neil Young (Beaches): Mr. Speaker, I want to express my appreciation to the critic for the Liberal Party and to my colleague, the Member for Vancouver-Kingsway (Mr. Waddell), for allowing me to say a few words first on this portion of the debate.

The reason I moved this amendment to the Bill was due to the great concern of condominium owners that this Bill changes their status from what it was previously.

Mr. Ernie Loader from York Condominium Corporation No. 76 appeared before the committee on behalf of the Canadian Condominium Institute to express those concerns to the committee. He did an excellent job in doing so.

Prior to Mr. Loader's appearance before the committee I was informed that the Minister told the committee that the concerns of condominium owners were not real concerns and that the status of condominium owners would not change under this Bill.

I read the minutes of the meeting where the Minister said this, and she was clear in what she said. However, I became concerned when I looked at what some of the officials began to say after the Minister had given these assurances to condominium owners. When one reads what the Minister's officials said in response to questioning at that committee, one can understand why Mr. Loader and his colleagues remained concerned.

Their concern is that while the Minister's assurances are accepted by me and by others, they do not mean too much when one considers that at some subsequent point the CRTC may very well make a ruling that condominium owners do indeed have their status changed under the new legislation. I share that concern.

I can understand the argument made in the legislation about signals being used for commercial and profit purposes, but not as it relates to condominium owners who have a satellite dish

on the roof and are sending a signal to the people who share that condominium and do not make a profit from the operation.

The Hon. Member for York East (Mr. Redway) asked in the committee how Conrad Black would be treated under this legislation if he had a 50-room mansion with a satellite dish on top which sent a signal to each one of those 50 bedrooms. Apparently that situation would not be considered any differently from how a condominium was considered previously. However, the second question asked what would happen if one of these signals ran into a chauffeur's room in the same mansion. The answer was that it could very well be considered a commercial operation. That did not make sense to me and it is a concern to condominium owners.

The Minister has given them the assurance that they will not be treated any differently today than they were last year. They are asking why this cannot simply be put in the legislation. Why not just put what the Minister means in the legislation?

We all know that governments come and go, and that Ministers come and go. In the future, somebody that may not have been a part of this process, or may come under a different administration, will look at this situation in isolation. One can only assume it will only look at what the Government meant by a certain policy because it will not have any clear legislation to guide it.

I ask the Minister, when she says that things will not be any different, whether that cannot be written into the legislation to address the concerns of those individuals? As I pointed out, the concern I do not have now is the word of the Minister. I accept her word, as I said at committee. I told Mr. Loader and other representatives that if the Minister says they will not be affected in the future any differently from how they were in the past, they can accept that. However, that concern still exists on the part of condominium owners, which is understandable when one reads the transcript of the committee hearings on August 30, specifically if one reads pages 10:49; 10:50, and 10:15 of the transcripts of that committee hearing.

I will not spend too much time on this because I know other Members want to say a few words about it as well, particularly the Member for York East who also had discussions with the condominium owners in this particular location.

I only want to stress to the Minister that if she says they have nothing to fear and wants to give them real assurances that they have nothing to fear in the future, let her write that in the legislation. Her officials do not seem to agree with the assurances that the Minister has given to these condominium owners. The Minister is saying one thing and her officials seem to be saying that as another body may interpret this Act, it could have an effect on these condominium owners. At the very least, they are entitled to have the Government say what it means in the legislation rather than simply give words of comfort to these people, which is of no comfort to them at all.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I appreciate the opportunity to speak to the amendment that I introduced dealing with the rights of condominium owners. The Minister and most Members will recognize that being in a condominium is a preferred choice for perhaps hundreds of thousands of Canadians. It is a relatively new form of accommodation in terms of the kind of property holding or tenure that exists.

Unfortunately, in the last few years various initiatives by different levels of Government have tended to put condominium owners in the status of second-class citizens. In my City of Winnipeg, an assessment decision was made that gave a higher mill rate to condominium owners than to those who were single family property owners. Yet there is no difference. The form of tenure is the same. There is a clear form of ownership. It just happens that the units are either stacked or attached in some way. They do not even have to be that. What they do is to share certain services in common. In terms of rights of accommodation and tenure there is no difference. However, there is clearly a real apprehension that this Bill, by its redefinition of undertaking and distribution, will create that kind of position or potential by which future discrimination may take place.

• (1610)

If I might, Mr. Speaker, I would just give an example of some correspondence I have received. I wish to mention to the House that as late as last week I attended a meeting of several hundred people in my constituency who are condominium owners. They were not there for any other purpose than, they felt, to defend their basic rights as citizens to be treated equally and fairly. The following letter is a reflection of one of the owners from 55 Nassau, which is a condominium in the downtown part of Winnipeg. It states:

> This Bill, if passed will be a flagrant act of discrimination against everyone who chooses to live in a condominium. In its present form the authors of this act do not consider that condominiums are homes. In fact, Bill C-136 would only licence, regulate or penalize those Canadians who do not live in single residences.

I will not read the whole letter. I think that the tone is there. I do not believe that any Government would want to create the feeling or sense of discrimination in the minds of so many Canadians that they are being singled out for special treatment.

I have read from the proceedings of the committee meeting at which the Minister gave assurances. I think that that is a legitimate exercise. We appreciate that. But an assurance is very different from any law. Something being written into legislation is very different from a guarantee. Conditions can change. Ministers can change. Governments can change. Regulatory agencies can change. Courts can interpret matters differently. While I accept the good intentions of the Minister, I think that the means of securing that intention should be to agree to the amendment that would clarify very clearly in the legislation what the Minister herself has said, recognizing as

she does, since she is a veteran of this House and of political wars—

Miss MacDonald: Come on!

Mr. Axworthy: I am sorry, Mr. Speaker. I use that phrase in the generic sense. The Minister is someone who has experience, wisdom and judgment in these matters. I think that her statement recognizes that there is a concern being expressed. Her attempt in committee to meet that concern has not succeeded because of other representations, other testimony and other witnesses who leave open the possibility or potential that this may not be a guarantee and assurance that will exist in perpetuity, or at least for the life of this Act.

I say to the Minister that the purpose of my amendment, and I think she will understand, is not for political or other advantage but simply to respond to a very strongly felt need on the part of a large number of Canadians. I think that it would be very easy to satisfy that concern by accepting the amendment, either my amendment or another, which would clarify in the law what it is that we all agree on, that is, that we do not want condominium owners to feel that they are being treated in a second-class way.

I took some pains in my amendment not only to ensure that condominiums would be seen as a permanent residence but that they would still be subject to the general terms and conditions of CRTC actions as they relate to broadcasting policy, whether it relates to content or otherwise. I know that from the people I met with they have no interest in using this as a way of skirting the intention to deal with these problems. They are saying that if the Government wants them to pay royalties because of free transmission to other areas, then that is a condition to which they are subject. Under my amendment they would still be required to do so if that is a CRTC ruling.

What the CRTC could not take away from them is the opportunity in a condominium complex to use a satellite as a means of receiving a signal and distributing it throughout the building. The conditions under which it is received is something that can be set as part of the policy. But the right to do so would not be compromised by accepting this amendment.

I would ask Hon. Members, and in particular the Minister, to recognize that there is a real need in the legislation for clarification. It should be a matter of law and not a matter of discretion, hope, expectation or assurance. Those are far too general and subject to the vagaries of time and circumstance. I think that the Minister could quickly solve the problem, either by agreeing to the amendment or substituting another for it.

I do not say that my amendment has to be accepted word for word. But there have been sufficient representations from both sides of the House about this problem that the Government, I think, would be wise either to accept the amendment or another one that would be responsive to a felt need of thousands of Canadians. It is one which I think would substantially strengthen the Bill that the Government has introduced in this respect.

I am sure we will have many other things to say about other parts of the Bill. But in terms of this particular question, it should be resolved. Because it is a new Bill, the situation created by the Lount decision and other court decisions in the past should be clarified to ensure that it is now recognized as part of broadcasting law and not subject to regulatory or policy change.

I conclude by saying that I was given a copy of the letter the Minister sent to members of a condominium corporation which indicated that she herself had no reason for not doing such a thing. She said that this was a matter of government policy. I would like to quote the letter written to Mr. Wheeler, Secretary Treasurer of the Satellite Communications Association, in March of 1988, which states: "I might point out that this Government has not discouraged the direct subscription to U.S. services by individual dish owners. Nor is it government policy to discourage subscription to U.S. services by enacting punitive legislation".

It goes on to state: "I would like to assure you that there is no government or regulatory impediment to Canadian dish owners obtaining access to satellite or other services lawfully marketed in Canada provided they do not redistribute the signals to others".

In this case the Minister herself is giving those assurances but has not followed through with the obvious requirement that it be put into the Bill or the law. I ask the Minister to take into account not only the words quoted to her in these assurances but to recognize that where she has spoken to a need to look at questions of content, availability and so on, obviously those judgments would be made by the CRTC under the terms of the amendment I have proposed. They would not impair in any way the fundamental right of condominium owners to have the same rights as those who occupy single family dwellings.

Mr. Alan Redway (York East): Mr. Speaker, I too would like to speak to this series of amendments dealing basically with an amendment to the definition of distribution undertaking in the Act. I have put forward some four separate amendments in this group of amendments. The main thrust is to exclude condominium corporations from the tentacles of this particular Act. This is a matter of long-standing concern for condominium owners. It is part of a wider problem, a wider concern of condominium owners, which is a matter of very high principle of condominium owners, that they are home owners. They feel that they should be treated exactly the same as home owners, whether they live in semi-detached homes or whatever. A condominium home owner is a home owner just like anybody else.

Back in my time in municipal Government I dealt with many other aspects of this same problem, particularly the garbage collection aspect and, as the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) indicated, problems relating to assessments and municipal taxation. Each time the issue was raised with me it was raised as a matter of principle.

It is not that condominium owners are looking for any special treatment. It is not that they are looking to be treated in a different way from anybody else. They say that what they want is exactly the same treatment as other home owners receive. If other homeowners are to have their garbage picked up, there is no reason why a condominium homeowner should not have his garbage picked up. If other homeowners are assessed on a certain basis, there is no reason why a condominium homeowner should not be assessed on the same basis. If all other homeowners are going to be excluded from regulation, licensing, and control under the Broadcasting Act, then there is no reason why a condominium homeowner should not also be excluded. To me that makes an awful lot of sense.

• (1620)

In this particular case, if what is being suggested here is examined, it is being suggested by the definition now in the Bill that a single family homeowner with a satellite television receiver in his backyard or on top of his home would not be subject to licensing, regulation, payment of fees, or anything else, but a condominium homeowner would be subject to all of those things.

I am one who has a good many condominium corporations in my constituency. In the present boundaries of my constituency I have the largest condominium corporation in the country, York Condominium Corporation No. 76 in the Crescent Town area. In the next election the Hon. Member for Beaches (Mr. Young) will be running in the riding of the Crescent Town area, and York Condominium Corporation No. 76 will be transferred into the boundaries of his new riding. The Hon. Member pointed out quite clearly that Mr. Ernie Loader of York Condominium Corporation No. 76, and many others, have put to him, have put to me, and have put to the committee their position. In fact Mr. Ernie Loader appeared before the legislative committee on this Bill and put the position of York Condominium Corporation No. 76, and the position of all condominium owners across the country, very forcibly and very clearly that it was a matter of principle, and that is all it is. However, it is a very important principle and a principle that obviously, if we pass the Bill in its present form, we will be violating and discriminating against the condominium owner as a homeowner.

As I indicated, I do have a great many condominium corporations in my present constituency and also in the boundaries of my new constituency. I have been contacted by a great many of those people. When this Bill became public knowledge in July of this year I received more telephone calls in my office in one week than I received last summer with respect to the landing of the Sikh refugee claimants in Nova Scotia, and more telephone calls than I received with respect to the landing of the Tamil refugee claimants on the East Coast the summer before. It was a very, very hot issue as far as condominium owners were concerned. I was deluged with phone calls.

I was subsequently deluged with letters, not only from the Crescent Town, York Condominium Corporation No. 76, but also from the Flemingdon Park condominiums, including the Vicora Linkway condominiums, the Windy Golfway condominiums, and further to the north near Highway 401 and Don Mills Road, the Graydon Hall condominiums. They have all been in touch with me on this matter of principle. They have been in the process of contacting condominium corporations across the country. As they point out, 5 per cent of Canadians live in condominiums. When one calculates how many people we are talking about here, it is over 1 million Canadians who live in condominiums and who will be affected by the terms of this particular piece of legislation. and that is why they are upset and concerned, that is why they are looking for the Government not to discriminate but to deal with this on a fair and equitable basis.

This is an issue with which I have been concerned and involved as a result of representations made by condominium owners from the very first moment that I indicated that I was going to stand for federal office back in 1982. Some of the first people who came to me at that time were representatives of York Condominium Corporation No. 76. Mr. Loader came to me at that time and pointed out the great concerns that he had with the legislation of the former Government, and the great concerns that all condominium corporations had with the legislation of the former Government in this respect.

He asked me, and he implored me to ensure that, if the Progressive Conservative Party formed the next Government, it would certainly not make the same mistake and would ensure that in broadcasting legislation condominium owners were dealt with in the same manner as other single family dwelling owners.

He asked me to bring that to the attention of the Leader of our Party (Mr. Mulroney). I did. I have written to the Prime Minister on numerous occasions since that time, and have raised representations, both privately and publicly, on numerous occasions since that time. I have met with various Ministers of Communications on numerous occasions since that time. I have met with their staff on numerous occasions since that time. I have found that a great many people on all sides of the House shared the concerns with respect to condominium corporations.

Back in 1985 a government Bill was put forward which was then known as Bill C-20. It contained similar provisions which caused great concern with condominium owners. Quite frankly, it led to the establishment of something that the Hon. Member for Ottawa Vanier (Mr. Gauthier) has subsequently come to refer to as the dinosaurs. It led to the establishment of the back-bench committee of the Progressive Conservative Party. It was Bill C-20 that created it. As a result of that, a great many people who were concerned banded together to try to deal with it in some logical, civilized and reasonable way, and to persuade the Government to make some changes in that Bill. The result of it was that the Bill was not proceeded with when the first session of this Parliament came to an end. In

fact, the Bill died on the Order Paper, never having been passed into law.

At that time condominium owners across the country applauded and said that it was wonderful that the Government had finally seen the light. They were sure, when any other legislation came forward, that it would not contain this type of provision. Much to their shock, and much to my shock, Bill C-136 came forth with the same provision.

The Minister has assured me, and the Minister has assured condominium owners, that they will be exempted under these regulations. However, as has been so eloquently put by other Members so far, there is no assurance whatsoever that the Minister will be in her job 50 years from now, and the next Minister may very well do something differently.

In fairness to all of us, to 5 per cent of Canadians, over 1 million Canadian condominium owners, I implore the Minister and the Government to put forth an amendment acceptable to treat condominium owners exactly the same as all other homeowners.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in the last week, I have received over 100 letters and telephone calls. Since the beginning of this week, my assistant in Winnipeg tells me that they are coming in at the rate of 25 a day or more. This is a difficult problem. Those of us who believe in a Canadian radio and television system which gives the people of Canada the ability to watch and listen to Canadian programming have been concerned and have to be concerned about the problems which have been created and are being intensified by the development of new technologies. Cable and satellite give people the opportunity to watch a vast number of programs, most of which are not Canadian.

• (1630)

I and all members of the NDP are sympathetic with the efforts of the Government to foster and promote the ability of the Canadian people to watch Canadian programming on television or to listen to Canadian programming on radio. It is for that reason that we have laws and agencies such as the CRTC. It has always been accepted by Governments—the former Liberal Government and the present Conservative Government, that individual homeowners in Canada have the right to have a television dish which they can use to pick up programs from any part of the world, as long as those are not passed on and sold to others and so on.

I think that the people who live in condominiums have the right to say: "We are just as much individual homeowners as are people who live in single dwelling homes or in attached dwelling homes. Because we are homeowners, we should have the same rights as the people who live in their own homes". They have said that in the letters I received. I will quote part of one such letter which reads:

> This Bill, if passed, will be a flagrant act of discrimination against everyone who chooses to live in a condominium. In its present form, the authors of this Act (the CRTC) do not consider that condominiums are homes. In fact, Bill C-136 would only licence, regulate or penalize those Canadians who do not live in single residences.

And it goes on.

I listened with interest to the comments of a number of Members. I found it interesting that the last three speakers each represented different political Parties. In other words, the speeches were made by Members from each of the political Parties represented in this Parliament.

We respect the present Minister. We accept her assurances, that in her view the Bill as drafted does not infringe on the rights of condominium owners. As it has been pointed out, this Minister will not always be the Minister of Communications. There will be other Ministers. The CRTC board may not rule against the right of condominium residents to participate in the programs which come from the satellite on their building. The CRTC may not rule that way, and a future CRTC board may rule to the contrary.

I am not a lawyer, but I remember that when the parliamentary committee was dealing with the proposed Constitution and the Charter, my colleague, the Hon. Member for Burnaby (Mr. Robinson), proposed an amendment which he said would spell out the rights of labour unions to operate as they have up until now. The then Minister of Justice rejected that proposed amendment, saying that it was not necessary, because no court would rule in a way which would be contrary to the spirit of the proposal that my colleague was making.

What happened? In reality, a case was taken to a court in Ontario, sponsored by that great organization, the National Citizens' Coalition. The judge hearing the case ruled in precisely the way the then Minister of Justice said that no court would rule. What the judge was really saying was that it did not matter what the Minister who introduced the Bill said it would mean; what matters was what the Bill actually said.

Despite the assurances given by the present Minister of Communications (Miss MacDonald), for whom I have a great deal of respect, I do not think that that is enough. I think that the Bill, if we are going to be fair to condominium residents, has to make it very clear, without any doubts, that they have the rights that individual homeowners have, to benefit from the use of a satellite dish.

I have not spent a sufficient amount of time in order to say that I prefer the amendment moved by my colleague, the Hon. Member for Beaches (Mr. Young), or the amendment moved by my friend, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). However, I would urge the Minister to accept an amendment to the Bill which would spell out quite clearly the rights of condominium residents to continue to be able to benefit from the programs which can be picked up by the satellite dish.

The Acting Speaker (Mr. Paproski): The Hon. Member for Mount Royal and then I will recognize the Hon. Member for Etobicoke—Lakeshore.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I was interested in seeing the number of Members of the House who were interested in standing and talking to this particular grouping of amendments. The amendments came from a number of people and covered not one but two particular areas of concern. The first related to condominiums and apartment buildings, and the second related to a definition of the term "public" under the Bill, as neither public nor private are clearly defined under the Bill, and there is a change from the old Act.

In legal parlance, one knows that if there is a change in terminology in a Bill there is a reason to make that change. You just do not lightly change words which have a legal history under the law. If you look at Motion No. 12 first, I would like to point out that there was a change in the original Act. The definition of "broadcasting" under the 1968 Act indicated that broadcasting meant any radio communication in which the transmissions were intended for direct reception by the general public. The general public has had, over the course of history in the last 20 years, its mechanism of identification of that terminology. The Minister has changed the terminology in this new Bill, which states:

> —any transmission of programs, whether or not encrypted, by radio waves or other means of telecommunications for reception by the public—

Not the general public. It continues:

> —by means of broadcasting receiving apparatus, but does not include any such transmission of programs—

The Bill goes on to state the concern that has been expressed, both my concern and that brought to our attention by the Canadian Bar Association, indicating that we need some refinement on the term "public". I therefore have proposed an amendment that Bill C-136 be amended in Clause 2 by adding immediately after line 13 at page 3 a definition of "public". It would say:

> "(4) For the purposes of this Act, persons who occupy apartments, hotel rooms or dwelling units situated in the same building are part of the public and a transmission intended to be received exclusively by such persons is a transmission for reception by the public."

If we do not do that, there is a number of questions which go unanswered. If programming is sent only to tenants of a particular apartment building, would they qualify as reception by the public? If programming is directed only to persons in an institution, such as schools, universities, hospitals and the like, would that be considered reception by the public? If a service is directed only toward a particular group of users, the brokerage industry or people who signed up for an educational class, would that be considered reception by the public? What would be the size of that group? In a single household where there is a series of sets, would that also become the public?

Because it is not defined, I would strongly recommend positive consideration on the part of the Minister to clarify that. I would sincerely hope that that clarification is the same wording that is found in the copyright Bill, under Bill C-130, the free trade legislation of this House. We would at least have wording that means the same thing in more than on place so we do not have legal interpretation and a jumping around. I would like to recommend that the motion I placed on the table with respect to the definition of "public" be given favourable consideration and be accepted by the Minister.

• (1640)

With respect to condominiums, I must say that it was an interesting experience to have members on the government side of the House calling me on a constant basis asking if I would bring this amendment forward in their interest.

Outside one or two members of the government Party, there did not seem to be comfort in arguing with the Minister. The Minister was forthright and in a sense spoke to the issue quite clearly in the legislative committee. She told us not to worry, that we did not have to be concerned. She says that the rules of the game are that we have always been exempted and we are in no changed position, that our circumstances before the new Bill and our circumstances now will allow for exemption. She pointed out that nothing in Bill C-136 would change the situation of U.S. condominiums which install a roof-top antenna. There are no provisions that would cause the CRTC to make its exemption criteria more rigid. Indeed, the Bill expands the commission's ability to use its exemption power. Condominiums which are presently exempted from licensing should expect that they will continue to be exempted.

That caused me to have additional concern. That is why I was pleased that my colleague, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) and other Members of this House have suggested the Minister put into law the things she has said in public, in the legislative committee, that there need not be a worry on the part of these people.

Clause 9(2) of this Bill would allow the CRTC at some point in the future, perhaps, to change its mind with respect to condominiums and apartment buildings. We know about the Lount decision. We know the federal courts have already looked at this and I think there should be clarity in the law. I believe a Bill at all times should state clearly the Government's intent. The Minister said this was her intent. She should be very comforted that this is what she would install and put in place in the law.

I would like to ask the Minister to accept the amendment which reads:

> For the purpose of this Act, a multiple dwelling unit grouped as a condominium complex is deemed to be one permanent residence, such terms and conditions as the commission deems appropriate.

Those last lines are key because the commission can essentially order the priority, ensure there is compliance with the will being expressed through broadcast policy in this Act, that there is no allowance for going outside the principles of this Bill and allowing the kinds of supposed misdemeanours that are occurring in many of these condominiums. That would give the kind of latitude that is required. I sometimes wonder if we are going to have enough police force in place actually to

apply this clause, but I believe the principles should be there so that if there is infringement we have the ability to act.

Mr. Patrick Boyer (Etobicoke—Lakeshore): Mr. Speaker, it is perhaps a sign of how wedded people in our country have become to their televisions in this stage of our cultural evolution that an issue like this should generate the concern it does. The prospect of some interference with the amount of programming or the conditions under which programming can be received is something which now seems to register very high on the level of concern of a great many citizens.

Before I make my specific comments on this Bill, I would like to say to the Minister of Communications (Miss MacDonald) that I think the legislation itself, Bill C-136, is a major legislative initiative which deals in a very constructive and positive way with the shape of this country, a country which from its inception has depended upon communications. I think the direction that is being set down by this Bill is of fundamental importance for the country and reflects very sound principles.

The issue we now have before us is, in that broad context, a very narrow and specific one. Yet to those individuals who are concerned by it, it is no less important by virtue of its narrowness. For them, it is fundamental. I think it can be stated that there are two principles here. The first principle is different legal treatment of that which is the same, a result which some would describe as discriminatory, where homeowners who live in single dwellings are being treated one way and homeowners who live in condominiums are being treated in a different way.

The second principle, I believe, is one which pertains to the rule of law, the concept of open government, which is certainly something I believe our Progressive Conservative Party stands for. It is on record as favouring government by statute rather than government by regulation. A principle ought to apply here. It is one I am committed to, at least. It is that that which can be done by statute ought to be and only that which requires to be done by regulation made pursuant to the statute ought to be done in that fashion.

What is the issue? What is it that caused the Minister of Communications to send a clarifying letter to all who are concerned and who are in a state of agitation about this issue? What is it that has caused representatives from three different Parties to bring motions on the floor of the House seeking amendments? The issue is that condominium owners are being told that the new Broadcasting Act will result in condominiums being regulated as to the television stations they receive. The result would be that they would lose U.S. pay-TV signals they now pick up for free. Individuals who own satellite dishes would not be regulated by the new Bill. Thus, the Government is discriminating between condominium owners and individual homeowners. I think that is a fair statement of the issue that has brought these eight different motions before the House.

I have looked carefully at Bill C-136 and I see that the Government is seeking to ensure that the distribution of TV signals to condominiums and groups of homes will continue to be subject to regulation in the new Bill just as they are subject to the existing Broadcasting Act of 1968. There is no change in this respect. Second, I see that private cable systems in condominiums and apartment buildings will continue to be exempt from licensing under certain conditions, just as they are now. At present, multi-unit dwellings must carry only those channels which are offered by the cable company that serves the same area.

A third feature of this Bill is that condominiums which descramble HBO, ESPN, and other U.S. pay-television signals without permission may, under certain conditions, become subject to legal proceedings for theft of signals brought by people who own the distribution rights of those signals.

• (1650)

That is fundamental and important to protect the intellectual property of those who create those signals, and that is the way the situation is at the moment. The indication I have been able to receive, both from the Minister's office and from CRTC officials, is that the Government does not intend to become involved in any such prosecutions in that area, leaving it in essence to a matter of private law between the creators of the intellectual property and those who are infringing it to be remedied in the courts.

The owners of rights and scrambled signals must make them readily available to all kinds of subscribers before they can sue for any form of damages. We come then to the fact that individual homes with satellite dishes will not be subject to the new Act but that group homes linked by a cable system, whether houses or multiple unit dwellings, will be subject to the new Act. Again, I think that brings us to the point at issue.

First, I would return to the principle that I mentioned at the outset regarding what is being called discrimination, but what I would refer to as different legal treatment, different treatment in the statute, of that which is essentially the same, homeowners who live in single dwellings compared to homeowners living in condominiums. I think all of us recognize that the development of condominiums over the past decade or so represents a major point of departure in concepts of property ownership.

It is not easy, in many instances, and the Hon. Member for York East (Mr. Redway) referred to his municipal experience, to provide for everything from garbage collection to the receipt of broadcasting signals in this unusual form of private property ownership that has developed in our system with its more traditional concepts of home ownership. However, the reality is that the condominiums are there and those who dwell in them are individual homeowners.

Now, the ironic result, and the one that I think we should look at to test the way this legislation, if amended, would work, is that if a condominium building association with its, say, 350 owners, decided to put 350 satellite dishes on the ground and link each to each home or unit in that building, then the dishes

would be legal under this Act. In other words, we could see a situation in which, on a technical level, people would use unusual methods to do that which they feel is their right as homeowners to do. It would be much like some provisions in the Income Tax Act in which the tail ends up wagging the dog and we get anomalous results simply because people are trying to live within the law.

The fact is that the SMATV exemption rules which the CRTC has already promulgated set out quite clearly the circumstances under which exemptions will be permitted for condominium owners. It is a matter of record what those conditions and criteria are. The point that I make, and I join with Members of all other Parties who have spoken in the House on this, is that if it can be done in regulation as it now is, then let us include that in the Bill. That is why any of these eight motions or a blending of them would achieve that purpose.

I sincerely urge the Minister to consider this possibility. I know the amount of effort that she has put into bringing this Bill to its present state. Yet Parliament exists for the purpose not of making laws but of making good laws. If we who represent the people here are to have any role in this process, then it is to come forward with suggestions to improve some detail of a statute.

I earnestly exhort the Minister to consider taking the concerns that she has herself recognized in the letter she sent to condominium owners and the motions suggested by Members of the House in seeing that this one small corner of a very large Bill be improved to that further extent. I think a sense of fairness to all Canadians requires it.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I will be very brief. I would like to speak in support of this group of motions, and especially the motion presented by the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy), which aims to restore a measure of equity and justice for owners of condominiums.

Mr. Speaker, as you know, appearances are often very important in politics, and how people perceive things is something we politicians have to consider and deal with as well as we can.

However, condominium owners are concerned about Bill C-136. We would like to see the Bill clarified so it does not discriminate against them.

The motion presented by the Hon. Member for Winnipeg—Fort Garry reads as follows:

Motion No. 9

That Bill C-136 be amended in Clause 2 by adding immediately after line 8 at page 3 the following:

"(3) For the purpose of this Act, a multiple dwelling unit grouped as a condominium complex is deemed to be one permanent residence, on such terms and conditions as the Commission deems appropriate."

I think that makes eminently good sense. I think it is clear and that it is a step in the right direction. It does not mean that the owners of these buildings or condominium units can get special privileges or purchase illegal instruments or decoders. It simply means that condominiums will be treated no differently than single-family units or other types of property where Canadians have access to a community antenna or to a more advanced system, the so-called dish.

[*English*]

I think the eloquence of the debate this afternoon and the fact that it has been a non-partisan approach to attempting to get this Bill amended to clarify the situation appears to me to suggest that the will of parliamentarians is to make sure that there is fairness toward condominium owners in the Bill. We have argued that they have a right to know where they stand regarding this issue, and we believe that this amendment clearly provides that assurance, while allowing the CRTC to impose terms and conditions to ensure fairness to local licensed cable television systems.

Evidently some people in my riding have said that these cable systems which have a type of monopoly over distribution systems would not like to see any amendment to Bill C-136 which would give condominium owners the right to have satellite dishes on their buildings. I find that a little negative, and I do not think it would be in favour of the cable companies to support that kind of argument.

The modification for which we are asking seems to be quite reasonable. I would certainly want to support that amendment put by my colleague from Winnipeg—Fort Garry. I do not think I can add anything further to what was said this afternoon.

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, I would like to say a few words in response to the comments that have been made this afternoon. Very briefly, all these motions, if adopted, would remove from the purview of the legislation certain kinds of distribution undertakings. That is what has been talked about this afternoon, whether it is condominiums or other suggestions which have been put forward in the various amendments before the House.

• (1700)

I would like to make it very clear that the Broadcasting Act of 1968 provides that condominiums which install a roof-top antenna or satellite dish are regarded as cable systems and as such are subject to CRTC regulation. The CRTC could exempt them under certain conditions. It in fact has exempted them provided they meet certain criteria, and that is what this is all about.

The CRTC was able to do that in 1968 under the legislation the way it was written. It will continue to be able to do exactly the same thing. However, to begin writing into legislation that you accept this kind of distribution undertaking or that kind of distribution undertaking so that it does not have to meet the requirements of the regulations is to begin to say, all right,

these people do not have to meet the major requirements, i.e., inclusion of Canadian channels. That is really what we are talking about.

At the present time every distribution undertaking must by regulation meet certain minimum requirements, and those are that there is a certain amount of Canadian content carried on those distribution undertakings. If it is seen by the CRTC that they will indeed meet those requirements, then they can be exempted and they will continue to be exempted in future provided they meet those regulatory requirements. However, under the legislation, if they do not carry that minimum Canadian content, then there are remedies which can be applied against them.

I heard this afternoon the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) present the case that he was arguing, along with Members of the NDP. They have stood in this place day after day and railed against me or whomever about the lack of Canadian content. For them to come here this afternoon and turn the argument completely around is absolutely hypocritical. I want to assure you that the basis of this provision in the Bill is to ensure that, yes, condominium systems, as with any other broadcasting undertaking, are subject to regulation. They will be regulated by the CRTC. The CRTC will have the same power it has had in the past to exempt them, provided they meet certain criteria. Those criteria are the bottom line for us, and those criteria are Canadian content.

The Acting Speaker (Mr. Paproski): May I just comment, pursuant to the Speaker's ruling this afternoon, that Motions Nos. 1, 1A, 2, 3, 4, 5, 9, and 12 are acceptable and will be debated together, with a vote on Motion No. 1 being applied to the other motions.

Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 1, standing in the name of the Hon. Member for Beaches. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

Motions Nos. 7 and 8 are acceptable and will be debated separately and voted on separately.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 7

That Bill C-136 be amended in Clause 2 by striking out lines 35 to 38 at page 2 and substituting the following therefor:

"entertain".

She said: Mr. Speaker, I would like to address the methodology used in writing this clause with respect to programs. I agree that the definition of the word "program" as sounds or visual images or combinations of sounds or visual images intended to inform, enlighten, or entertain is what a program is all about. However, this definition goes on to say that it does not include visual images whether or not combined with sounds that consist predominantly of alphanumeric text.

If you look further on in the Bill you will see that Clause 82, the old Clause 83, is an amendment to the Railway Act requiring telecommunication type regulation of non-programming. It then becomes clear that the intent of this legislation is to split undertakings into both programming and non-programming undertakings. If you follow this logically, you have a serious conundrum, I would suggest.

The CRTC, in its brief to the legislative committee, stated that it had been advised by engineering experts concerning intellectual matter contained in the vertical blanking interval of the television signal. It all sounds very detailed and technical, but it means that a television signal can be considered separate and apart from the main transmission. It is this vertical blanking interval which is used by broadcasters to supply closed captioning. That is, alphanumeric material for use by the hearing impaired. This definition will mean that the commission may lose jurisdiction over this most important aspect of broadcasting. The Minister has put a very specific emphasis on help to the handicapped, and we have serious concerns that closed captioning will be jeopardized given the way this definition is written.

As well, with all due respect, our own Standing Committee on Communications and Culture, in its all-Party sixth report, addressed the term "program" and was quite firm in what it had to say. The report said that in its view his term should be defined broadly in the Act to cover all forms of audio-video content, including entertainment, information, and advertising disseminated to the public over broadcasting undertakings. While the terms "program" and "programming" are not defined in the 1968 Act, the CRTC defined the term "programming" in its 1986 regulations so as to exclude alphanumeric services with music and still images. In the committee's view, the distinction between these kinds of services and full video services has and will become increasingly blurred. It is essential that the Act clearly categorize all such services as

programming so that the providers of such services will be properly licensed as networks and made subject to the appropriate regulatory scrutiny. Under this approach the commission will be able to exercise jurisdiction over such services. In the committee's view, they may not be excluded from scrutiny by an artificial definition of the term "program".

I suggest to the Minister that the proposed amendment would strike out all references to non-programming by removing the references to alphanumeric text. This would ensure that both programming and non-programming carried on under a broadcast undertaking would fall under the Broadcasting Act rather than telecommunications, and that the jurisdiction would be that of the CRTC. I think that would be quite consistent with what we have had to say and I suggest that this is a very important amendment.

• (1710)

We could have a situation where the commission would be in a position of trying to define or to direct what would be a program under a programming undertaking. In their particular brief they state that the court could decide that the commission only had jurisdiction over the operation of a distribution program, that it could find that the physical apparatus constituted two undertakings, one a program undertaking and one a non-program undertaking. There would then be confusion as to who has the right under the law to make certain decisions or to try to indicate the kind of programming that should be carried on in this undertaking.

The courts could decide that it would be unwise to create two undertakings and look to the predominant characteristic, programming versus non-programming of the operation, to determine exactly what they are dealing with. That test could be applied in any way the court saw fit and we would be in a very serious jurisdictional dispute because non-programming services could fall under provincial jurisdiction. We are then into a battle between the federal and provincial jurisdictions.

As well, it would be seriously unfair to the regulated broadcasters who would have to meet the objectives set out in Clause 3 with all the attendant costs. The commission would not be able to ensure that it is a level playing field and that similar operations are regulated in a similar way.

I suggest to the Minister as well that when a broadcaster has the right to use the services of the public airwaves and is using that service partly for alphanumeric advertising and partly for programming it becomes a blurred situation. If you are running an 18 or 20-hour service, what percentage of that service will be alphanumeric, what percentage would be a pay service or speciality service, and who would determine at what point that percentage falls under the CRTC's right to dictate? What percentage would fall under alphanumeric and non-regulated and would, therefore, not be a contributing factor to the broadcasting policies of the country?

The Minister wants Canadian content. There is also the potential that if it is more than 50 or 60 per cent it could be owned by other than Canadians. By reinforcing the meaning of what a program is in the Broadcasting Act, that is, that it is intended to inform, enlighten, or entertain, one would be in a position to ensure that everyone who uses our airwaves for gain and to entertain is using a public facility and would, therefore, fall under the regulations of the CRTC.

The CRTC was very firm in its concerns in this matter. It believes there is a potential for a jurisdictional battle between the federal and provincial interests. I suggest that the Minister reconsider her definition of program. She should leave no question marks with respect to what a program is in the eyes of this very important industry. She should recognize that the standing committee gave this issue very serious concern and found that excluding alphanumerics would not be in the best interests of the broadcasting policies of Canada. I recommend that the Minister reconsider her definition of "program" as found in Clause 2 of the Bill.

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I am pleased to speak on this particular motion. I will speak on the motion first and then broaden it out to some general comments on the Bill itself. As I understand Motion No. 7 of the Hon. Member for Mount Royal (Mrs. Finestone), it simplifies the definition of programming. It responds to the concern expressed by the Canadian Radio and Television Telecommunications Commission and others with the splitting of the undertaking between programming and non-programming parts. This could have highly negative effects for the CRTC's jurisdiction over closed captioning, for example, as the Hon. Member for Mount Royal mentioned.

The commission told us that engineering experts have advised that intellectual matter contained in the vertical blanking interval of a television signal can be considered to be separate and apart from the main transmission. It is this vertical blanking interval which is used by broadcasters to supply closed captions, that is, alphanumeric material for use by the hearing impaired. The current definition of "program" may mean that we lose control over this important area of broadcasting, and that is why we in the NDP would support the amendment of the Hon. Member for Mount Royal.

While I am up I would like to tie this amendment in to the general position on the Bill. When the broadcasting Bill first came forward no one thought that it would ever get this far. We thought that we were going to have a general election before then. We have not yet had the election. We may have it and we may not have it. Everyone on the Hill is expecting it, but today less than yesterday. So here we are debating the Bill.

I think it is important that we give the Bill the utmost consideration. There has not been a Broadcasting Act in 20 years, not since 1968. This is an important Bill in a vitally important area about which Canadians are concerned.

I just paid my cable fee last week. It went up quite dramatically. We are all concerned about this subject, whether it is paying cable fees, the kind of programming we get, the CBC, or whatever. Everybody has an opinion on it and they are important opinions.

Mr. Mayer: When do you have time to watch TV?

Mr. Waddell: The Hon. Member asks when I have time to watch TV. That is a good question. I watch it diligently when I can.

When this Bill first came forward it was widely criticized by almost every group except the cable industry which benefits from this Bill. It was especially criticized by the CRTC and the CBC.

The Minister has made some changes in the Bill and I congratulate her for that. The Minister and I have had our differences. We debate hard in this House but, as I have said many times, I have always had a great deal of respect for her and sometimes she has respect for me.

However, with respect to this Bill I feel that instead of getting hit with a two-by-four we are now getting hit by a little stick. In my view the Minister still has some way to go in order to make this a Bill that we, at least on this side of the House, could support. We have moved a number of amendments to this Bill and we will see what happens as the amendments are introduced. It is not our intention to delay this Bill abnormally or to prolong it, but to give it the proper debate and to work through the amendments.

I have concerns in a number of areas. I do not have time to mention them now, but I will return to them when we get the ruling on Clause 3 of the Bill. Some of the concerns that we will be approaching in the debate are the North Americanization, as I see it, of our broadcasting system and what, if anything, this Bill does to stop that. Another is the increased role of cable operators, which I have called the big winners under this Bill, and whether or not they should have the ability to broadcast as well as to transmit, and whether that is too much of a conflict and too much of a monopoly.

The other matters are, of course, the regulations with respect to private television to legislate, so far as that is possible, some quality programming from Canadian private broadcasters who are making progress in that area but in the past have been lax, I think, in producing good quality Canadian programming.

• (1720)

We also have concerns about educational broadcasters and other definitions in the Bill, as well as the role of the CBC. While that is not specifically in the Bill, it refers to the matters of cut-backs in Canadian broadcasting.

Finally, we have a concern about how the Bill fits into the free trade deal. I have told the Minister in the House before that there has been a retreat in terms of film policy and publishing policy because that is what the Americans wanted. That was part of the trade-off for the Free Trade Agreement.

In conclusion, let me indicate to the Minister that we are making real progress with the Bill and hope that we can make further progress in achieving a stronger Bill which will protect Canadian content and ensure that our air waves are for Canadians.

I think all Members will agree that our objective in the condominium debate and other debates about this Bill is to give Canadians a choice. However, part of that choice is to see high quality Canadian programming. That is essential for the survival of this country. We will be going through the clauses of the Bill with that in mind.

* * *

BUSINESS OF THE HOUSE

PRIVATE MEMBERS' BUSINESS—MOTIONS

The Acting Speaker (Mr. Paproski): Before I call for the question on Motion No. 7, I have received written notice from the Hon. Member for Don Valley East (Mr. Attewell) that he is unable to move his motion during the hour of Private Members' Business on Thursday, September 15, 1988.

This is a motion designated "votable" by the Standing Committee on Private Members' Business, so requires consent of the House for it to be moved to the bottom of the order of precedence for debate. Is there consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Paproski): Accordingly, I am directing the table Officers to drop that item of business to the bottom of the order of precedence.

Since notice will be removed, and it has not been possible to arrange for other Private Members' Business to take place tomorrow, the hour for Private Members' Business will be cancelled and, pursuant to Standing Order 39, the House will continue with the business before it prior to that hour.

* * *

BROADCASTING ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication, as reported (with amendments) from a legislative committee; and the amendment of Mrs. Finestone (p. 19253).

Hon. Herb Gray (Windsor West): Mr. Speaker, I want to make a few comments on this motion. The alphanumeric

concept as it is applied to closed captioning for the hearing impaired is something very important for that community in this country. I think it is very important that we make sure that the ability of the CRTC to have jurisdiction over alphanumeric programming is not weakened or diluted by this Bill.

There are those who have argued that the definition of programming in this Bill will weaken or dilute the ability of the CRTC to deal with both alphanumeric programming and programming involving pictures. The definition of programming in the Bill could well mean that the commission may lose jurisdiction over this important aspect of broadcasting represented by the alphanumeric technology.

Furthermore, the CRTC said in its brief: "If the Commission's jurisdiction becomes the subject of litigation, the courts will be faced with the problem of when the commission has jurisdiction over an undertaking".

Let me illustrate this point by taking the following example: a television station, at certain periods of the day, broadcasts only alphanumeric texts. This may be from midnight to 6 a.m., as now frequently happens, or it may be for substantially longer portions of time. The question then arises: Does the commission have jurisdiction over this undertaking? If so, when?

We were told at the committee that a court would have at least two options open to it. The court could decide that the commission only has jurisdiction over the operation while it is distributing programming, that is to say, it could find that the physical apparatus constitutes two undertakings, one a program undertaking and one a non-programming undertaking. Thus, at times the operation would be answerable to the commission, for programming, and at other times it would not be, for non-programming.

Questions then arise. Could the commission force the operator to increase its programming activity? If it did, it would be increasing the undertaking.

Would the commission have the power to force one undertaking, programming, to encroach on another undertaking, non-programming, when it had no jurisdiction over the other? What happens when, during programming periods, non-programming occurs? For example, could a broadcaster circumvent the commercial content limits during programming periods by airing so-called non-programming commercials?

Profits made from non-programming enterprises could not be channelled to the production of Canadian programs unless the commission had jurisdiction over the entire undertaking. That is why the Standing Committee on Communications and Culture in an all-Party report, its sixth report, addressed the term "programming" and in effect recommended against splitting programming and non-programming on the basis of whether it would be alphanumeric or pictures.

The House should adopt the recommendation of the Standing Committee which said that in its view the term "programming" should be defined broadly in the Act to cover all forms of audio and video content, including entertainment, information, and advertising, disseminated to the public over broadcasting undertakings.

The recommendation goes on to say:

> While the terms "program" and "programming" are not defined in the 1968 Act, the CRTC defined the term "programming" in the Cable Television Regulations, 1986, so as to exclude alphanumeric services with music and still images. In the Committee's view the distinction between these kinds of services and full video services has and will become increasingly blurred.

The committee goes on to say:

> It is essential that the Act clearly categorize all such services as "programming"—

I hope the House will accept the point of view I have expressed. It is based on a careful study of the matter as recommended by our very distinguished critic, the Hon. Member for Mount Royal (Mrs. Finestone).

I want to commend the Member for the outstanding work she has done in the study of this Bill and for the development of very constructive amendments. In her work she has taken a broad constructive view of broadcasting in this country, a view that now appears to have the support of all those concerned with broadcasting in Canada.

These groups have now come to the point where they unanimously support the point of view expressed by the Hon. Member for Mount Royal, speaking in her capacity as critic for the Liberal Party. I believe the Minister and the Government should pay serious attention to the views expressed by the Hon. Member for Mount Royal, reflecting now, as they do, the almost unanimous viewpoint of all those connected with broadcasting in Canada.

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, I want to say with respect to this particular amendment that obviously there is a difference between what the opposition critic considers as programming and what the Government considers as programming. We have a different definition.

Let me make it clear that the comments made in applying this to closed captioning are totally wrong. It does not apply to closed captioning. I also want to underline the fact that in our broadcast policy we have stated very clearly our commitment to closed captioning and to the needs of other disabled groups in our society.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 7, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

• (1730)

The next motion to be considered is Motion No. 8.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 8

That Bill C-136 be amended in Clause 2 by adding immediately after line 8 at page 3 the following:

"(3) For greater certainty, subsection 2(2) of this Act applies to closed-circuit transmissions carried on a distribution undertaking."

She said: Mr. Speaker, I want to say that just having arrived from our Jewish New Year celebrations and finding that a new Bill has been printed, it is taking me a few minutes to find the numbers that go together.

Mr. Edwards: Happy New Year.

Mrs. Finestone: I thank the Hon. Member, Mr. Speaker.

This amendment deals with closed-circuit transmissions. The concern here is with respect to the definition of closed caption, the closed caption system under the Broadcast Act. One matter with which we have been concerned, which also relates to the amendment to Clause 7 which was just defeated, something which I hope the Government will reconsider, is that the CRTC brings its concerns to our attention from long periods of experience. It is as a result of this experience that it is able to highlight the concerns that it has as a regulatory body. This quasi-judicial body is made up of very knowledgeable people who bring to our attention some errors that have occurred in its view and from its experience. This is another one of those concerns which it has brought to our attention as have TV Ontario and McCarthy and McCarthy, legal counsel to the Agency for Tele Education in Canada.

One matter I have tried to bring to the attention of the Minister with this motion is that one element of Bill C-136 is the new definition of "broadcasting" which includes distribution not only by radio waves—and we have evolved technologically speaking since, and the Minister has talked about being technologically neutral in these Bills—but by other means of telecommunication. The implication upon federal-provincial jurisdiction is uncertain. I have mentioned to the Minister many times the concern for this lack of clarity between federal and provincial jurisdiction.

Here again, other means of telecommunications defined further in Clause 2 brings closed-circuit operations and systems under the Act. I do not think that that was the Minister's intention. It is quite likely that closed-circuit transmission on hybrid systems would be constitutionally under federal jurisdiction. Such systems involve the distribution of closed-circuit services through systems which would also distribute broadcast signals, that is, a cable television system or a MATV system. I do not believe that that is what the Minister wanted to do.

While the constitutional authority of the federal Government over closed-circuit services of hybrid systems has not been specifically addressed by the courts, most of the precedents point to federal jurisdiction. The legislative committee was advised that the situation deals with purely closed-circuit systems, for example, systems used to monitor the safety and security of one's apartment building. It is a system which might monitor a play-yard outside of one's place of residence where one's child might be playing. It is a system which monitors a swimming pool in which one takes one's daily constitutional. All these are on closed-circuit television systems that are not in the true and traditional sense of the word "television" programming. It is a different form that offers a service that is outside what I believe were the concepts of broadcasting which the Minister has considered. These are systems which are not used for retransmission of conventional off-air broadcast signals. They are under provincial jurisdiction.

McCarthy and McCarthy stated that under Bill C-136 while purporting to apply to such operations, it would probably be held to be inoperative by the courts on the basis of the federal-provincial division of powers in the Constitution. The law firm went on to state that so long as a purely closed-circuit system did not cross provincial boundaries it would not appear to be subject to federal jurisdiction. As well, the CRTC has expressed concern regarding closed-circuit systems being subject to CRTC jurisdiction. In order to prevent the reopening of old legal issues I have made this amendment to bring clarity to the place of the closed-circuit system within our television broadcasting system, that which can legally fall under the federal jurisdiction and that which is purely provincial in matter and should not in any way, shape, or form be trapped in the over-all broad definition of broadcasting as we presently see it under the Bill. This motion is in the interests of clarity only. It is to ensure that we do not fall into an unnecessary legal harangue. I bring this amendment to the attention of the Minister for serious consideration and approval.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 8, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next grouping of motions is Motions Nos. 31, 42, 72, and 77. They will be debated together but voted on separately.

Since the Hon. Member for York East is not in the House, do I have unanimous consent to allow another Hon. Member to move his motion?

Mr. Lesick: I will, Mr. Speaker.

Mr. William G. Lesick (for Mr. Redway) moved:

Motion No. 31

That Bill C-136 be amended in Clause 3 by adding immediately after line 37 at page 5 the following:

"(m) programming that reflects the multicultural and multilingual nature of Canada should be provided within the broadcasting system as resources become available for the purpose;".

Motion No. 42

That Bill C-136 be amended in Clause 3 by striking out line 8 at page 7 and substituting the following therefor:

"subsection, and in particular provide access for underserved linguistic and cultural minority communities."

Miss MacDonald: Mr. Speaker, I would just like to interrupt to say that I am prepared to accept Motion No. 42.

• (1740)

The Acting Speaker (Mr. Paproski): The next motion is Motion No. 72.

Mr. William G. Lesick (for Mr. Redway) moved:

Motion No. 72

That Bill C-136 be amended in Clause 34 by adding immediately after line 29 at page 24 the following:

"(3) At least one director shall be representative of the interests of the ethnic and visible minorities and the appointment of that director subject to the consultation by the Minister of the groups and organizations that he deems representative of such minorities."

Motion No. 77

That Bill C-136 be amended in Clause 74 by adding immediately after line 26 at page 45, the following:

"(3) At least one member of the Commission shall be representative of the interests of the ethnic and visible minorities and the appointment of that member is subject to the consultation by the Minister of the groups and organizations that he deems representative of such minorities."

The Acting Speaker (Mr. Paproski): On debate, the Hon. Member for Vancouver—Kingsway.

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I am pleased to speak on the amendment put forward by the Hon. Member for York East (Mr. Redway). My Motion No. 31A was quite similar. I do not believe that mine was in order, but the amendment of the Hon. Member for York East was accepted. Basically they are both attempting to do the same thing. The amendment of the Hon. Member for York East is to change page 5, line 37, of Clause 3 which is the broadcasting policy for Canada. The Bill sets out some general policies: "It is hereby declared as the broadcasting policy for Canada that" and a series of things follows. At page 5, line 37, it states that "programming that reflects the aboriginal cultures of Canada should be provided within the Canadian broadcasting system as resources become available".

The Hon. Member for York East seeks to put in "programming that reflects the multicultural and multilingual nature of Canada should be provided". My motion stated: "programming that reflects the multicultural and multilingual nature of Canada should be provided within the system". The motion of the Hon. Member states: "as resources become available". I am a little more in a hurry. I say let's do it. The phrase "as resources become available" is a good excuse for some bureaucrat to state that it cannot be done because resources could never be available.

The main thrust of this amendment and of the other amendments, Motions Nos. 42, 72, and 77, is to deal with the multicultural nature of Canada. This came out during the hearings where multicultural groups appeared before the legislative committee and stated: "Look, you have not put us in there. We want to be put in and recognized as a separate group in Canada, as an interest or a group that demands some attention, some consideration, and has to take a place within the other groups of Canada". There is legitimacy to this view.

The best thing to do is go back to the time when Canada repatriated the Constitution in 1981. In that, what I could call the "Trudeau repatriation", there was a recognition in that Constitution, simply put, that Canada was like a cake. In that

cake was the aboriginal peoples at the base, and they are recognized in this Bill. Beside the aboriginal peoples were the French and the English, the two founding language peoples of the country from the European civilization. On top was the multicultural nature of Canada.

After much debate, many changes, and many constitutional fights, we did get a Constitution that reflected what I would call the modern nature of Canada. We have much to do with respect to the aboriginal peoples; we are incomplete. Aboriginal self-government is one area. Better aboriginal broadcasting is another area. Much has been done in terms of French and English educational rights. Of course, our multicultural people are on top of that as a recognition of the new part of the country. For example, in my present riding of Vancouver—Kingsway a majority of people do not speak English as their first language. As a matter of fact, 35 per cent to 40 per cent of the people are Asian Canadians. They have particular needs in the broadcasting system.

This amendment seeks to give a recognition in broadcasting policy, and put very simply, that we have to pay attention to the multicultural nature of Canada. Shortly, my colleague, the Hon. Member for Thunder Bay—Nipigon (Mr. Epp) will speak as the multicultural critic in much greater depth and with better knowledge than I have.

In committee we made real progress on the human rights section, Clause 3(1)(c)(iii). The Minister put forward a good amendment, and then made it even better by accepting my subamendment dealing with equal rights. I appreciate that. It has been greeted with satisfaction by many multicultural and women's groups, and others.

In addition, we greatly improved the alternative section to alleviate the fears of many that the alternative service would relieve other broadcasters from multicultural responsibilities. Sometimes the language of this broadcasting policy is so complicated that people do not understand what you are talking about. There is provision in this Bill for an alternate television service. Concern was expressed that that would be where things are stuck and ghettoized. Multiculturalism is stuck in there, some science shows, and the intellectual shows. We did not want to do that. We were very open to the notion, and I believe everyone was, of an alternate service. We did want to ensure that that was not a ghettoized service. For example, we wanted to ensure that the CBC would not forget its mandate to produce Canadian programs and programs to which Canadian women have equality and access to that reflect their interest. That is in the Bill. The same with multiculturalism.

We would like amendments to recognize the multicultural nature of Canada as a new Canadian reality to be reflected in the broadcast system, but we do not want to hive it off to one little ghettoized part of the system. That is why we wanted it included in the general part of the system. Far be it from me to speak for the Hon. Member for York East who is older and much more experienced than I am. He has a lot more experience in municipal politics, and he is from the huge City of Toronto which believes it has a monopoly on all knowledge. Far be it from me, a little lawyer from Vancouver, to take away from what the Hon. Member for York East would say. However, had he proposed the amendment, I think he would probably have said: "Let's recognize the multicultural and multilingual aspect of Canada".

I would like to end my speech in Chinese. During the last election campaign I would go around door to door and say: *Chi chi wy do*, that is, vote for me in Chinese. Mr. Speaker, I am sure you understood that. Now that I am running in another riding I am speaking English and French more often.

We should recognize that there is a multilingual nature to this country and that there is a multicultural nature to this country. This is not to take away from the fact that the two founding language groups of this country are French and English. I do not want it to be confused that by recognizing the multilingual heritage we take away from the basic languages. French and English have a different status in this country than the other languages or cultures. However, that does not mean that they cannot be recognized and made part of the Canadian mosaic. That is what I think the Hon. Member would have said. If he does not like what I have said, he could come back to the House and say something different.

• (1750)

Mrs. Sheila Finestone (Mount Royal): I am sorry that the Hon. Member for York East (Mr. Redway) has not been able to stay with us and to carry on the support for his particular amendments. The amendments of the Member for York East are of interest. They reflect the ongoing concern that we have had. In both Motions Nos. 72 and 77 he is directing his concerns to the multi-ethnic character of Canada. He is talking about the need for the visible minorities and the ethnic groups to be represented on the board of directors of the CBC in the one case and in the CRTC and its establishment in the other case.

I would like to suggest that Mr. Redway reflects an ongoing concern that I and members of our committee have had—

The Acting Speaker (Mr. Paproski): It is the Hon. Member for York East. Now that I have told you what riding he is in, I would appreciate it if you would address him as the Hon. Member for York East. Thank you.

Mrs. Finestone: I would be happy to address him as the Hon. Member for York East and also as Mr. Redway and, I am sure, as a good Member of the House of Commons.

What I was trying to get to, with respect to the principle and the philosophy behind the thought being expressed by this Hon. Member, was the fact that we wanted the multicultural aspect of Canada to be represented in every aspect of our society. It is not, I think, in the placing of amendments of this nature on the Order Paper or in a Bill. It is in the fullness of

one's heart and in the logic of one's undertaking that the recognition of one-third of Canada is made up of people from a variety of ethnic groups and from many multicultural backgrounds. Only through including both the visible and the invisible minorities will we truly reflect the thinking of who and what we are as Canadians.

I do not think that we want to see any Canadian sidelined or isolated. We would like to see them mainstreamed in everything we do. They should be mainstreamed in terms of representation, on boards, on agencies, in commissions, as judges, in the courts, at the decision-making level as we are talking about broadcasting, as to the news that goes on our news broadcasts, as to the literature that we use to turn into a television program, and in any and every aspect of those matters which affect us as Canadians, because they are Canadians. I cannot see the importance of isolating in law that aspect of the responsibility of the CBC board or the commission. Those are the responsibility of nominations by Order in Council, by a Minister, and through the Government, and the sensitivity lies at that level.

I would presume that the Minister has made good appointments. She will continue to do so. I hope that subsequent Ministers will do the same thing. The boards of directors and the tribunal members of the commission will certainly and hopefully reflect the kinds of persons who make up the fabric of Canada.

It is a fundamental characteristic of Canada both in terms of our aboriginal peoples and of the multicultural peoples from over 100 nations across this world who have come to enrich the tapestry that forms the background and therefore reflect the personality that is Canada.

I would suggest that if the Minister feels that we need this kind of directive to sensitize the Minister and the Government of the day to the realities of Canada, so be it. I am of the view that that should be part and parcel of the mentality that one brings to the office and certainly to the position of a Minister, and certainly anyone with much sensitivity to Canada would do so.

Although the principle and the philosophy is an excellent one, I do not think that that should be implied in law.

Mr. William G. Lesick (Edmonton East): Mr. Speaker, I wish to speak in favour of the amendments as originally proposed by the Hon. Member for York East (Mr. Redway) because the multicultural—

The Acting Speaker (Mr. Paproski): The Hon. Member for Red Deer on a point of order.

Mr. Towers: Mr. Speaker, my point of order is that the Hon. Member for York East (Mr. Redway) is away out of necessity. He wanted to be here. He asked me if I would take his place in the House of Commons.

The Acting Speaker (Mr. Paproski): That is a point of clarification. The Hon. Member for Edmonton East has the floor.

Mr. Lesick: Mr. Speaker, the recommendations and motions that we are discussing at this time are very necessary because of the 38 per cent multicultural nature of Canada. Thirty-eight per cent of the people are neither French-speaking nor of French origin or of English origin. They should be reflected in policies and in governing bodies in Canada. This has also been a feature of the multicultural thrust our Prime Minister (Mr. Mulroney).

The Prime Minister has spoken about the fact that multiculturalism is a fact of life in Canada and that more boards should reflect that fact. In speaking on Motion No. 31, this is a direct recommendation of the Canadian Ethnocultural Council. This is its recommendation, and it has been given much thought. The Canadian Ethnocultural Council is composed of all ethnic origins within Canada. In its brief to the legislative committee on broadcasting for Bill C-136, it made a very strong plea that this recommendation be included.

Programming that reflects the multicultural-multilingual nature of Canada should be provided within the broadcasting system as resources become available for the purpose. Of course that makes good, common sense. Our Government is committed to it. It is a very normal and natural way to proceed rather than dogmatically proceeding with it in another manner.

Motion No. 72 indicates: "At least one director shall be representative of the interests of the ethnic and visible minorities and the appointment of that director subject to the consultation by the Minister of the groups and organizations that he deems representative of such minorities".

This is directly from the Canadian Ethnocultural Council recommendation. It is one that again reflects the Government's commitment toward multiculturalism and, in broadcasting, it is an area which has not been covered before. We must proceed with these recommendations. Motion No. 77, of course, goes on to talk about a commission. In speaking in favour of these several motions, I would suggest that it is essential that they be accepted.

• (1800)

The Acting Speaker (Mr. Paproski): I am going to recognize the Hon. Member for Thunder Bay—Nipigon. We are sitting until 6.16 p.m., so I hope the rest of the time could be split up between the Parliamentary Secretary and the Hon. Member.

Mr. Ernie Epp (Thunder Bay—Nipigon): Thank you, Mr. Speaker, for confirming the length of time available. I will be governed accordingly. I appreciate the opportunity to say a little about these several motions proposed originally by the Hon. Member for York East (Mr. Redway), who is unavoidably away at the moment as others have been noting. The

motions endeavour to strengthen the broadcasting Bill in its recognition of the multicultural nature of our society.

Perhaps I may take a few moments, Mr. Speaker, to remind all of us that the Canadian Parliament adopted almost 17 years ago a statement of multicultural policy for the Government of Canada. It was a statement put forward at the time by the former Liberal Prime Minister, Mr. Trudeau, and was responded warmly to by Leaders of all three opposition Parties in the House of Commons. It was, then, with the approbation of all Parties that the Government of Canada launched this country on a broader policy than had prevailed before. The Official Languages Act had recognized the officially bilingual character but it was obviously inadequate to say the country was bicultural, so the statement of 1971 expanded on that.

As I have said before in another context, I think we would all have to concede, if we faced up to the matter, that the Government has honoured those principles more commonly in the breach of them than in the practice. I think the breach of them was never more obvious than in the area of broadcasting. It is one thing to assert that the Government of Canada should recognize no single official culture as prevalent but should endeavour to enhance all.

However, if at the same time broadcasting is given an enlarged lease on life with Canadian content being particularly important in broadcasting, whether it is in English or French, and the Department of Communications taking on larger functions—it was established as a Department with peculiar responsibilities to press these policies—I think we would have to recognize fairly quickly that the Government did very little to ensure that the 1971 policy of multiculturalism was a reality in broadcasting. Our concern now with these amendments, and in consideration of various parts of Clause 3, is to ensure that the Broadcasting Act of 1988-1989, whatever its date may prove to be, is actually more responsive to a policy which is now legislated in a Bill which has been given Royal Assent and is in fact an Act of the current Parliament.

I am not convinced that that is yet the case. There have been some improvements but it does not appear this afternoon, in the first response from the Minister to these several resolutions from her own caucus colleague, that acceptance of one of them will give us enough recognition in broadcasting, enough response in broadcasting, to the multicultural nature of the country. In looking over Clause 3 again in preparation for my speech and I noted, of course, that it suggests under subsection (c) that programming shall be responsive to the multicultural nature of Canadian society. However, the sections dealing with the Canadian Broadcasting Corporation, to which these amendments do not apply, I recognize, have not been changed. There is only that general responsibility laid on the entire system to be responsive that binds the CBC in any way if this Bill becomes law.

There are inadequacies and those are the ones responded to by the Hon. Member for York East, as well as by the Hon. Member for Vancouver—Kingsway (Mr. Waddell), whose motion was not found in order because it attempted to put some pressure behind all of this. But the Member for York East is permissive, in the way these Bills all too often are, in allowing Government not to follow through, to lack the will to refuse to provide the resources so that statements of principle remain only that. Those questions, then, are being left academic for the moment, actually because the Minister does not appear prepared to accept Motion No. 31 which would add a new paragraph, following on very shortly after the sections relating to the CBC, that would add that the programming should reflect the multicultural and multilingual nature of Canada.

This particular motion, even in the weaker form proposed by the Hon. Member for York East, would do a good deal to add to the obligation which is not specifically in the Bill on the Canadian Broadcasting Corporation and would be a useful addition. It is disappointing to have the Minister only accept Motion No. 42 in which some obligation is laid on distribution undertakings that brings us, of course, down to the community cable service. What is the community cable service going to be asked to do now? In particular, it will provide access for underserved linguistic and cultural minority communities. We know perfectly well from our experience in many communities what will happen. Certainly, I know from my experience in Thunder Bay with Maclean-Hunter Cable Television. I expect similar things have happened in Vancouver and Edmonton. I do not know whether they happen in Kingston, but I am sure they happen in Toronto. The fact is that the services are poorly financed. It is a matter of community broadcasting sometimes achieving a reasonably high level, but very often carried on on a shoestring with volunteers doing their best but not producing broadcasting that will attract many viewers.

With all the concern that others have expressed far more than I have about ghettoizing in this area, that seems to me to be a perfect example in a broadcasting Bill of ghettoizing this, leaving it to the desperate volunteers, those who will do it in any community, those who want to produce something but have so little in the way of resources, receiving only as much support as the cable service will provide. That is going to be the provision for the underserved multicultural, multilingual communities of the country, and that from a Government that says fine words about the multicultural Act is really quite shameful. I call on the Minister who recognizes the needs of the country to be responsive to Motion No. 31 as well as to Motion No. 42.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I will intervene very briefly in this debate to deal with Motion Nos. 31 and 72 in particular. I listened with care to my colleague from Edmonton East and to my colleague from Thunder Bay, and I admire the contribution they have made in the field of multiculturalism. I would, however, wish to point out that what we have here in Motion No. 31 is a motion

which would declare Canada to be a country which is multilingual by nature. It may well be desirable to enhance multilingual programming, but to change the nature of Canada by implication through such an amendment is not appropriate. We are a multicultural and bilingual nation.

I would further point out that there is ample avenue provided for multicultural service, not ghettoed, ample avenue provided for multicultural programming in the new alternative programming service which, indeed, will become a stimulus to other broadcasters to recognize further the multicultural nature of our country.

Motion No. 72 would call upon the legislation to insist that one director of the corporation be designated as the advocate for multicultural and ethnic organizations. I would submit that that is inappropriate since, as my colleague from Thunder Bay pointed out, Bill C-93 is now the law of the land. Every Minister of the Crown, every officer of an agency of the Crown, now has a duty to see that that advocacy role is carried out. To single out one individual to do it is inappropriate and demeaning.

• (1810)

I would further suggest, Sir, that a member of such a board who might fit that designation would be offended to think that he or she had his or her role limited to such a function. We do not subscribe to tokenism in this country.

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

Mr. Waddell: Mr. Speaker, I rise on a point of order. I wish some guidance from the Chair. We have Motion No. 31, and I proposed Motion No. 31A which is on page ix of the *Order Paper and Notices*. I am a little concerned about this. If the Hon. Member for York East (Mr. Redway) were to withdraw his motion before there was a vote on it, I gather that would mean that my motion would not be considered at all.

The Acting Speaker (Mr. Paproski): If the Hon. Member would just give the Chair a minute to review the Speaker's notes, I will inform him of that.

The Hon. Member for Vancouver—Kingsway did submit his motion, but it came in late. There was unanimous consent to accept the motion of the Hon. Member for York East which was very similar to the Hon. Member's motion, and that is the reason Motion No. 31A is not being dealt with now.

Mr. Waddell: Mr. Speaker, suppose we now put this on for a vote and the Hon. Member for York East comes into the House next week or whenever this vote is taken and says that he wants to withdraw it. Then we could not vote on it. Is that what would happen?

The Acting Speaker (Mr. Paproski): The Hon. Member for Vancouver—Kingsway knows, because he has been around here for a long time, that he would have to have unanimous consent of the House to withdraw the motion.

Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 31, standing in the name of the Hon. Member for York East.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 114 (11), the recorded division on the motion stands deferred.

The next question is on Motion No. 42, standing in the name of the Hon. Member for York East. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Paproski): I declare the motion carried.

Motion No. 42 (Mr. Redway) agreed to.

The Acting Speaker (Mr. Paproski): The next question is on Motion No. 72 standing in the name of the Hon. Member for York East. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Some Hon. Members: On division.

The Acting Speaker (Mr. Paproski): I declare the motion negatived.

Motion No. 72 (Mr. Redway) negatived.

The Acting Speaker (Mr. Paproski): The next question is on Motion No. 77, standing in the name of the Hon. Member for York East. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Some Hon. Members: On division.

The Acting Speaker (Mr. Paproski): I declare the motion negatived.

Motion No. 77 (Mr. Redway) negatived.

[*Translation*]

The Acting Speaker (Mr. Paproski): It being 6 p.m., this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6.16 p.m.

HOUSE OF COMMONS

Thursday, September 15, 1988

The House met at 11 a.m.

Prayers

[*English*]

BUSINESS OF THE HOUSE

PRIVATE MEMBERS' BUSINESS—BILLS

Mr. Rod Murphy (Churchill): Mr. Speaker, I rise to ask unanimous consent of the House to withdraw Bill C-247 standing in my name. I have consulted with the other Parties on this matter.

Mr. Speaker: Is that agreed?

Some Hon. Members: Agreed.

Order discharged and Bill withdrawn.

PRIVATE MEMBERS' BUSINESS—MOTIONS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I rise to ask unanimous consent of the House to withdraw a motion standing in my name, namely, M-162.

Mr. Speaker: Is that agreed?

Some Hon. Members: Agreed.

Motion (Mr. Caccia) withdrawn.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to Petitions Nos. 332-5290 to 332-5293 inclusive, 332-5300 and 332-5301.

[*Editor's Note: See today's Votes and Proceedings.*]

ENVIRONMENT AND FORESTRY

PRESENTATION OF SECOND REPORT OF STANDING COMMITTEE

Mr. Bob Brisco (Kootenay West): Mr. Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on Environment and Forestry entitled *The Argument for Integrated Forest and Wildlife Management in Canada.* Pursuant to Standing Order 99(2), the committee requests a comprehensive response.

The committee convened a day of stimulating public hearings, bringing together representatives of the wildlife conservation movement, the forestry sector, native groups, the federal Government, and academia, to address the urgent issues of harmonizing the objectives of forestry management and wildlife conservation.

It is the opinion of the committee that the time to take action has come. Goals consistent with sustainable development must be developed in order to achieve a rational use ethic for forest resources that would preserve both forests and wildlife.

The committee also recommends that federal-provincial forest resource development agreements include integrated wildlife and forestry objectives which would ensure achievement of those goals.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

UNEMPLOYMENT INSURANCE ACT, 1971

MEASURE TO AMEND

Hon. Pierre H. Cadieux (for the Minister of Employment and Immigration) moved for leave to introduce Bill C-158, an Act to amend the Unemployment Insurance Act, 1971.

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

Some Hon. Members: Agreed.

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

• (1110)

CANADA ASSISTANCE PLAN

MEASURE TO AMEND

Ms. Margaret Mitchell (Vancouver East) moved for leave to introduce Bill C-326, an Act to amend the Canada Assistance Plan, (provincial costs).

Mr. Speaker: Shall the Hon. Member have leave to introduce the said Bill?

Some Hon. Members: Agreed.

Ms. Mitchell: Mr. Speaker, I am very pleased to be able to speak to this proposed Private Member's Bill. It is on a subject related to the Canada Assistance Plan which has been a concern of groups across the country for some time, and it concerns access to information. The purpose of this Bill is to require the provinces to provide the Minister of National Health and Welfare (Mr. Epp) with a statement of the amounts that they contributed in providing assistance and welfare services. These amounts would then be published in the annual report laid before Parliament pursuant to the Canada Assistance Plan.

It is almost impossible to find out from provinces how much they are spending in total on welfare services which are cost shared with the federal Government. Many advocacy groups, consumer groups, social policy groups, and others have tried to do this. We know that there has been dramatic underspending of the amount that has been allocated. Certainly, the Standing Committee on Health and Welfare and the child care committee have talked about this matter. It means that with the high incidence of poverty low income families, particularly those with children, are not getting the kind of services to which they are entitled under the Canada Assistance Plan.

We would like the provinces to be required to publish what they are spending so that groups can in turn ask for the kinds of services and expenditures to which they are entitled under this Act. Of course those are cost shared by the federal Government.

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

* * *

BANK ACT

MEASURE TO AMEND

Mr. John R. Rodriguez (Nickel Belt) moved for leave to introduce Bill C-327, an Act to amend the Bank Act (fair banking practices).

Mr. Speaker: Shall the Hon. Member have leave to introduce the said Bill?

Some Hon. Members: Agreed.

Mr. Rodriguez: Mr. Speaker, the reason I have introduced this Bill—and the Bill is entitled an Act to ensure consumer protection and financial services—is that the Canadian chartered banks have proven themselves incapable of voluntarily complying with the recommendations of the Standing Committee on Finance and Economic Affairs. The fact that the Government accepted the banks' breast beating that they will voluntarily comply is a sham. My Bill will in fact force the banks, by legislation, to provide basic accounts with no charges for those accounts and no charges for deposits and withdrawals.

More important, this Bill will extend to small businesses across Canada all the protections which the McCrossan Bill had provided to consumers. Moreover, my Bill will also immediately impose a one-year freeze on all service charges and fines from $25,000 to $250,000 for any infractions.

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

* * *

PETITIONS

PROPOSED CANADA CHILD CARE ACT

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, it is my pleasure today to present two petitions, one on behalf of a number of constituents who believe that the Child Care Act proposed by the Government contains neither national objectives nor necessary funding arrangements to ensure that families have access to high quality child care. They believe that the Act is not in the best interest of young children, women, or families in Canada.

Therefore, they are asking the Government of Canada to withdraw the Child Care Act forthwith.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Nelson A. Riis (Kamloops—Shuswap): The second petition is on a different topic. A number of constituents are very concerned that the proposed trade deal between Canada and the United States threatens our country's sovereignty. They actually believe, and I support it, that the Government does not have a mandate even to negotiate this deal with the United States. They also believe that the result will be that it will reduce our country's ability to plan our economic, social and cultural future.

Therefore, they are asking that Parliament now ensure that a national debate takes place on this issue and that this debate results in a national general election.

PROPOSED CANADA CHILD CARE ACT

Mr. Rod Murphy (Churchill): Mr. Speaker, I have the honour to present a petition on child care. It is basically signed by people from Manitoba. I am sure the Minister responsible for the Child Care Act will be interested in what the people from his province say.

They claim that the Canada Child Care Act as proposed by the Government contains neither national objectives nor necessary funding arrangements and will not ensure that families have access to high quality child care. They believe that it is in the best interest of young children, women, and families in Canada for Parliament to withdraw the Canada Child Care Act forthwith.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I have the honour and responsibility to table a petition signed by Canadians in Ottawa, Peterborough, Oshawa, Brantford, Waubaushene, Cookstown, Whitby, and Thunder Bay, Ontario.

These Canadians point out that families throughout Canada need high quality, available, affordable child care services. They further point out that the Child Care Act proposed by the Government of Canada contains neither national objectives nor necessary funding arrangements and will not ensure that families have access to high quality child care.

They further conclude that the proposed Child Care Act is not in the best interest of young children, women, or families in Canada. They call upon Parliament to withdraw the Child Care Act immediately.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I also have a petition on the same subject from citizens who live in Ottawa, Etobicoke, Windsor, and Toronto. They are joining with many other people across Canada to stress that Canada needs high quality, available, affordable child care services, that this has been repeatedly recommended by groups across Canada, and that there should be national objectives and funding mechanisms to develop a comprehensive non-profit child care system which is accessible to all families across Canada.

The petitioners feel that the Child Care Act proposed by the Government contains neither objectives nor necessary funding arrangements to achieve this goal. Therefore they propose and humbly pray and call upon Parliament to withdraw the Child Care Act forthwith.

PROTECTION OF RIGHTS OF THE UNBORN

Mr. Thomas Suluk (Nunatsiaq): Mr. Speaker, it is my privilege and honour to present a petition signed by some 298 residents in the communities of Eskimo Point and Baker Lake in the Northwest Territories, who are extremely concerned with the abortion issue.

The petition of the undersigned residents of Canada, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide remedy, whereas recognizing the infinite value and dignity of the unborn human person regardless of its stage of development or maturity.

The petitioners hope that in your examination of this petition you will find the petition in order and that you will exercise the discretionary powers vested in the office of the Speaker of the House of Commons to allow discussion and referral to a committee at the earliest possible time, in order that the use of abortion be eliminated except in circumstances where the life of the mother is endangered.

* * *

• (1120)

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, as reported (with amendments) from a legislative committee.

Mr. Speaker: There are 40 motions and amendments set down on the Notice Paper in relation to Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof.

[*Translation*]

At this point I am prepared to hand down a preliminary ruling in order to let the debate proceed.

I will try to address the House as soon as possible to hand down a more exhaustive ruling.

[*English*]

Motion No. 3 standing in the name of the Minister of National Health and Welfare is in order. It will be debated and voted upon separately.

[*Translation*]

Motion No. 15, standing in the name of the Hon. Member for Vancouver East (Ms. Mitchell) is in order. It will be debated and voted on separately.

[*English*]

Motion No. 18 standing in the name of the Minister of National Health and Welfare, and Motions Nos. 21 and 22 standing in the name of the Hon. Member for Outremont are in order. They will be grouped for debate but voted upon separately.

[*Translation*]

Motions Nos. 27, 33, 34 and 40, standing in the name of the Minister of National Health and Welfare (Mr. Epp) and Motion No. 38, standing in the name of the Hon. Member for Vancouver East (Ms. Mitchell) are in order. They will be debated and voted on separately.

[*English*]

Consequently, I shall put Motion No. 3 to the House.

Hon. Jake Epp (Minister of National Health and Welfare) moved:

Motion No. 3

That Bill C-144 be amended in Clause 2 be amended in the French version

(a) by striking out line 5 at page 3 and substituting the following therefor:

"services de garde Les services dispensés aux"

(b) by striking out lines 19 and 20 at page 3 and substituting the following therefor:

"services de garde fournis en milieu familial sous l'autorité directe".

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, on a point of order.

Mr. Speaker: The Hon. Member for Ottawa—Vanier (Mr. Gauthier), on a point of order.

Mr. Gauthier: Mr. Speaker, if I am not mistaken, your ruling deals with amendments that have been presented and ruled in order for debate in the House at this time. Are we to assume that all motions not mentioned in your ruling this morning have been ruled out of order? Furtheremore, in your note, you say: I will try to address the House as soon as possible to hand down a more exhaustive ruling. I wonder what that is actually supposed to mean? Do you intend to bring in further rulings on other amendments that were proposed or are we to assume that the amendments ruled in order this morning are those that will be called for debate, while the remaining amendments are not in order?

[*English*]

Mr. Speaker: I thank the Hon. Member for his intervention. In the interests of clarity I would want to make it very clear to the Hon. Member, and to all Members of the House, that I will be returning soon with further comment. That does not mean that motions that have not been mentioned at the moment are necessarily out of order.

What we have been trying to do recently, and Hon. Members will have noticed this, is I have tried to come in and get the debate going on the motions which are easiest, from my point of view, which means that we are doing some serious thinking about the other ones now. I will come in front of the House as soon as I can.

On debate, the Hon. Minister.

Mr. Epp (Provencher): Mr. Speaker, I am going to withhold any remarks regarding the work of the committee at this stage and just directly refer to Motion No. 3.

Members of the committee who are present in the House will recall that there were a number of areas where the French and the English needed clarification in terms of usage of words. Members will find, if I am in order, Mr. Speaker, that the new amendments that we have come forward with, in addition to the amendments that were proposed at the legislative committee, are what I guess we will call euphemistically around here "clean-up motions", that is, to clean up the language between the two official languages.

Motion No. 3 standing in my name is for the purposes of clarification of the French word "soin" to be replaced by "services" in keeping with common usage, and it is the common usage of terms that Motion No. 3 takes care of.

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I agree wholeheartedly with the amendment proposed by the Minister, because it is true that the French text refers to "soins" instead of "services", and since in Quebec, the *Office des services de garde* uses the word "services", it will make it easier all round. I fully support this amendment.

[*English*]

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I also concur of course with this motion and rely on the judgment of my friend, the Hon. Member for Outremont (Mrs. Pépin).

I would like to say, however, that because of the extreme pressure that was put on the legislative committee with only two days to consider these amendments—really only one day to consider the amendments and only two days to hear from witnesses—that it made the work of the committee almost impossible. Certainly, the translations at that time for many of the amendments were not available. That is very unfortunate.

Mr. Rod Murphy (Churchill): Mr. Speaker, I think the Minister has pointed out exactly what the Hon. Member for Vancouver East (Ms. Mitchell) is now alluding to. The fact is that we have never seen a committee of this House forced into

such quick study of such a major item. The Government is promoting its child care legislation. The Opposition and many groups across the country have found fault with that legislation, but those groups were only entitled to two days of hearings in front of a House of Commons committee. That is almost unheard of.

The Government has said that this Bill will cost billions of dollars. This is an election promise that was made in 1984. It took the Government four years—almost four years to the day—to introduce this legislation into the House of Commons. Yet there are people from my riding, people from western Canada, who were not given the opportunity to come before the committee.

I am not surprised that the Government at this stage is still cleaning up its technical amendments because it never gave people a chance to come in front of that committee. It never gave that committee a chance to travel. It never allowed people from the North, from the West, from the East, to come in front of that committee. I think that was completely unfair and is indicative of the way this Government has run roughshod over the people who are concerned about child care—mothers, families, and grandparents. It is indicative of the arrogance of this Government and it is one of the reasons it will not be re-elected.

• (1130)

Motion No. 3 (Mr. Epp, Provencher) agreed to.

The Acting Speaker (Mr. Paproski): Motion No. 15 standing in the name of the Hon. Member for Vancouver East is in order and will be debated and voted on separately.

Ms. Margaret Mitchell (Vancouver East) moved:

Motion No. 15

That Bill C-144 be amended in Clause 3 by adding immediately after line 2 at page 4 the following:

"(3) Upon execution of agreements, amendment to that agreement or renewal of an agreement, a notice shall be published, in relation thereof, in the *Canada Gazette*. These agreements will be available upon request from the Department of National Health and Welfare."

She said: Mr. Speaker, in a way, this motion is very similar to the Private Member's Bill to which I referred earlier. It contains the same principle, the principle of access to information.

It is quite often difficult for organizations, the public at large, and clients of the welfare system to get general information about matters that affect their lives and their tax dollars. In our experience, it has been difficult to obtain regulations of the Canada Health Act and information about the Act. Similarly, it is difficult to obtain information about what the provinces are spending or not spending under the Canada Assistance Plan. We wanted to ensure that there be a way of publishing information relating to child care and that this be compulsory so that the public will have access to this information.

We are proposing therefore that when agreements are made between the federal Government and individual provinces, agreements that will likely be different in each case, or when there are amendments to or renewals of the agreements, something which we would like to see every five years, incidentally, this must be made public. We are suggesting that that information be published in *The Canada Gazette*.

Furthermore, since *The Canada Gazette* would contain only very general references, and many Canadians do not know about *The Canada Gazette*, we feel that these agreements should be public information available upon request from the Department of National Health and Welfare. We believe that this is quite important.

In committee, the Minister did agree to publication of the notice of these agreements and renewal or amendment of the agreements being published in *The Canada Gazette* and that they would be available from the Department of National Health and Welfare. Therefore, we expect that there will be unanimous consent for this amendment.

Hon. Jake Epp (Minister of National Health and Welfare): No, Mr. Speaker, there is not unanimous consent for the amendment. The argument put forward by the Hon. Member in her last comments has already covered this area, and I will tell Hon. Members why in a moment.

I fully agree that the public should have full access to notification of any agreements or any amendments to agreements or any curtailment of agreements. There is no problem with that, and in fact the amendment in legislative committee which was accepted unanimously by all Members does just that.

Second, through gazetting any changes to agreements or any new agreements entered into by the Government or any provinces, as is the case under the Canada Assistance Plan, people are given the opportunity to study the agreements. Quite frankly, there is a logistical problem in terms of publication of all the agreements. There is obviously a cost factor involved as well.

Additionally, there is a problem with the technical form of the amendment. The Department of National Health and Welfare need not be responsible for the distribution of these government documents. As well, the changes in the Standing Orders of the House of Commons must be taken into consideration when dealing with this amendment.

Hon. Members should be reminded of the new Standing Orders of the House, although we are working under interim Standing Orders, but they could of course become permanent. As you well know from your vast experience, Mr. Speaker, things around here that are temporary temporarily become permanent.

Under the Standing Orders, all these reports are immediately the subject and the property of the respective parliamentary committee. Therefore, the debate in the legislative committee

covered all these bases, and it is for those reasons that I would reject this amendment.

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I agree with this resolution. The reasons are quite simple. Most people who appeared before us are very concerned about service quality and about standards. It seems that this law will set a precedent whereby the provinces are given the right to determine their own quality standards. In the Bill, the federal Government still has a say in the number of places and the quality of staff. But nevertheless, given that these services are as important as health care services in Canada, I think the changes should be published. Obviously, the Minister brings in the cost argument. But I do not think that it would cost a fortune and that that argument alone justifies not publishing changes to the new Act. So I support this amendment because I feel it is important and in the public interest for everyone to know what is happening in child care services in Canada.

[*English*]

Mr. Rod Murphy (Churchill): Mr. Speaker, I rise to support the amendment standing in the name of the Hon. Member for Vancouver East (Ms. Mitchell). After hearing the Minister's remarks, I think it is important for us to look at what the amendment actually says. It says that upon execution of these agreements, amendments to the agreements or renewal of the agreements, notices shall be published in relation thereto in *The Canada Gazette* and that these agreements will be available upon request from the Department of National Health and Welfare.

I do not understand why the Government is so afraid of letting people know what agreements it has signed with the provinces. We are talking about child care here, a program which exists for the public. Since the agreements will be gazetted in any event, as the Minister has said, why then is he reluctant to have in legislation a clause indicating that the agreements will be available to the public upon request?

We are not dealing with a massive mail-out. We are saying that those interested Canadians who would like information about the agreements affecting child care in their provinces or territories would be able to phone or write the Department of National Health and Welfare to ask for copies of the agreements. We are talking about the rights of concerned citizens to have access to information.

As I said in my earlier intervention, the Government seems to want to do a big public relations job on child care, but when it came down to letting the people speak before the parliamentary committee, they were denied that opportunity, even though there were requests from people from the Minister's own province in western Canada. Now, after the Government will negotiate agreements with the various provinces, it will not be willing to make copies of the agreements available to the public.

Mr. Epp (Provencher): Not true.

Mr. Murphy: If it is not true, why did the Minister say that he would not put this amendment into legislation? Why would he not say that the public has a right to obtain those agreements from the Department?

• (1140)

Mr. Epp (Provencher): That is not true.

Mr. Murphy: The Minister says it is not true. Perhaps he or someone on his behalf could explain why he opposes this amendment. All it does is guarantee the right of access. However, in his intervention he seemed to indicate that there is a massive problem with it when obviously there is not.

[*Translation*]

Mrs. Monique Tardif (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I too wish to express my disagreement with the motion now before us. I believe that this amendment should be defeated, and I will tell you why. Information on the signed agreements on the amendments will already be in the official *Gazette*—it will be on record. However, it is uncertain whether responsibility for distributing these documents will belong to the Department of National Health and Welfare. So it is already possible to do so. Who will distribute them? It is not certain that it will be the Department of National Health and Welfare. So I think that since the Bill is now before us and notice for obtaining copies has already been in the *Gazette*, there is no need for further changes.

[*English*]

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I am pleased to have a chance to say a few words in response to both the Minister of National Health and Welfare (Mr. Epp) and his Parliamentary Secretary. We have heard on a number of occasions that the Government is concerned about the distribution of these documents.

Mrs. Tardif (Charlesbourg): No.

Mr. Riis: If that is the concern, we ought to submit an amendment to this motion. All we are saying is that since the taxpayers of Canada at either the provincial or federal level are providing the funds for this service, they ought to have access to the documents. I become very suspicious of a Government which says that it does not want to tell the people what it is doing. It does not want to let the people in on the agreement it is signing with the provinces.

What we are saying is that upon execution of agreements between the federal and provincial Governments, or the amendment or renewal of an existing agreement, a notice shall be published in *The Canada Gazette*. Surely there is no problem with that. I cannot imagine that people would be concerned about that, so let us assume we all agree that is either being done or will be done and therefore there should be no hesitation to include it.

Then the motion goes on to say that these agreements will be available upon request to the Department of National Health and Welfare. We are not suggesting that the Department ought to go to a major expense to distribute copies of these technical agreements to people. I suppose you could make a case for that, but it would enable all sorts of groups to become more informed about just what the agreement is between the federal Government and their particular province. However, set that aside and say that it is not necessary. Then all we are saying is that if an agency, organization, advocacy group, individual, or whatever decided to find out more about the nature of the agreement signed between the federal and provincial Governments, those agreements would be available if a request were made of the Minister of National Health and Welfare or his Department. Surely to goodness there ought to be no hesitation over that. Therefore, based on that, I would like to move a subamendment, seconded by the Hon. Member for Windsor—Walkerville (Mr. McCurdy):

That the motion be amended by removing the period after the word "welfare" and adding the words:

"Or some other federal government Department or agency".

The Acting Speaker (Mr. Paproski): I will accept the amendment.

Mr. Riis: Mr. Speaker, the Minister of National Health and Welfare and his Parliamentary Secretary have indicated a concern that their Department may not be the appropriate government Department to provide that information. I think we have to respect that point of view. The Minister's officials have obviously made it clear that that would be the case. Perhaps this amendment, which is essentially a friendly amendment, would indicate that we are not concerned that it be the Department of National Health and Welfare. It could be any appropriate government Department, whatever it might be. Presumably the Minister would be in a position to determine just what that Department would be.

I emphasize again that we are talking about agreements between the federal and provincial Governments involving substantial amounts of taxpayers' money. Surely to goodness the people who are footing the Bill for these agreements and the services they provide ought to have the right to find out the details of the agreements. It is not impossible to get those agreements now. All we are saying is: let us facilitate and encourage this openness. Let us not hide or cover up. Quite frankly, let us facilitate getting this information into the hands of interested individuals or organizations.

I think the amendment provides flexibility and a variety of options from which the Minister may choose. Therefore, I think it not only meets our concern as reflected in the motion, but in a sense it also meets the concerns that the Minister brought to our attention with respect to his Department.

Mr. Epp (Provencher): Mr. Speaker, I think we are making some progress. I would like to ask the indulgence of the House because I could see the latter part of the amendment moved by the Hon. Member for Vancouver East (Ms. Mitchell) as acceptable. My problem is, and possibly the House can come to some agreement, if Members look at subclause (3) at the top of page 4 of the amended Bill, the Government moved an amendment which was unanimously accepted. By my reading of that amended version of the Bill, it calls for the same thing as the first sentence of the motion of the Hon. Member. I will come to the second sentence in a minute.

• (1150)

It appears to me that the first sentence of the amendment moved by the Hon. Member is virtually the same as the amended version of the Bill, namely, that notice of the agreements in various forms must be gazetted, to which the committee and the Government agreed.

The second sentence of the amendment to the amendment by the NDP House Leader, namely that it could be done by the Department of Health or some other Department, takes care of the problem I have in terms of deliverability of the agreements if requested. I fully appreciate the need for publication. That is why we had the amendment in the first place.

Possibly I could get a ruling from the Table. I can accept the second part. If we accept the first part are we in fact not accepting again what we have already amended? That is my problem. Perhaps we can handle that. We must have some solution.

The Acting Speaker (Mr. Paproski): I think we should just vote on each one. I think that would resolve the problem.

Mr. Epp (Provencher): With respect, I do not think that solves the problem. Maybe I was not clear. The amended version of the Bill and the first sentence of the amendment of the Member is, I believe, the same thing, word for word virtually. It is the second sentence which I think is at issue. I am willing to accept the second sentence as amended by the Hon. Member for Kamloops—Shuswap (Mr. Riis). I just do not know, in a technical sense, how I can accept an amendment that has already been accepted and written in the Bill. If somebody at the table can help me with that, I think we can have a solution.

The Acting Speaker (Mr. Paproski): We can dispose of the amendment, continue to debate, and then look at it from then on with further amendment if possible.

Ms. Mitchell: Mr. Speaker, we certainly would have no objection to the procedure the Minister is suggesting which would be to amend his amendment which I originally presented in committee and to which he agreed, as I recall, to have this information on child care agreements between the federal Government and the provinces published in *The Canada Gazette*. Our concern was that it should be made available. It is not enough just to have notification in *The Canada Gazette*. We would be agreeable to his suggestion to amend Clause 3 by adding "or some other federal department or agency".

I would just like to say, though, that I do not quite understand the Minister's logic. I recall that in committee he said the agreements would be available upon request from Health and Welfare, and there seemed to be no problem with that at the time. I do not understand why he suddenly found a problem. It seems to me that this is a function of that Department.

However, since he raised the issue we are willing to make it broader. If there is another information service which is more appropriate in another Department, we would agree. However, we do think it is very important that this information be available to groups that want to find out what is happening to their tax dollars.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker I am following this very interesting debate. Indeed it becomes academic because the Minister is completely right that in the amended version of the Bill distributed by the House dated September 10, 1988, page 4, subparagraph 3 of Clause 3 is indeed word for word what is in the amendment before us today, except that the second sentence does say, and supposedly admits, that *the Canada Gazette* is not the best read publication in this country. Why they would say that, I do not know, but it may be a fact of life that *The Canada Gazette* is not read by very many people.

Therefore, a notice will be put in *The Canada Gazette* telling those Canadians who are interested in what is going on that indeed there has been an agreement reached between the federal Government and the provinces, and that if they want a copy of the agreement they can call upon National Health and Welfare for such a copy. I take it that is what the Minister is telling us.

The Acting Speaker (Mr. Paproski): I might be able to find a solution to this. I think the best thing for us to do at this stage is to stand Motion No. 15, draw up the proper amendment and bring it back to the House so that we can have a proper debate on it. I think that would resolve this problem and we can carry on with debate in the House.

Mr. Murphy: Mr. Speaker, I think your advice is sound but I do not know if it is necessary. I think there is an agreement already that we would just take out the first sentence, because it is already in the amended Bill, and attach the second sentence as amended by the Hon. Member for Kamloops—Shuswap (Mr. Riis). I think that is agreed to by all three Parties.

Mr. Epp (Provencher): Mr. Speaker, from the Government's point of view, I am asking for the first sentence to be withdrawn because it is already in the Bill. I want to make the point that the Government was going to make the information available because I cannot leave that on the record. If the second sentence as amended is accepted by unanimous consent the Government is willing to accept it.

The Acting Speaker (Mr. Paproski): I know you have all agreed to it. I would like to get a properly worded copy of it. As soon as I get that copy I will put the motion.

Motion No. 15 (Ms. Mitchell) stood.

The Acting Speaker (Mr. Paproski): Therefore, in order to carry on properly, I will go to Motion No. 18 standing in the name of the Minister of National Health and Welfare.

Motions Nos. 21 and 22 standing in the name of the Hon. Member for Outremont are in order and will be grouped for debate but voted on separately.

Hon. Jake Epp (Minister of National Health and Welfare) moved:

Motion No. 18

That Bill C-144 be amended in Clause 4 by striking out lines 11 to 15 at page 4 and substituting the following therefor:

"(b) stipulate that in respect of contributions under this Act, the province commits itself to according special priority to meeting the needs of children from low and modest income families;".

Mrs. Lucie Pépin (Outrement) moved:

Motion No. 21

That Bill C-144 be amended in Clause 4 by adding immediately after line 38 at page 4 the following:

"(h) indicate the means by which the province will encourage the development of childcare spaces in the workplace;".

Motion No. 22

That Bill C-144 be amended in Clause 4 by adding immediately after line 38 at page 4 the following:

"(h) indicate the means by which the province will encourage the development of childcare spaces in after school setting to meet the needs of children between the ages of 6 and 13;".

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, referring to Clause 4(1)(b), Members of the House will note that an amendment was moved and adopted in the committee respecting targeting of the program. I simply read from the Bill as follows: "with special priority to meet the needs of children from low and modest-income families". Motion No. 18, moved by the Government, is one of the clean-up motions in order to correct the grammar in both official languages. That is the reason we are moving it.

• (1200)

You are asking me, as well, to comment on motions relating to subclauses 4(1)(c) and 4(1)(d). I take it that this will be dealt with later according to your grouping. Therefore I will keep my remarks restricted to Motion No. 18.

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, of course I support the recommendation or rather the amendment moved by the Minister of National Health and Welfare (Mr. Epp), since it concerns the amendment we or rather I presented in the legislative committee, to the effect that children from low and middle-income families be targeted by the provinces when

spaces are allocated, because the Bill as drafted did not set any priorities or do anything special for these children.

We know that many children in Canada come from low and middle-income families, and we also know that many if not most of these children are from low-income families with little education, and so if the children have access to day-care, they will be motivated, they won't grow up to be school dropouts and they will become outstanding citizens.

We also know there is a very high proportion of single-parent families headed by women and that most of these families are living under the poverty line and that it was important to have a special place for these children.

We also know that many people, many women look for part-time work because they need that second salary, so they also need subsidies if they are to be able to afford day-care.

I think it is also very important to oblige the provinces to make these families a priority. We also had a number of groups testifying before the Committee that expressed their concern about the fact that the CAP program which focused on children from low-income families had been withdrawn. Since the program will no longer exist, the legislation must indicate that we are to provide spaces for these children.

Mr. Speaker, the trouble with a bill as important as this one is that we run the risk of creating two classes of citizens, which is what happened, quite by accident to senior citizens.

For instance, senior citizens who have an income can afford senior citizens' homes that are quite comfortable, unlike senior citizens on meager incomes who often find themselves in situations that are intolerable for someone of their age and in their condition.

I support this recommendation which was initially proposed by Liberal Members.

[*English*]

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, we will not oppose this amendment. However, let me state very clearly that it is not nearly strong enough. We heard from witnesses in the committee over and over again that there was not enough funding in this Bill to meet all the needs for child care in Canada. There is not nearly enough now or in the future.

When this program is grandfathered in seven years there will not be any flexibility to continue to increase the number of spaces. The provision of 200,000 spaces over seven years is fewer than would have been created if we retained the Canada Assistance Plan.

The Canada Assistance Plan deals primarily with children with special needs, low income children, and those families likely to be in need. It is much more comprehensive than this legislation as far as low income families are concerned. Furthermore, it is not capped at the end of seven years. The amount of money that can be spent is not capped.

Let me point out to the House and particularly to the Minister that when this program goes to the provinces it is quite possible that there will not be enough money to meet all the demands. For example, one province has been giving grants for commercial child care centres. It will want a refund of 50 per cent of the money it has been putting into those kinds of subsidies. It will be difficult for the province to target low income groups, and it has not been doing enough for low income groups now because it has mostly commercial child care. The number of poor children that would be eligible for a child care program in this particular province would be very limited.

A number of groups almost pleaded with us to retain the Canada Assistance Plan until such time as the fees in regular day care are reduced. According to the Government's program it will be a long time before enough money is injected into child care to reduce the fees and make it affordable.

Ideally, we would like to see comprehensive child care that is available regardless of income. It is very important that we remove the welfare stigma from child care and that it be made available to any family that needs and wants to use it. We hope it will be good quality, non-profit child care because studies show that that is the best kind of child care.

If the Canada Assistance Plan which now protects low income families is removed, regardless of whether the provincial Governments have good intentions, there will simply not be enough money in this program to guarantee that low income families will be protected.

We believe the Canada Assistance Plan should be retained and the new program phased in. It should cost more because there should be more money to meet greater needs, but it could be budgeted under the same amount of money.

We wanted to propose amendments that would have allowed greater flexibility in meeting the needs of low income families. We will not object to this motion, but we do not believe it is strong enough or that it protects low income families, families in need, as well as disabled children.

[*Translation*]

Mrs. Monique Tardif (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I would like to express my disagreement with Motions 21 and 22 now under consideration.

Motion 21 seeks to add a qualification:

> "(h) indicate the means by which the province will encourage the development of childcare spaces in the workplace;".

Motion 22 would also add a qualification:

> "(h) indicate the means by which the province will encourage the development of childcare spaces in after school setting to meet the needs of children between the ages of 6 and 13;".

Mr. Speaker, both of these motions are contrary to the principle that the provinces set their own priorities. We all know that child care is under provincial jurisdiction. We also

know that it is extremely important to respect their jurisdiction.

As for setting the priorities for child care development, I think that is up to each province, depending on its state of development.

Mr. Speaker, I would also like to remind my colleague who just completed her presentation that the FTQ (Quebec Federation of Labour) submitted a brief to the Legislative Committee recommending that standards not be important (in the Bill), since they come under provincial jurisdiction. This is an extremely sensitive and important subject, Mr. Speaker, and that is why I oppose Motions 21 and 22.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to speak to motions numbered 21 and 22, and I wish to inform the Parliamentary Secretary that I think her negative comments on these proposals are unfortunate.

In fact, I will have trouble saying everything I want to say within the ten minutes I am allowed. However, I will assume that people understand we are talking about two quite different things here. First, we have day-care in the work place, which I think is an interesting proposal and should be part of a general policy encouraging employers to provide day-care for children in the work place.

The other amendment, No. 22, deals with the child between the ages of 6 and 13 who goes to elementary school, whose parents work and who should have access to day-care after school so his parents can be sure their child is in a safe environment, busy with his studies.

The Parliamentary Secretary said earlier that it was up to the provinces to set their priorities for day-care, and I agree that constitutionally, and both education and day-care are involved, this is strictly provincial jurisdiction. However, the Bill seems to make the problem more complex by saying that if a province provides day-care, it is excluded. At least that is what it says in the interpretation we have of Bill C-144.

• (1210)

[*English*]

I would like to get back to that because it is the definition section which excludes child care services related wholly or partially to education. If the Minister tells me that this interpretation of Bill C-144 does not exclude child care services related wholly or partially to education, then of course my argument is going to be quite different. But my understanding up to now is that, indeed, Bill C-144 excludes wholly or partially related day care associated with education.

Mr. Epp (Provencher): The last part, yes.

Mr. Gauthier: The Minister is indicating the last part in education, which I guess is the point I am trying to make.

Mr. Epp (Provencher): It's the sticker.

Mr. Gauthier: It is the sticker, as he said. I spent 11 years on school boards in my previous incarnation as a public servant. I know for a fact that we established lighthouse programs in New Edinburgh, for example, and that at other schools programs were offered to parents to look after their children after the normal day school session was over, so we made sure that the kids were looked after and their educational process was pursued. If the Minister is telling me that a province is not able to draw from Bill C-144 the proper support to fund these programs on school sites in the educational system at the time, with the people, then I am right, there is an exclusion here in this Bill which does not allow for that.

I find that regrettable but the Minister will address that point and perhaps he can convince me that I am wrong.

[*Translation*]

My first point was day-care in the work place. Mr. Speaker, I have a number of statistics and a survey made in my riding that I would like to share with Hon. Members.

As you know, Ottawa—Vanier is a National Capital riding which depends a lot on the federal Government because it happens to be the major employer. Now then, if the employer—the federal Government—wants to set an example, as we do here in the House of Commons, for instance, where we have excellent and first class day care facilities for our staff, the federal Government being the employer has to provide day care centres for its employees.

In a poll I conducted recently most respondents—59 per cent—agreed that the employer should set up day care facilities at the workplace. That seems quite reasonable to me.

[*English*]

The facts are that the first experiment with child care in the workplace in Ontario was in 1970. The experiment failed mainly because it was full of red tape and it was very hard to operate and difficult to maintain. I think that a good program can be established, the costs to be shared by the employee and employer. I think we should have some consideration for those workers who are on night shift, for example, and it does happen in the Ottawa—Vanier area that people do have night shift employment and they would require some child care during the day or after school. I think there is a good point being made by my constituents when they bring that to my attention. I would like to say that in the riding of Ottawa-Vanier, the most recent statistics I have based on the 1986 census . . .

[*Translation*]

. . . indicate that there are 19,265 families in my riding, including 8,180 with children at home. There are 3,635 single-parent families, mostly women who have children and work to earn a living. The total number of children at home is 18,500, including 4,325 aged 6 or under. Mr. Speaker, they are the ones who need day care, and perhaps I should conclude my remarks on that note.

It is imperative that we come up with a new approach in connection with day care services. Let us think in terms of a comprehensive overall plan and programs related to the issue of employment equity. The parliamentary task force which reviewed parental leave did emphasize the importance of the issue. The Government claims it is offering a variety of options to parents, but in fact there are only two: a tax deduction which can best be described as regressive, and a very small tax credit of $200. As far as we are concerned, Mr. Speaker, several alternatives should be offered by day care services, including guaranteed day care facilities at the workplace. I will not belabour the point because I have no time, but I sincerely believe we need a good day care program, at least an option with respect to day care facilities at work.

Mr. Speaker, this is particularly important if, as I said earlier, a comprehensive program is put into place. The Liberal Party would allow a 100 per cent tax write-off on employer-sponsored programs as an incentive to set up child care facilities on the job. Mr. Speaker, we said so and we will do so because I am convinced that Canadians fully appreciate that it is fair, equitable and urgent to have reliable child care services at work.

• (1220)

[*English*]

Mr. Epp (Provencher): Mr. Speaker, I have spoken on this grouping before, therefore I do not believe I am entitled to speak on it again. I can answer the question of the Hon. Member.

The Acting Speaker (Mr. Paproski): Does the Minister have unanimous consent?

Some Hon. Members: Agreed.

Mr. Epp (Provencher): Thank you, Mr. Speaker, and I thank Members. With regard to child care based in schools, the Hon. Member puts forward a long-standing position or discussion point that has been going on in various provinces and school authorities. I do not have any school board experience. The Hon. Member has 11 years experience on a school board, and I have 11 years experience in teaching, so perhaps there is some comparison.

Mr. Gauthier: Good employee-employer relations.

Mr. Epp (Provencher): We always had good employee-employer relations. Until I left there was neither conciliation nor arbitration, so I have some pride in that type of relationship.

The Hon. Member put forward two caveats with respect to the Bill, and I wish to address them. One is acceptable, and the other is not. That is why there needs to be some explanation. In respect to the location of the provision of service, school based, there is not a problem, particularly if one goes to the Province of Quebec.

Mr. Gauthier: Thirty thousand spaces.

Mr. Epp (Provencher): Exactly, and we want to preserve those spaces. In our negotiations with Québec we believe that the Bill covers that authority. Also from my discussions with the Québec Minister, I believe that that is understood. There is a difficulty, and I am going to get technical, just as the Hon. Member had to. He is well aware of Section 93 of the Constitution.

Education was not only considered as a very specific provincial right in constitutional form, it received a special constitutional clause. Canada has a long history, and we do not have to regale ourselves with our knowledge of that clause. If it is a service provided by a school authority, to wit, a school board as the Hon. Member was a member of, then the Bill is exclusionary. Therefore, it depends on which is the social service provider of the child care service. That becomes the critical point in the ability of the federal Government to flow money. I believe we have worked out an arrangement, not only with Quebec, but also with other provinces. I have no authority to extend the Bill into the service provider beyond the social services. That is where our disagreement would in fact come.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I am pleased that the Minister of National Health and Welfare (Mr. Epp) clarified that last point. It is something that we have been encouraging for some time, that different organizations have the ability to provide services, particularly those that are non-profit services. I want to comment on all three motions that are grouped for debate, Motion Nos. 18, 21, and 22.

In terms of targeting funds to provide an effort to meet the needs of children from low and modest income families, what has been so painfully clear by listening to the witnesses is that this will not accomplish that. The needs in our society are so great when it comes to meeting the needs of child care across the country that this approach will fall short.

I will not read it into the record, but I have a long list of all the organizations whose representatives appeared as witnesses at the committee. Every single one opposed the Bill. In the history of Parliament it is rather unique that every witness who appeared before the committee stated that the Government was wrong, that it should stop and not proceed. We are proceeding. I do not know why we go through this charade, if we are not going to listen to those who are expert in the field. That is why we welcome them in as witnesses to the committee hearings, in order that they can provide expert advice. When every expert in the country states that this is wrong, we should keep that in mind. However, I realize that this is not the time to do so, so I will set it aside for the moment and return to it later.

The Minister indicates that we want to provide child care for low and modest income families. Of course we do, Mr. Speaker, but this Bill will not accomplish it. It might make a dent into it, but it will not accomplish that.

I wish to move to the motion before us which indicates that we want to "encourage the development of childcare spaces in the workplace". I get a little frustrated with the word "encourage". I think it is time that we become a little tougher, and say that we are beyond the encourage, urging, and talking into type of approach. As a federal Parliament of Canada we should be saying that it is time that we start providing child care spaces in the workplace. The place to start is right here in the jurisdiction of the federal Government. When facilities are built across the country, the first thing that the architect should be encouraged to do is build in the appropriate child care facility in the new building.

A case in point would be the federal building in Edmonton. As you well know, Mr. Speaker, since it is your home town, this huge federal building in downtown Edmonton has hundreds of rooms, seminar rooms, office rooms, and bureaucrats by the dozens, but they forgot to build a child care space.

I feel quite honoured and proud to be speaking on behalf of the New Democratic Party. Our spokesperson on this issue, the Hon. Member for Vancouver East (Ms. Mitchell), stood up in the House in 1979, days after she was elected, and stated that we should be leading the way on Parliament Hill for all employees. There should be a first-class day care facility. Led by the initiative of the Hon. Member for Vancouver East and others, there is now a first-class child care facility on Parliament Hill. I congratulate not only the Hon. Member for Vancouver East but others who encouraged it and saw it through to fruition.

Much more should be done than this symbolic gesture. There should be child care facilities in all federal public buildings, as an example, and then we can go to the private sector and say: "When you build a new plant or a huge office complex, for goodness' sake have appropriate child care facilities constructed as part of the building plan". This will encourage the provinces to develop child care spaces in the workplace.

I suppose we have to say that this is a minute step in the right direction to encourage the provincial Governments. As a Member of Parliament from British Columbia, thinking that we have to talk Premier Vander Zalm into creating child care spaces, I do not hold out much hope, I am afraid. I hate to say it, but it is almost a hopeless case. Hopefully in other provinces where there are more progressive premiers and more progressive provincial Governments—although there are not many—we will be able to move in the right direction.

I wish to focus my comments on Motion No. 22. The Hon. Member for Outremont (Mrs. Pépin) is indicating that we again want to "encourage the development of childcare spaces in after school setting to meet the needs of children between the ages of 6 and 13". Again, the word "encourage" I believe is a little light, but at least we are encouraging. My concern here focuses on two or three items. We recognize the very acute need for providing child care services for latchkey children. Some children leave school at 2.30 p.m. to 3.30 p.m. and unfortunately, because their parents are working and do not come home until 5.30 p.m. or 6 p.m., there is a period of time when they must go home and be on their own. We want to take immediate steps to ensure that proper facilities are available for those children who have to go to empty homes with no parents during those critical hours. What is left out of this is infant care for young people under the age of three, the toddlers. In many instances there is a very acute need in terms of appropriate child care, to say nothing of summer child care.

We will support those three amendments, because they do move us in areas that we want to move. However, they do fall short and there is still an awful lot more to do. We are pleased with the gains that we see here, but again it is time that we got beyond encouraging the development of child care spaces, or encouraging the development of child care spaces in the workplace, and got on with actually doing it, providing the funds, and creating those spaces. The first place to start, and I urge the Minister of National Health and Welfare, would be in federal buildings across the country so that every major federal building would have child care facilities put in place to show the leadership that this legislation ought to have shown.

• (1230)

The Acting Speaker (Mr. Paproski): I would like to comment on the Hon. Member's speech. I appreciate him commenting on the fact that we do have a very nice federal building in our area, but I wish that he would not get the Chair into an argument about whether I would want to have child care spaces in that particular area. He knows my feeling about something like that. I do not want to get into an argument.

The Chair cannot get into an argument or debate with regard to whether we should or should not have child care spaces in that wonderful building in Edmonton. The Hon. Member knows that I would want it if I had an opportunity to debate. The Hon. Member for Outremont.

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I rise to support motions Nos. 21 and 22. The first one deals with the development of child care spaces in the workplace. We know that a much more comprehensive plan should have been presented along with Bill C-144 which we have before us, that the bill should have been linked to an employment equity program, to parental leave and child care services in the workplace. The Minister has been saying ever since he introduced the bill that it would give parents a choice. Parents cannot opt for child care in the workplace, because no such option exists in the legislation.

Forty five per cent of couples with children would be under the poverty level if both parents did not work. Therefore they need child care. If there were child care services in the workplace, I think, first of all, that—as several studies have shown—absenteeism would be considerably reduced and also that both parents would have equal opportunity in terms of taking the children to a centre.

We know that in some provinces,—and without naming any, I am thinking for instance of the Atlantic region—is highly seasonal, particularly in fishing. Both parents work so many months, mostly in summer, at which time the children are left to themselves. We were even told in committee that children ten or twelve years old take care of their brothers and sisters because there are no child care services and a sitter at home is to expensive. I think child care services in the workplace would solve this problem.

As my colleague the Hon. Member for Ottawa—Vanier (Mr. Gauthier) indicated earlier, our party suggests that businessmen should be encouraged to set up daycare facilities in the workplace through tax rebates. One of my NPD friends was right when he said that the federal Government should definitely set the tone. Actually, an employee who had a baby last May called me to say: Listen, I cannot afford to pay $7,000 a year for daycare services and I cannot get a space as an employee in the daycare facilities we have here. I suggest therefore that the federal Governement should set up daycare facilities first in all the buildings on Parliament Hill, and then in all the federal buildings throughout Canada. I think this is a good suggestion that the government should consider implementing.

I should like to deal also with Motion 22 which I feel is one of the most important ones because it seeks to develop childcare spaces in after school setting to meet the needs of children between the ages of 6 and 14. Two weeks ago, the Prime Minister rose in the House to deal with daycare services. He insisted on the need to create programs to fight drug abuse and to protect our teenagers. One of the most effective preventive measures would be to develop after school settings to meet the needs of children between the ages of 6 and 14.

Mr. Speaker, we know that 57 per cent of all children throughout Canada are left by themselves. As recently as last week, some witnesses stated that they had received 12,000 phone calls for the city of Toronto alone. They call them "warn calls" for they have open lines which children who are by themselves can call to be reassured. There were even teachers who came to say: We teach our children how to lie. We teach them how to answer the phone when they are by themselves at home, because we know that there are grown-ups who get their kicks out of abusing these children, especially when they know that they are alone at home. They complained that they had to teach children to lie as a mean to protect them.

On the other hand, we know that we have to pay $44,000 a year to take care of each and everyone of our young offenders. By developing childcare spaces in after school settings, we might save a lot of money and make solid and long term investments in the future. I heard the Minister refer earlier to such services as social services.

Child care is not just a social service. Child care should be considered part of education. And that is why we are very concerned when we see the clause that services in any way connected with education will not be covered, because services provided to children of 6 to 14 cannot be considered social services. I think it is as important as education.

We know what percentage of teenagers commit suicide. I think that very often, if we dig a little deeper, if we do some research, we see that at some point, these children felt that there was no one to look after them—nobody cares!

And I think that it would be a good foundation for them and it would definitely show vision for Canada if the Government took care of our children and provided them with what they need so that later, they can do what is asked of them. We know that we have problems with our adolescents and youth. Many are homeless. But if we do some research into this, we find that these young people tell us that nobody cares. No one wanted to look after them! But if we did this as a society and not as a social service, I think that we would have a goal and later on, good citizens.

[*English*]

I would like to say that it might also help to remedy the perception of every child care group and parent in this country that the Government is just giving away the candy store with this Bill.

[*Translation*]

It is very important that something be done for children and in Quebec, let me emphasize this for the Minister, they are very concerned with this amendment whereby amounts intended mainly for educational services will be withdrawn, because we have 30,000 spaces for these children, and although we are told the Bill meets this demand, the Government of Quebec is very worried now that it will not have the money available.

So I urge the Minister to accept this amendment and also the amendment concerning childcare in the workplace. I think that if we want to have children and want to help the family, this is a most import piece of legislation and we must provide support services such as the two that we just mentioned.

[*English*]

Ms. Mitchell: On a point of order, Mr. Speaker, I wonder if I could ask the indulgence of Members of the House to allow me to speak briefly.

When I spoke earlier, it was my understanding that you were calling for debate on Motion No. 18. At that time I did not realize that you were including Motion Nos. 21 and 22. If Members are agreeable, I would appreciate saying a few words on those two motions.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Paproski): The Hon. Member for Vancouver East.

Ms. Mitchell: Thank you very much. I do appreciate it. Regarding Motion No. 21 which calls for amendments to the Act to ask the province to indicate the means by which it will encourage the development of child care spaces in the workplace, as my hon. colleague from Kamloops—Shuswap said earlier, we believe that because of the nature of this Act, with the very limited funding, it is necessary to be more specific about the kinds of child care that are available.

Later, Mr. Speaker, you will hopefully hear our amendment about objectives, where we talk about a child care program that must be comprehensive. To be comprehensive, that means that working parents who have children under three years old, infants and toddlers, should have good quality, licenced care available. Similarly, if the children are over five, in kindergarten and in elementary school, they also should have child care available. As it is now there is not really enough child care for three-year olds to five-year olds, although it seems to be a little more available with limited hours. We feel that to work for a comprehensive child care program we must have a wider range of ages included. I am referring here specifically to Motion No. 22.

• (1240)

I have asked my colleague to consider an amendment to the motion which would include infant care and toddler care as well. I agree with the Hon. Member for Outremont that there is great concern not so much with the wording but with the method of funding, which is very limited, as is the number of new subsidized spaces to be created. We think that many provinces will use the available funds only to subsidize what they already have in place. If that is done then there would be little flexibility to create the new types of services which are very much needed. It is a good idea to make this specific in the Bill.

Returning to Motion No. 21, I would like to say again that we in this Party have always supported workplace child care. We feel that any child care program should adapt to the sites where it is necessary for parents to have care as part of being accessible to their workplace. I recall that when the special committee on child care held hearings there were workers from Nova Scotia, I believe, who appeared before the committee. They were workers in fish plants. During the very brief season when husbands often went out in the fish boats, the mother and all other adult members of the family were working in the fish plants. They were working night and day and there really was not very much in the way of space at all. We need flexibility in hours, but we also need accessibility to the work site. I am not sure that a fish plant is an ideal place for a child care centre anyway. However, there are many other places where this would be very suited, particularly in federal buildings.

We also support Motion No. 21. As you will see later, Mr. Speaker, we have referred to these matters in our over-all objectives when we considered comprehensive child care. The Minister should have written objectives in. Even if provinces cannot afford to do everything all at once, at least we should have the goal of comprehensive child care.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise to support the suggestions proposed by my colleague, the Hon. Member for Vancouver East (Ms. Mitchell). Any of us who live in and represent urban constituencies have some idea of the tremendous increase in the number of married women, with very young children, who are working. To a larger extent they are working because in this day and age, particularly in cities such as Toronto, Ottawa, Vancouver, and to a lesser extent in my City of Winnipeg, it is necessary for both husband and wife to work if they are to be able to meet their monthly mortgage payments. Thus mothers with quite young children of a year old and sometimes even less than a year old are finding it necessary to work. They need a system of child care which will assure them that their very young children are able to be placed in a child care facility which will give them the kind of care they need.

Therefore I move the following amendment:

That Bill C-144 be amended in Clause 4 by adding immediately after line 38 at page 4:

"indicate the means by which the provinces will encourage the development of child care spaces to meet the needs of infants and toddlers under three years of age".

The Acting Speaker (Mr. Paproski): We have just looked at the motion. It is not in the proper form. I would appreciate having more time in order for the Table to consult with the Hon. Member so that it can be put in the proper form.

Mr. Murphy: Mr. Speaker, that is agreeable to us. I wonder if, while Your Honour is considering that, the House could move back to Motion No. 15 at this time in order to clarify it.

The Acting Speaker (Mr. Paproski): It is agreed that this grouping will stand and we will go back to Motion No. 15.

Motions Nos. 18, 21 and 22 stood.

Mr. Rod Murphy (Churchill): Mr. Speaker, as you know, earlier we tried to present Motion No. 15 and a subamendment to it. I would now ask the permission of the House to withdraw Motion No. 15 standing in the name of the Hon. Member for Vancouver East (Ms. Mitchell) and the subamendment standing in the name of the Hon. Member for Kamloops—Shuswap (Mr. Riis) and replacing it with a new motion, seconded by the Hon. Member for Vancouver East:

Motion No. 15

That Bill C-144 be amended in Clause 3 by adding immediately after line 6 at page 4 the following:

"The agreements will be available upon request from the Department of National Health and Welfare or some other federal government department or agency."

The Acting Speaker (Mr. Paproski): Motion No. 15 has been withdrawn, by unanimous consent.

Motion No. 15 (Ms. Mitchell) withdrawn.

The Acting Speaker (Mr. Paproski): Shall the motion moved in its place carry?

Some Hon. Members: Agreed.

Hon. Jake Epp (Minister of National Health and Welfare): It is acceptable to the Government.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I am glad that we could find a reasonable solution to the problem. Indeed, we will support this amendment.

Mr. Murphy: I think you would find, Mr. Speaker, that the New Democratic Party will support its own amendment.

The Acting Speaker (Mr. Paproski): Then, the motion is agreed to.

Motion No. 15 (Mr. Murphy) agreed to.

Mr. Orlikow: Mr. Speaker, in the few moments left to me I wish to deal with another aspect of the problem which I do not think—

• (1250)

Mr. Epp (Provencher): Mr. Speaker, I thought that the ruling of the Chair was that this grouping would stand and we would move to another grouping.

The Acting Speaker (Mr. Paproski): That is fine. Then shall we call it one o'clock?

Mr. Epp (Provencher): No.

The Acting Speaker (Mr. Paproski): We will move to the next grouping. The next grouping will be Motions Nos. 27, 33, 34, and 40 standing in the name of the Minister of National Health and Welfare, and Motion No. 38 standing in the name of the Hon. Member for Vancouver East. These are all in order. They will be debated and voted upon separately.

Mr. Gauthier: Mr. Speaker, I rise on a point of order. For clarification purposes, I have a copy of your ruling, and I take it that contrary to what is usually done, Motion Nos. 27, 33, 34, 40, and 38 will not be grouped for debate but will be debated individually and separately and put to the House separately also. You are calling Motion No. 27 right now, are you?

The Acting Speaker (Mr. Paproski): That is exactly right. I agree with the Hon. Member. They will be debated and voted upon separately.

Hon. Jake Epp (Minister of National Health and Welfare) moved:

Motion No. 27

That Bill C-144 be amended in Clause 5 in the French version

(a) by striking out lines 37 to 39 at page 7 and substituting the following therefor:

"coût des services de garde comprend l'indemnité de dépréciation des immobilisations prévue par règlement et établie en"

(b) by striking out lines 44 and 45 at page 7 and substituting the following therefor:

"et (2), le ministre procède, de la manière réglementaire, à l'estimation des dépenses".

He said: Mr. Speaker, again, the explanation for Motion No. 27 is to clean up the language in both official languages.

[*Translation*]

Mrs. Lucie Pépin (Outremont): Of course I support this amendment, Mr. Speaker, because we did find a number of translation problems, and since it went on so fast . . . French-speaking witnesses were particularly concerned as they wondered to what extent they had missed some of the subtleties of the legislation.

So I endorse all amendments designed to correct the French version or make it more precise.

[*English*]

Motion No. 27 (Mr. Epp, Provencher) agreed to.

Hon. Jake Epp (Minister of National Health and Welfare) moved:

Motion No. 33

That Bill C-144 be amended in Clause 8 in the French version

(a) by striking out line 10 at page 10 and substituting the following therefor:

"la façon de déterminer, d'une part, dans quelle mesure"

(b) by striking out lines 13 and 14 at page 10 and substituting the following therefor:

"et, d'autre part, l'annéé où le coût est réputé avoir été entraîné;"

(c) by striking out lines 32 and 33 at page 10 and substituting the following therefor:

"préciser ses conditions d'attribution;"

He said: Mr. Speaker, the explanation for the previous motion applies to this one as well.

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I support the motion for the same reasons. The Government proceeded with undue haste and the French was faulty.

Therefore I agree that the legislation be amended so the the French will be correct and precise.

[*English*]

Hon. Jean-Robert Gauthier (Ottawa—Vanier): Can I just seek some information from the Minister. I just wanted to know, there seem to be several amendments that make some amendments to the French text. Can the Minister tell me if the drafting of this Bill was done in parallel or if it was a translation problem that occurred when Bill C-144 was drafted?

Mr. Epp (Provencher): Mr. Speaker, I apologize to the Hon. Member. I cannot answer that, but I know what he is referring to, and it is my understanding that in the drafting of legislation, both languages have equal status and that they are to be

done separately. I believe that was done by the Department of Justice, but I cannot confirm that.

Motion No. 33 (Mr. Epp, Provencher) agreed to.

Hon. Jake Epp (Minister of National Health and Welfare) moved:

Motion No. 34

That Bill C-144 be amended in Clause 8 by striking out lines 14 to 17 at page 11 and substituting the following therefor:

"(3) Where an agreement is entered into before regulations have been made under subsection (1), subsection (2) does not apply in respect of the agreement until after the first such regulations have been made."

He said: The same explanation applies again.

[*Translation*]

Mrs. Pépin: Yes, Mr. Speaker, I agree.

[*English*]

Ms. Margaret Mitchell (Vancouver East): Yes, we agree.

Motion No. 34 (Mr. Epp (Provencher)) agreed to.

Ms. Margaret Mitchell (Vancouver East) moved:

Motion No. 38

That Bill C-144 be amended by deleting Clause 11.

She said: Mr. Speaker, I have some difficulty with the inclusion of this amendment without reference. This was a consequential amendment dependent on one of the previous amendments which was asking that services for disabled children or children with special needs be covered.

I wonder if I could ask permission to call it one o'clock so that we could consult with the Table about this motion because it was really presented as a consequential amendment and was very much related to the previous amendment that we wanted to make which is not included at this time.

The Acting Speaker (Mr. Paproski): I appreciate the Hon. Member bringing this to our attention now. I am sure that during the lunch hour we would be able to have some explanation as far as her request is concerned. Therefore, I—

Mr. Epp (Provencher): Mr. Speaker, I am sorry to be difficult; I am not trying to be. I accept the explanation of the Hon. Member that a little more time is needed, but I think, if the House would be so disposed, that we could move to Motion No. 40 so that we could do the technical language amendments and then return to the uncompleted work. I would suggest we do that.

The Acting Speaker (Mr. Paproski): Fine. We will stand this motion, by unanimous consent, and go to Motion No. 40.

Motion No. 38 (Ms. Mitchell) stood.

Hon. Jake Epp (Minister of National Health and Welfare) moved:

Motion No. 40

That Bill C-144 be amended in the Preamble by striking out lines 11 and 12 at page 1 and substituting the following therefor:

"AND WHEREAS the Parliament of Canada, having regard to the cultural and linguistic diversity of the Canadian population, wishes to encourage the development".

He said: The explanation for this motion is the same as the explanation for the previous motions.

Mrs. Pépin: Mr. Speaker, I agree.

Ms. Margaret Mitchell (Vancouver East): Agreed.

Motion No. 40 (Mr. Epp, Provencher) agreed to.

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

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

EMPLOYMENT

UNEMPLOYED OLDER WORKERS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, according to statistics, older workers tend to become more discouraged than younger people in the search for employment and simply drop out of the labour force.

In 1986 the Minister of Finance (Mr. Wilson) announced the Government was letting the Liberal government program expire in favour of a new system that would be expanded to include almost all workers who face trouble finding a new job after being laid off. Costs were to be shared by provincial Governments. So far, the Government has failed to get the provinces to agree to the new program which was supposed to expand the number of people receiving benefits and save Ottawa money at the same time.

Why blame the provinces for refusing to do the federal Government's job? Has the Meech Lake virus already infected the federal Government's will so much as to paralyze its ability to implement a national program of such social significance and urgency? What a sham!

SPORTS

1994 COMMONWEALTH GAMES—CHOICE OF VICTORIA AS SITE

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, I am sure all Members of the House were pleased to hear this morning that Canada, Victoria in particular, has been chosen as the site for the Commonwealth Games in 1994. This success has been achieved because of two factors: an incredible amount of work and effort put forward by volunteers, and, second, the co-operation of every level of government.

A volunteer committee self-started in Victoria, chaired by Mr. David Black and assisted by Rodger Banister and many others. They masterminded a brisk competition to be Canada's nominee for the Games site, and when Victoria was chosen the effort was doubled to win the second contest which finished this morning.

The Victoria committee sent representatives to all the voting countries of the Commonwealth and they were pleasantly surprised at the high regard in which Canada is held in those countries.

On behalf of Victoria I would like to thank all levels of government for their support, beginning with the municipalities neighbouring Victoria; the City Council and Mayor of Victoria; the Capital Region District; the Government of British Columbia; and the federal Government, in particular, the Minister of State for Fitness and Amateur Sport (Mr. Charest) and the Secretary of State for External Affairs (Mr. Clark). I am sure they had the support of all sides of the House in their actions, for a project such as this to be successful requires the support and co-operation of everyone.

Thanks again, and welcome to Victoria in 1994!

Mr. Speaker: I know all Hon. Members will agree with me that, given the substantive nature of the intervention by the Hon. Member for Victoria (Mr. McKinnon), it was appropriate to let him go on, and on, and on.

Some Hon. Members: Hear, hear!

* * *

TRANSPORT

TRANSPORT ROUTE CANADA—SITUATION OF FORMER EMPLOYEES

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, there is something desperately wrong with a government policy that permits what happened recently to the employees of Transport Route Canada, formerly CN Route. There is something desperately wrong with a privatization policy that could put the employees of this company, which was privatized by permission of the Government, in a position where they have not only lost their jobs but their pensions are at risk, and there is a great deal of uncertainty with respect to their supplementary care benefits, unemployment insurance benefits, and union dues.

The independent trucking operators risk losing their rigs, some 75 of them in Winnipeg, I am told, because the company has no intention of paying them what it owes them. They will not be able to make their payments and they will go out of business for no other reason than the fact the Government decided to privatize something and to do it in such a way that sufficient guarantees were not built into the sale so that working men and women and their families were adequately protected.

I think this is shameful. We have been raising this in the House and we will be doing it again because this is a form of legalized theft. There is no other adequate description. More attention should be paid to it. It shows the moral bankruptcy of the Government because it has not even bothered to do anything about it.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—EFFECT ON WESTERN CANADA

Mr. Gordon Taylor (Bow River): Mr. Speaker, the Canada-U.S. Trade Agreement, when passed, will give western Canada an opportunity to be a full partner in Confederation.

Excessive rail freight rates to central Canada, which reach their apex in Alberta, have prevented our growth. The vast market to the nearby south will enable us to compete in new manufacturing industries that will bring employment and investment opportunities, and the competition may well reduce the excessive freight rates, something we have never been able to achieve to date.

In addition, our farmers, who have the capacity to produce vast quantities of foods, will find brand new markets that may well stabilize this important segment of our economy. And very important, our poor and aged will get the foods we buy from the U.S. cheaper and then they, too, will be able to enjoy the early vegetables and fruits which today they cannot afford.

We will lose no sovereignty and the buoyancy will bring even better social programs.

Let us pass the trade agreement and make Canada a greater country.

S. O. 21

RIGHT TO LIFE

SCHEDULED NATIONAL RALLY ON PARLIAMENT HILL

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, this Saturday, September 17, from 9 a.m. to 7 p.m., the National Rally For Life 1988 will be held here on Parliament Hill. Some 50,000 Canadians are expected to attend this ceremony at which they will demonstrate to all our fellow citizens that we want the protection of human life and we want legislation to protect human life.

As you know, Mother Teresa of Calcutta will be here to speak to Canadians that day. It is my hope that many Canadians will join me and other Members of Parliament, and the 50,000 Canadians who will be there, to listen to Mother Teresa and others who will speak to us of the importance of protecting human life from conception.

* * *

HUMAN RIGHTS

INTERNATIONAL CENTRE FOR HUMAN RIGHTS AND DEMOCRATIC DEVELOPMENT

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, Canadians will welcome the Government's initiative in establishing the International Centre for Human Rights and Democratic Development. In view of the countless and recurring incidents of human rights violations, the Government of Canada has, after extensive consultations, introduced Bill C-147 proposing such a centre.

This initiative will help ensure that recipients of Canadian aid are held accountable for their observance of human rights. I would direct the attention of the House to an article entitled "Foreign Aid And Human Rights" appearing in the latest edition of *International Perspectives* which contains sensible suggestions as to how this might be accomplished.

* * *

TRANSPORT

TRANSPORT ROUTE CANADA—SITUATION OF FORMER EMPLOYEES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I want to place before the House just a few of the problems and questions which are frightening the former workers of Transport Route Canada. Since the bankruptcy of this privatized firm, we heard about the disastrous effects on the pension rights of up to 2,500 workers. Here are the other questions that are worrying them. Will they get unpaid wages? Will they get the vacation pay owed them? Will they get the severance pay they are entitled to under the provisions of the Canada Labour Code? Will the independent truck owner-operators be paid for work they have done for Transport Route Canada? Some of them are owed up to $20,000.

The Government says CN would have folded the company anyway, blithely ignoring the fact it was the Government which introduced transport deregulation and which sets the terms under which CN operates.

The Government and CN management are not without responsibility to these employees. Their unions want to meet the Government and CN to ensure that their benefits are not lost and that the assets of this company are not simply plundered by buccaneers who took advantage of woolly and wasteful privatization policies.

If the Government believes these policies are defensible, then it should have no objection to a full inquiry into a situation which has permitted the assets of this company to be stripped by management and left the workforce on the street with no benefits and no work.

* * *

HIGHWAYS

STATE OF NEW BRUNSWICK HIGHWAYS

Mr. Albert Girard (Restigouche): Mr. Speaker, I have read with great care the New Brunswick Government's discussion paper on adequate highways for the province. The document states that a total of almost $2 billion is required to upgrade our highways over the next 15 years. It is interesting to note that over 87 per cent of the total amount is being earmarked for the TransCanada Highway. They want to add extra lanes when highways in northern New Brunswick are still in desperate need of repair and even completion.

Highway 11 and Highway 17 are essential to the economic future of northern New Brunswick, and by the province's own estimation some $34 million, or 1.7 per cent of the total projected expenditure, is all that is required to complete these routes.

• (1410)

Before the federal Government commits another penny to New Brunswick highway development the provincial Government should make a priority commitment to the completion of Routes 17 and 11. This is a provincial responsibility.

Come on, let's talk about completing highways before adding lanes to the ones that are already there!

[*Translation*]

HUMAN RIGHTS

SAN SALVADOR—YESTERDAY'S INCIDENTS—REQUEST THAT GOVERNMENT INTERVENE

Mrs. Lucie Pépin (Outremont): Mr. Speaker, yesterday morning in San Salvador, the army once again ignored the rights and freedoms of the citizens of that country. The army surrounded the building where the farmers' association, the UNTE was meeting, and prevented anyone from getting in or out. Subsequently, students staged protest demonstrations in the towns of San Miguel, Santa Ana and San Salvador. One hundred students were injured and more than 300 were arrested and taken away by the army. Where are they being detained? When will they be released? And why did the army take this action?

Mr. Speaker, I want to ask the Canadian Government to act quickly to find out what is happening in this country and especially to get specific information on what happened yesterday. We must help these people in distress, Mr. Speaker.

* * *

[*English*]

REGIONAL DEVELOPMENT

WESTERN CANADA—GOVERNMENT INITIATIVES

Mr. Geoff Wilson (Swift Current—Maple Creek): Mr. Speaker, in July, 1984, at Prince Albert the P.C. Party promised that western Canadian economic policies and strategies would be developed by and for western Canadians in the belief that regional strengths and prosperity ultimately benefit all Canadians.

Since then the Government has abolished the oppressive National Energy Policy, established a lifetime capital gains exemption for farmers and small business, stood solidly behind prairie farmers against unfair foreign export subsidies, developed a western procurement initiative to increase federal government purchasing in the West, established the $1.2 billion Western Diversification Program to assist in western Canadian economic growth, participated in oil upgraders at Regina and Lloydminster to enable further processing on the Prairies, and established the National Agricultural Biotechnology Initiative in Saskatoon to support the commercialization of ag-biotech products.

All of this, Mr. Speaker, by a Government that listens to western Canadians, that consults with western Canadians, and co-operates with western Canadians in order to respond to the needs, aspirations, and wishes of westerners.

S. O. 21

STATUS OF WOMEN

RECIPIENTS OF PERSONS AWARDS

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, the Minister responsible for the Status of Women yesterday announced the 1988 recipients of the Persons Awards. Five outstanding Canadian women will be honoured for their contributions toward improving the status of women in Canada.

[*Translation*]

The Person Case was won on October 18, 1929, by a group of suffragettes known as "The Famous Five". This group of women from Alberta, headed by Judge Emily Murphy, the first female magistrate in the British Empire, included Louise McKinney, Nellie McClung, Irene Parlby and Henrietta Muir Edwards. Together they fought to have women legally defined as persons, and they succeeded.

[*English*]

This year's recipients are Nellie Carlson, Jean Carson, Jacqueline Collette, Margaret Hyndman and Marion Powell. They have all been long-time advocates of women's rights, working on native, health, economic, and legal issues which affect women. I hope all Canadians share the pride of our Party in the contributions these women have made to our society.

* * *

EXTERNAL AFFAIRS

RELATIONS BETWEEN CANADA AND PEOPLE'S REPUBLIC OF CHINA

Mr. Alan Redway (York East): Mr. Speaker, as you know, today marks another historic step in the growing, warm relationship between Canada and the People's Republic of China, a relationship which began in the days of the Progressive Conservative Government of John Diefenbaker.

An official delegation of senior leaders of the China YMCA is with us in the House today and will soon be visiting Canadian YMCAs in Toronto, Montreal, and Vancouver, as well as here in Ottawa. During their visit to Canada they will announce the establishment of the China-Canada YMCA Bethune Scholarship Program.

This visit is an historic occasion for the YMCA in Canada and for all Canadians. On our behalf I wish to welcome the delegation and to thank you, Mr. Speaker, for hosting a luncheon today for the China YMCA delegation.

Oral Questions

AIRPORTS

PEARSON INTERNATIONAL AIRPORT—AIRCRAFT NOISE

Hon. Bob Kaplan (York Centre): Mr. Speaker, my constituency of York Centre is one of those which surround Pearson International Airport. The noise of aircraft taking off and landing is becoming an increasing problem. It reaches an unbearable level. Beginning on May 7 a new system was introduced which makes it worse because take-offs and landings now occur simultaneously.

There is a measure which could make a difference, that is, the vigilant enforcement of noise envelopes which require pilots to take off and land within certain areas. This is very loosely enforced by authorities at the airport.

The purpose of my intervention is to urge that the Government get serious about these envelopes and enforce them on the pilots taking off and landing. Although the change of May 7 has made it worse, there could at least be some balancing and some improvement of the lot of people who live close to the airport.

* * *

ENVIRONMENTAL AFFAIRS

GOVERNMENT ACHIEVEMENTS

Mr. Felix Holtmann (Selkirk—Interlake): Mr. Speaker, here are the clean facts: Great Lakes Water Quality Agreement, Niagara River Toxics Management Plan, Transboundary Emergencies (Hazardous Wastes and Toxic Chemicals in the Great Lakes), ratification of the Vienna Convention to protect the ozone layer, the Montreal Protocol on substances that deplete the ozone layer, new co-operation on meteorological programs, Fraser River Estuary Management Program, clean-up of Hamilton Harbour's Windermere Basin, clean-up of the Sydney Tar Ponds, accord on environmental co-operation with the provinces, initiation and passage of C-74, the Canadian Environmental Protection Act, with input from opposition Parties, an Act for the preservation of Canadian water resources, stricter standards for the permitted levels of PCBs, and the elimination of lead from gas by 1992.

There is more. Why is the Leader of the Official Opposition (Mr. Turner) trying to grandstand at this point on the environment? Will it improve his polluted quagmire of popularity which now stands at 11 per cent?

* * *

CHILD CARE

OPPOSITION TO PROPOSED LEGISLATION

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, when the Government sent its child care proposal to committee for study and brought expert witnesses before the committee, something unprecedented happened. Every single witness opposed this government initiative.

These witnesses included the following: The Canadian Daycare Association, The Early Childhood Educators of British Columbia, the B.C. Daycare Action Coalition, the National Advisory Council's Childcare Committee, the Canadian Federation of Students, the Canadian Ethnocultural Council, the Canadian Jewish Council, the Sunflower Co-op Preschool, the Childcare Resource and Research Unit, the Canadian Association of Social Workers, the Canadian Advisory Council on the Status of Women, the Canadian Teachers Federation, the Ottawa-Carleton Daycare Association, the Metro Toronto Child Services, the National Federation of Nurses Unions, the Metro Daycare Coalition, the Ontario Coalition for Better Daycare, the Inuit Women's Association of Canada, the Kids First Organization, the Assembly of First Nations, the Public Service Alliance of Canada, the Canada Anti-Poverty Group, the Canadian Labour Congress, the Canadian Union of Public Employees, the Alberta Federation of Labour, the Manitoba Federation of Labour, the B.C. Federation of Labour, the Ontario Federation of Labour, the Letter Carriers Union of Canada, the United Fishermen and Allied Workers Union, the International Association of Machinists and Aerospace Workers, and the National Union of Public Employees. The list goes on and on. Every single witness opposed this government initiative.

ORAL QUESTION PERIOD

[*English*]

FISHERIES

NORTHWEST ATLANTIC FISHERIES ORGANIZATION—OVERFISHING OUTSIDE CANADIAN 200-MILE ZONE

Mr. George Baker (Gander—Twillingate): Mr. Speaker, yesterday representatives of 21 countries met here in Ottawa and accepted a report of international scientists that a 50 per cent cut must take place in fishing off the East Coast of Canada just outside the 200-mile zone. Today and tomorrow they will be deciding which stocks and which quotas will be reduced.

Japan, Bulgaria, Cuba, Denmark, Greenland, Iceland, Germany, Norway, Poland, the Soviet Union, Romania, Canada, and the EEC unanimously agreed yesterday that the fishery was being destroyed by overfishing off the East Coast of Canada and that a 50 per cent reduction in catching effort must take place immediately.

My question is directed to the Minister for International Trade. Does the Government not feel a sense of guilt now that it was so weak as to allow this drastic overfishing in the past four years by these foreign countries? The EEC, with a quota of 17,000 metric tonnes, took 109,000 metric tonnes just outside our 200-mile zone.

Does the Government not realize that by its weak-kneed, love-love-me-do attitude, Canada is now faced with having to reduce its catching effort by 50 per cent off the East Coast of Canada, costing thousands of jobs, 4,000 in Newfoundland alone?

• (1420)

We know the Minister got tough with them in an after dinner speech the other day in Ottawa, but when will the Government get tough with them where it counts, on the Grand Banks of Newfoundland?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, there is a serious problem with respect to deterioration of the NAFO managed stocks in the seas off eastern Canada beyond the 200-mile economic zone. Of course, NAFO was set up following the 1977 Law of the Sea decision when countries such as Canada were given an economic zone of 200 miles within which to operate.

NAFO is supposed to manage the fishing effort in areas outside the 200-mile economic zone, which includes the nose and tail of the banks.

One of the problems with respect to NAFO is that its members, according to Article 12 of the NAFO Convention, can refuse to be bound by decisions taken by majority votes. Certain members of NAFO, such as the European Community, have refused to be bound by majority votes, have ignored their NAFO quotas and taken considerably in excess of the NAFO quotas. That is a problem that hopefully they are now considering.

With respect to the suggestion that the quotas are to be reduced, the meetings do not end until Friday. At that time we will know exactly what are the recommendations of NAFO with respect to these straddling stocks and Canada will be able to decide its position then. I believe that the alarm the hon. gentleman is trying to raise with respect to the effect on the Canadian interest is greatly exaggerated.

CANADA-FRANCE DISPUTE—REQUEST FOR REFERRAL TO INTERNATIONAL COURT OF JUSTICE

Mr. George Baker (Gander—Twillingate): Mr. Speaker, one notable NAFO country does not accept even the scientific report. That country is France. France has overfished its quota inside the Canadian zone by some six times. Furthermore, it has broken off talks with Canada on the so-called disputed zone.

Will the Government of Canada now get up on its hind legs and take the initiative, invite France to the International Court to settle this question once and for all? In the meantime, will the Government do what it should have done a long time ago and give St. Pierre and Miquelon the fish they need, but arrest the first French vessel from metropolitan France that sets foot over our 200-mile zone?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman becomes more and more bellicose as he is further and further from power. The situation is that we have a long negotiation with France under way. It is a difficult one because of the circumstances from the past when other parties that were in power in Canada made certain decisions that do not help us now.

The position is that the Government of France does not wish to continue negotiations. As a matter of fact, fishery negotiations in the broad sense have not taken place since last October. France has now said that it does not wish to continue with the negotiations. It wants us to go back to the suggestion of several months ago that a mediator be appointed to see if the two parties can reach agreement. The Government of Canada is now considering this suggestion in view of the French actions and their statements, and will make a decision in due course. In the meantime, we have been pursuing France, asking it to refer the matter of the territorial boundary between St. Pierre and Miquelon and Canada to an international court for several years. The problem is that they refuse to do so until the question of quotas in the interim period is settled. That is the difficulty.

GRAND BANKS—FISHING BY UNITED STATES VESSELS

Mr. George Baker (Gander—Twillingate): Mr. Speaker, as you know, the nose and the tail of the Grand Banks of Newfoundland are the spawning ground for all fish in eastern Canada. Canada and the 21 countries meeting in Ottawa today respect that it is the spawning ground.

However, there is one country in the world that does not respect that fact. Does the Government not realize that that one country in the world not only will not respect the fact that it is a spawning ground—a Canadian vessel would be arrested by Canadian boats if it went on the nose of the Grand Banks—that one country refuses to belong to NAFO and refuses to respect any quotas? That one country is none other than that great friend of the Government, the United States of America.

When will the Government do more than just send diplomatic notes of protest to Washington? Does free trade mean a free rein on our resources?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, we can only all be very pleased that we soon will not have to listen to Question Period every day for at least a period of 50 days.

Some Hon. Members: When?

Mr. Crosbie: The Prime Minister will not confide in me.

The United States is entitled to fish outside the 200-mile economic limit of Canada, just as other countries of NAFO are entitled to fish there. We do not approve of the kind of fishing practices they have adopted out there, as shown by the fact that the Minister of Fisheries and Oceans this year took certain steps to indicate our displeasure there. We do regard

the United States just as the Leader of the Official Opposition does, as a good friend of this country. But we will continue to protest to them and remonstrate when we do not agree with their fishing methods, their catches, or where they attempt to catch fish.

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ATLANTIC CANADA OPPORTUNITIES AGENCY

ENTERPRISE CAPE BRETON—GRANT MADE TO CALIFORNIA-OWNED COMPANY

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is directed to the Minister who is responding on behalf of the Atlantic Canada Opportunities Agency. WCN, a California-owned company, received a grant from Enterprise Cape Breton for $379,000 to do a feasibility study. Thereafter, it was awarded a $4.1 million loan and $2.3 million in tax credits to employ 160 people.

This American-owned company now confirms that it cannot do what it said it could. Today, six months after the loan, it only employs four people but the grant and loan remain intact. Oddly, the information indicating the amount of loan and tax credit does not appear in the annual report of Enterprise Cape Breton. Why does it not appear in the annual report?

Second, will he explain to the House whether or not investigations have been made of the former and present management team of WCN players because they have been involved in bankruptcies associated in the United States, as well as some real scams that have taken place in Saskatchewan, particularly the former president, with a company called Technigen in Saskatchewan, costing millions of dollars? Will the Minister explain that?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman is asking a specific question about a particular loan to a particular company, without giving any notice that he was going to ask the question. In my view it is hardly a suitable question for Question Period.

All I can say is that Enterprise Cape Breton in the period it has been operating since May, 1985, has processed 1,077 applications, made and accepted 359 offers for projects having a total value of $298 million, to which the federal contribution was $159 million, creating 2,556 jobs while helping maintain existing jobs totalling 1,278.

Some Hon. Members: Hear, hear!

Mr. Crosbie: All the hon. gentleman does to help the process is bring up individual cases and attack the odd individual case that might be a success. I would be ashamed to be him if I were representing that area.

UNIVERSAL METAL COMPANY GRANT

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, my supplementary question is directed to the same Minister. The numbers that he quotes are a scam, like the company I have reported here concerning the 160 jobs. The Minister knows that.

I will leave that scam for a moment and ask the Minister about another great company that has received money from Enterprise Cape Breton. It is Universal Metals. It received a grant of $669,000, tax incentives, tax credits and wage subsidies to employ upwards from 50 to 100 people. Today it employs eight people. I ask this Minister with his bogus figures with respect to job creation in Cape Breton to explain to those workers where that money has gone. What guarantees does he have for the protection of workers in that particular community?

• (1430)

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I gather the hon. gentleman is against tax credits in Cape Breton and grants in Cape Breton.

Mr. Dingwall: I'm against scams and Tory hacks.

Mr. Crosbie: Apparently he is against the effort launched by this Government to resuscitate Cape Breton economically.

Ms. Copps: Oh, sit down!

Mr. Crosbie: With respect to the $669,000 support to the Universal Sheet Metal Company, that went towards the capital cost of a crane. The hon. gentleman himself said that at the moment there are eight people employed, that is eight who would not have been employed were it not for this Government's help. Apparently he is against those eight people being employed. The company has had a peak workforce of 55 persons. At the moment we are hoping and expecting it will be rehiring towards the end of September when a ship arrives to take away $1 million worth of scrap from the Universal yard. So don't give up. Don't be gloating in this House too soon!

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[*Translation*]

BANK OF CANADA

INCREASE IN BANK RATE—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Prime Minister. The Bank of Canada has just announced an increase of 0.25 per cent in the bank rate. This is the sixth consecutive increase. The bank's policy is an extremely negative one for farm producers, small business people and families who have to renew their mortgages. My question to the Prime Minister or the Minister is

simply this: Why is the Canadian Government pursuing a policy that is disastrous for Canada?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if I might respond to that question, I think the Hon. Member is aware of the vast growth we have had in the Canadian economy over the past year and a half. It has been reflected in very good performance and job creation. We have seen during the course of this period an increasing pressure on inflation in the country. It is because of this increasing pressure on inflation that the Bank of Canada has moved to put on some offsetting pressure to avoid the problems we ran into in the 1970s and early 1980s when Governments of the day swept the problem under the rug.

If the Hon. Member wants to reflect back to 1981 when people were saying at that time: "We're probably going to see double-digit inflation for the rest of the 1980s", this is the sort of despair, the sort of frustration we want to avoid by dealing with the problem now. What I would say to the Hon. Member is that if you wait to act on inflation until you know you have a serious inflation problem, you have lost the battle. Inflationary expectations are embedded at that time and that is what we want to avoid.

GOVERNMENT POLICY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister of Finance will know that the recent inflation figures show inflation going down in virtually every city from St. John's in the east to Vancouver in the west. There is still some pressure in the city of Toronto that everyone understands, even if, from the last figures, inflation dropped in the city of Toronto.

Instead of dealing directly with the major source of inflation in the city of Toronto, which is housing, instead of increasing radically the supply of housing in Toronto, why is the Government of Canada imposing a high interest rate policy on Canada as a whole? Why is it not dealing directly with the inflationary problem of housing in the city of Toronto?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member is showing a very narrow understanding of the inflationary problems of this country if he says the sole source of inflation is housing in Toronto.

Mr. de Jong: You are the inflationary problem with your sales tax.

Mr. Wilson (Etobicoke Centre): Housing does represent an important part of the economy and we have seen over a two-year period now some very important increases in the housing industry which have represented tremendous growth, tremendous opportunities, and a demonstration of economic success, not just in Toronto but right across the country.

I want to observe to the Hon. Member that in a recent report of the IMF, its 1988 annual report, it made some very positive observations about Canada. It went on to say:

> The authorities recognize that the best way for monetary policy to contribute to sustained economic growth is to continue to aim at price stability. Their actions in 1987 to curb monetary expansion in response to a rapid rise in the degree of resource use and certain signs that inflation might begin to accelerate were appropriate and contributed to a further strengthening of market confidence in the Canadian dollar.

That is the International Monetary Fund annual report of this year.

Some Hon. Members: Hear, hear!

MINISTER'S POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I tell the Minister of Finance that if he tries to talk that way to most workers in most parts of Canada outside of the centre of Toronto, he will not be well regarded. I want to put my question this way. Considering the Prime Minister himself, a man to whom the Minister of Finance listens with considerable care, I suspect, said:

> Every percentage of interest costs the farmers, say $100 million out of their pockets.

They are the words of the Prime Minister of Canada. And considering on the Prairies alone in the past year we have had 24,000 jobs in the farming sector disappear, and one-tenth of farmers in Canada as a whole are on the verge of bankruptcy, why does the Minister of Finance not have an interest rate policy that is good for all of Canada, for the farmers, and not just for one region?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, there is one thing I want to tell the Hon. Member, and it is the way I spoke to farmers in Saskatchewan last week, not to pull punches, to say this is the reason for the policy we are following as a Government. It is a policy when, taken in the broadest sense of what we have done over the last four years, shows we have created 1,000 jobs a day, day in and day out, for that whole period, 1,275,000 jobs!

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): The other thing I said to the farmers I met with on two occasions in Saskatchewan was that it is important to recall the problems they ran into in 1981 and 1982 when they saw interest rates going up very, very quickly and a lot of them had their farms devastated and their livelihoods devastated as a result of it.

Mr. de Jong: You were calling for lower interest rates then.

Mr. Wilson (Etobicoke Centre): I told them that we were acting in a responsible, prudent manner to avoid that problem that they knew so well in 1981 and 1982.

Mr. de Jong: You are quoting Marc Lalonde now.

Mr. Wilson (Etobicoke Centre): There is a good understanding among them, and among other Canadians, that there is a very close link between inflation and interest rates. If you let inflation get out of control, then interest rates go right through the roof, and that—

Mr. Broadbent: Inflation has been going down, Michael. Not up, down.

Mr. Wilson (Etobicoke Centre): The Hon. Member does not want to listen to the answer.

Mr. de Jong: We heard it in 1982 and we heard it in 1983.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF VICE-PRESIDENT OF DOMINICAN REPUBLIC

Mr. Speaker: I wish to draw to the attention of Members the presence in the gallery of the Vice-President of the Dominican Republic, Carlos Morales.

Some Hon. Members: Hear, hear!

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[*Translation*]

ETHICS

ALLEGATIONS MADE BY FORMER POLITICAL ORGANIZER—GOVERNMENT POSITION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Prime Minister and concerns the Government's code of public ethics.

Yesterday, a prominent Conservative, Mr. Glen Kealey, a former Conservative organizer in the riding of Hull-Aylmer, again stated on TVA television that he had been asked to pay a bribe in return for a Government contract. He also made allegations about the presence of organized crime within the Government.

Considering the fact that such allegations are very serious, is the Prime Minister prepared to indicate what measures he intends to take?

[*English*]

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, I would like to tell the Hon. Member that there is certainly no basis for an inquiry. I would encourage the Member, if he has any proof of these allegations, to bring it forward to the appropriate people.

• (1440)

Mr. Wilson (Etobicoke Centre): Stand up and say that's true.

Ms. Copps: A Tory said it. He didn't say it. One of yours said it, Wilson.

Mr. McDermid: You guys are going to end up in third place.

Some Hon. Members: Order.

Mr. Speaker: The Hon. Member for Glengarry—Prescott—Russell.

GOVERNMENT CONTRACTS—REQUEST FOR COMMISSION OF INQUIRY

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, presently there is an RCMP investigation into the allegations made by Mr. Glen Kealey, the Conservative organizer. So it is not a question of having an RCMP inquiry, it is already in progress. He has been subjected to a polygraph test which he has passed, by the way.

Given that Mr. Kealey has now joined the Hon. Member for Rosemont in calling for a public inquiry into the contracting practices of the Government, and he has done that in letter form to the Prime Minister, is the Prime Minister now prepared to call for a public commission of inquiry into the contracting practices of the Government, as a Conservative organizer, Mr. Kealey, has asked for, as the Member for Rosemont has asked for, and as I have been requesting for the last two years? Will he do that now, and if not, why not?

Mr. Murray Cardiff (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, the Hon. Member has stated there has been an RCMP investigation. We on this side of the House have all kinds of confidence in the RCMP. The investigation has not found that there should be an inquiry of this nature.

If the Hon. Member has anything to bring forward, he should do it now.

Mr. Boudria: Why don't you ask Glen Kealey?

Mr. Gauthier: Table the interview.

Mr. Boudria: Can I table the interview?

Some Hon. Members: Order.

Mr. Boudria: It's a television interview transcript. I can table it.

Mr. Speaker: The Hon. Member for Essex—Windsor.

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—ADVERTISEMENTS OPPOSING DEAL

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, today a coalition of farmers and food processing firms from across the country challenged the Government with advertisements that state the trade deal "is a disaster for the agri-food industry in Canada", and "will make the Canadian farmer pay an unacceptable penalty".

I want to ask the Minister for International Trade why did the Government, as this advertisement makes clear, not listen to Canadian farmers and food companies? Why was the Government so unfair to 750,000 Canadians?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, we listened, not only to the Canadian agricultural community, but to every sector of the business, industrial, and farming economy of Canada through an elaborate system of SAGITs and the International Trade Advisory Council. They have been listened to and their advice often carried out, where it was possible to be carried out.

The advertisement to which the Hon. Member refers is by a certain number of personages. We notice food processors such as McCain's that have been expressing opposition to the free trade agreement because they are opposed to the supply management system that we have in our agriculture here in Canada, and which we protected in the U.S.-Canada Free Trade Agreement. It is fully protected.

Of course the food processing companies like McCain's are annoyed that this might keep up the costs of the farm inputs that they buy and make them less able to compete. That is their basic complaint. Their complaint is not with the U.S.-Canada Free Trade Agreement; their complaint is that we are protecting the farmers of this country too well.

PROTECTION OF FARMERS—MINISTER'S POSITION

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, that is a totally misleading statement. The Ontario Federation of Agriculture and the UPA in Quebec both signed and paid for this advertising as well.

[*Translation*]

I want to ask the Minister what he is going to do now to protect those Canadian farmers against that which according to the UPA will have a negative impact in this sector with free trade. What does the Minister intend to do?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I can only tell the hon. gentleman again that there is a long list of agricultural organizations that are supporting the free trade agreement, for example, the Alberta Pork Producers Marketing Board, the Alberta Sheep and Wool Commission, the Canadian Cattlemen's Association, the Canadian Council of Grocery Distributors, the Canadian Meat Council, the Canadian Pork Producers, the Manitoba Hog Producers Marketing Board, the Ontario Pork Producers Marketing Board, and the United Grain Growers. I could go on and on, Mr. Speaker.

In addition, studies conducted by impartial bodies such as the Economic Council of Canada have found both primary agriculture and the food and beverage industry will be better off as a result of the FTA. Better off—b-e-t-t-e-r!

* * *

CANADIAN NATIONAL RAILWAYS

NORTH SYDNEY-TRURO RAIL LINE

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Right Hon. the Prime Minister. Mr. Gillies, the Intermodal Vice-President of Canadian National, has indicated that, because of renewed coal production in Pictou County, CN will soon be closing the rail line between North Sydney and Truro. This would be devastating for eastern Nova Scotia, an area that already is badly in need of regional development and suffers one of the highest unemployment rates in the country.

Why is the Government working with CN to close this very important rail link in eastern Nova Scotia?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am unaware of the comments of the Vice-President of CNR. I am very much aware of the efforts of the Government of Canada to work with the Government of Nova Scotia to bring about new economic opportunities in the mining area, and in other areas, in Pictou County, Central Nova, and in other constituencies throughout Nova Scotia.

I will be happy to look at my hon. friend's observation. I am sure that he would have no objection whatsoever to the initiatives of the Government to bring about a rebirth of mining in Central Nova.

REQUEST FOR COMMITMENT TO RETENTION OF LINE

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the concern is the closure of the rail line, as I am sure the Prime Minister knows. CN has already met with the Cape Breton Development Corporation and asked it if it would take over the portion of the rail line on Cape Breton Island.

Will the Prime Minister right now give his commitment to the people of eastern Nova Scotia that, in the indefinite future, the rail line between North Sydney and Truro will remain open in eastern Nova Scotia, and that it will not be closed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have already indicated, in the absence of the Minister of Transport, that I will be happy, on behalf of the Government, to take a serious look at my hon. friend's comments.

I know that he is not drawing any tie-in whatsoever between initiatives designed to revitalize the economy of Pictou County and other areas of Nova Scotia with the alleged statement of the Vice-President of the CNR.

We have been making a very special effort to help Cape Breton, as has been indicated in other responses, by tax changes. We have been making special efforts to help Pictou Country and other areas of Atlantic Canada, and we will continue to do so, because these initiatives can be sustained without any damage being inflicted upon any other areas of Canada, and I know that my hon. friend supports that view.

* * *

THE ECONOMY

INTEREST RATE LEVELS—EFFECT ON FARMERS

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is directed to the Minister of Finance and it concerns his high interest rate policy which is hurting farmers across Canada.

In light of the fact that one year ago the Prime Minister stated that every time the interest rate in this country moves 1 per cent the farmers lose $100 million out of their pockets, in light of the fact that in the last year we have lost some 24,000 farm-related jobs on the Prairies, I want to know from the Minister of Finance, since farmers have suffered already from the drought, and from low international grain prices, does he not realize that farmers have suffered enough? Why does this Minister have a high interest rate policy for farmers which is killing the farm economy? Why that high interest rate policy?

• (1450)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I would ask the Hon. Member to think back to the period 1972-74. That was a period when there was a minority Liberal Government supported by the NDP.

During that period of time the Government of the day, supported by the NDP, ignored the inflationary pressures that were very clear at that time. It kept interest rates down at that time—

Mr. Broadbent: What about 1876?

Mr. Wilson (Etobicoke Centre): The Leader of the NDP said what has it to do with 1974.

Mr. Broadbent: That is not what I said.

Mr. Wilson (Etobicoke Centre): I will tell the Hon. Member what it has to do with it. That is when the problems got started. That is when the problems that led to the interest—

Some Hon. Members: Oh, oh!

Mr. Wilson (Etobicoke Centre): The Leader of the New Democratic Party is demonstrating complete ignorance of the pressures that arose in the 1970s which led so clearly to the 20 per cent to 25 per cent interest rates which devastated the farmers that the person sitting next to him is so concerned about today.

We in this Government take our responsibilities seriously. We are going to conduct an economic policy to avoid the problem that we ran into as a country when that problem was ignored and led to 20 per cent to 25 per cent interest rates in 1982.

GOVERNMENT POLICY

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, why does this Minister not care about 24,000 jobs lost on the Prairies?

Some Hon. Members: Hear, hear!

Mr. Nystrom: In light of the fact that the Prime Minister of Canada said in March of 1984—and I have the quotes right here—that we can have a made-in-Canada interest rate policy, and that interest rates at that time with a 10 per cent prime were too high—and they are higher now—why can we not have a made-in-Canada interest rate policy at this time? The Premiers of Canada want the interest rates down. The farmers want them down. Home owners want them down. Why do we have a high interest rate policy that is killing the farmers of Canada?

Some Hon. Members: Hear, hear!

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am not going to accept what the Hon. Member has just read into the record. I tell him that if he feels so strongly about it to table the policy so we can see the whole statement which he attributes to the Prime Minister at that time.

I would also say to the Hon. Member that we cannot have a regional monetary policy. We cannot have a regional interest rate policy. If we did, and if we had interest rates higher in Ontario than in Saskatchewan, his province, then money would flow from Saskatchewan to Toronto and the farmers of Saskatchewan would be starved for money.

What we in this Government have done is we have responded clearly to the needs of the farmers in Saskatchewan, as well as in other parts of the country. We have brought out policies that address drought and the problems of international grain subsidy wars—two policies which have resulted in billions of dollars of additional money going into the economy of Saskatchewan. This is how the Government demonstrated clearly its sensitivity to the plight of the farmers in his province of Saskatchewan.

Some Hon. Members: Hear, hear!

ENVIRONMENTAL AFFAIRS

APPROVAL OF RAFFERTY DAM

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Prime Minister. Only a few days ago we heard the Prime Minister at his unctuous best promising that the number one concern of Canadians in this election would be the environment. How could the Prime Minister have made that promise with a straight face when he must have known that three months before his own Deputy Prime Minister, in cahoots with the Minister of the Environment and the political Minister for Manitoba, cooked up a deal which put the environment of the whole Province of Manitoba at risk by approving the Rafferty Dam project simply to satisfy the Prime Minister's wish list and Saskatchewan's demands?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, the allegations of the Hon. Member are just as erroneous today on this question as they have been demonstrated over the last four years while she has been in the House.

Some Hon. Members: Hear, hear!

Mr. Epp (Provencher): Mr. Speaker, as the Minister of the Environment said very clearly yesterday, as well as the day before, there were very stringent conditions. He mentioned 13 areas whereby if the conditions were not met he was authorized as the Minister of the Environment to withdraw the permit for the project.

Obviously, and I think we have to be straight on this matter, the provinces and the federal Government want to protect the environment. For the Hon. Member to come forward with the type of questions that she does come forward with is simply in keeping with how she has always handled herself in this House. She simply wants to make political points. She could not care less about the environment or even her own integrity at this stage.

WATER QUALITY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I will tell you one thing, I would not sell out the people of my province for a political deal in the same way as the political Minister for Manitoba has done on this dam.

Some Hon. Members: Oh, oh!

Mr. Speaker: The Hon. Member will put her question.

Ms. Copps: Mr. Speaker, I would like to put it on the record. Yesterday the Minister of the Environment stated an absolute mistruth in the House of Commons.

Some Hon. Members: Order!

Ms. Copps: His top hydrologist has contradicted him. His chief environmental policy analyst has contradicted him.

Why does the Government continue to claim that this deal will protect the water quality of Manitoba when in fact the top hydrologist involved in looking at this deal says that it will not? The Minister's own assistant, his chief environmental assistant, quit her job because she said that this was a political sell-out and had nothing to do with the environment. How can the Minister stand for Manitoba and say he is protecting Manitobans, and allow this deal to go through?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, the Hon. Member says that she would not sell out. She has nothing to sell, something which has been evident for four years.

Some Hon. Members: Hear, hear!

Mr. Epp (Provencher): I repeat what the Minister of the Environment has said. The conditions have been very clearly laid out. They have been agreed to by both levels of government. That stands on the record.

Ms. Copps: A Tory deal.

Mr. Epp (Provencher): Yes, Mr. Speaker, the Conservatives are making arrangements for Canada not only for progress on water quality in Saskatchewan, not only for farmers in western Canada, not only for industrialization in Canada, and not only for social policy. What the Hon. Member does not like is the record because she knows she has to run against it and she cannot win.

Some Hon. Members: Hear, hear!

* * *

FISHERIES

NEWFOUNDLAND—OVERFISHING BY FOREIGN VESSELS

Mr. Jack Harris (St. John's East): Mr. Speaker, my question is for the Minister for International Trade. Every fisherman in Canada, and certainly every fisherman in Newfoundland, knows the effects of foreign overfishing on the incomes of fishing families in Canada. Although the Minister for International Trade refuses to recognize it, many Newfoundland fishermen, inshore fishermen in particular, have had poor catches this year, some making as little as $10 per week.

Why is the Government so ineffective on this issue? No progress has been made with France on 3PS where overfishing is devastating fishing incomes on the south coast. No progress has been made to control overfishing on the nose and tail of the Grand Banks, or the Flemish Cap. Why does the Government not take action to protect Canada's interests?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I am glad to have a question from the hon. gentleman. There was a story in the St. John's *The Evening*

Telegram recently with the headline: "Councillors Wonder if MP Harris is Still Alive".

Some Hon. Members: Oh, oh!

Mr. Broadbent: Your Tory buddies.

Mr. Crosbie: I am glad to be able to report to the *Evening Telegram* that the Hon. Member appears to be alive.

With respect to the question, the Government has done more in four years to enforce its surveillance in the 200-mile economic limit off the East Coast of Newfoundland. For example, we have armed the crewmen on patrol vessels. We have hired additional resources for surveillance, using not only defence aircraft but other chartered aircraft with the most modern radar capability, which has been very effective in apprehending people who violate our rules and regulations with respect to fishing. There has been more done to see that quotas and TACs are observed in the East Coast 200-mile zone in the last four years than in the previous 10.

With respect to the nose and tail of the Banks, those areas, unfortunately, are outside the jurisdiction of this country. Therefore they come under the arrangements of NAFO. We have put it strongly to NAFO this week that certain of the NAFO members who are refusing to observe their own quotas and who have refused to observe the majority rules of NAFO are seriously endangering fish stocks that straddle the 200-mile limit. We feel that NAFO must take steps to become more effective.

• (1500)

Mr. Harris: Mr. Speaker, I wonder how much the Minister for International Trade and his Government are prepared to spend this time to try to beat me. He will find out how alive I am.

Some Hon. Members: Hear, hear!

REQUEST FOR EXTENSION OF CANADIAN JURISDICTION

Mr. Jack Harris (St. John's East): Mr. Speaker, the Hon. Minister says that action is being taken to talk to NAFO members about how concerned they are about the nose and tail of the Grand Banks. We are all aware of the effect of this over-fishing on Canada's national interest. When will the Government start moving to extend the jurisdiction of Canada so that we can protect those fish stocks that are not being protected by these countries to the detriment of Canada?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I want to point out that it was not I who wondered if the Hon. Member was alive, it was the Conception Bay South Council that was concerned about his health. The council agreed to write him a letter to find out how he is and "if he is still alive". I hope the Hon. Member is not offended by my bringing that up.

With reference to the question of the 200-mile limit, neither Canada nor any other country can unilaterally extend its jurisdiction over the fishery beyond the 200 miles that were agreed to in the Law of the Sea Treaty of 1977. The United States has not done it but there may be one or two South American countries that have said that they will do it.

I do not think that Canada can unilaterally take the law into its own hands and extend our limits that way. Certainly we would be willing to see, if the other countries of the world would agree, the boundaries extended out to cover the whole continental shelf, something which I think we should do, but if they refuse to recognize our wishes in that regard I am afraid we cannot force the world to do what Canada thinks is the right thing to do.

* * *

NATIONAL REVENUE

TAXES OWED BY AMWAY CORPORATION

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is directed to the Minister of National Revenue. In 1983, Amway Corporation pleaded guilty before the Supreme Court of Ontario to a complicated scheme which involved defrauding Canadian taxpayers of millions of dollars in taxes and duties. Today, nearly five years later, those amounts have not been paid. Can the Minister confirm that the total involved is over $100 million?

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, I appreciate my colleague's interest in this high-profile case. It is true that it has been, as they say, dragging on for a long time. It is presently before the Supreme Court of Canada, and I think the Hon. Member will understand that I cannot divulge much information publicly about it other than what is available in court records. I would be pleased to explore what information I could properly give her, but I think she will understand that at the present time it is still before the courts.

AMOUNT OWED

Miss Aideen Nicholson (Trinity): Mr. Speaker, I appreciate that it is still before the courts, but the Minister should be prepared to divulge the amount involved because that must have been arrived at long before the court case started. I think ordinary Canadians who are being harassed for arrears of $100 may find it bothersome that people who owe $100 million are apparently able to escape.

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, I would remind my hon. colleague that, while it is true that there appears to be a substantial amount of money owed, the judicial process must be observed. We are not in a position to do anything arbitrary until the Supreme Court of Canada authorizes the proper verdict.

SPORTS

1994 COMMONWEALTH GAMES—GOVERNMENT SUPPORT FOR VICTORIA FACILITIES

Mr. Patrick Crofton (Esquimalt—Saanich): Mr. Speaker, my question is directed to the Deputy Prime Minister. In view of the fact that the City of Victoria and Canada have been successful in their bid to host the 1994 Commonwealth Games, can the Government confirm its commitment to financial support toward the facilities?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, the Government of Canada is proud to have supported the City of Victoria and the committee in their efforts to win the hosting privileges for the 1994 Commonwealth Games. I am sure all Hon. Members of the House would celebrate with Victoria this great success today in Seoul.

Some Hon. Members: Hear, hear!

Mr. Epp (Provencher): I should also mention that our colleague, the Minister of State for Fitness and Amateur Sport, was in Seoul to add additional support to the application.

I also want to indicate to the Hon. Member and to his constituents and the good burghers of Victoria that, not only did the Canadian Government commit money for the bid itself, but as well, the commitment that if Canada were awarded the Commonwealth Games, up to $50 million would be in place, is repeated as being firm today.

Mr. Speaker: One single question from the Hon. Member for Churchill and that will close Question Period.

* * *

TRANSPORT

TRANSPORT ROUTE CANADA—LAID-OFF WORKERS

Mr. Rod Murphy (Churchill): Mr. Speaker, I am sorry that it is a single question because it is a very serious matter. My question is directed to the Deputy Prime Minister. Does he not find it obscene that the people who bought Route Canada after the Government decided to privatize it are keeping their Jaguars and their Lear jets, while at the same time the workers have lost their dental plan and their health plans, their pensions are in jeopardy, they have lost their jobs, and independent contractors are in danger of losing their trucks? Is that not obscene?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the Hon. Member can draw conclusions as he wishes. He perhaps has all the facts associated with this issue. However, the Minister of Transport, the Minister of State for Transport, the Minister of Labour and the Minister of State for Finance have all responded to questions like that.

I can assure the Hon. Member by simply reinforcing the fact that as a Government we are very, very concerned about the welfare of the employees. We are attempting to—

Mr. Benjamin: Look what privatization got you.

Mr. Mazankowski: We are attempting to ascertain all the facts surrounding this particular issue, and the assurance of the Government is that all efforts will be taken to ensure that the welfare of the employees will be considered—

Mr. Benjamin: It's a rip-off.

Mr. Mazankowski: The Hon. Member says that it is a rip-off. There were bankruptcies long before privatization initiatives or deregulation came into effect—

Mr. Murphy: It was your policy. You didn't protect them, you didn't try to protect them.

Mr. Mazankowski: The Government—if he does not want to listen to the answer, then there is not much point in proceeding.

* * *

POINT OF ORDER

TABLING OF DOCUMENTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I rise on a point of order. During Question Period members of the Government requested that I table or make public some documents in relation to the allegations made by Mr. Glen Kealey. I have in hand a copy of a TVA transcript of September 14 which I would like to table, and with the unanimous consent of the House, I would be willing to append it to *Hansard*.

Some Hon. Members: No.

Mr. Speaker: The document can be tabled but it would require unanimous consent of the House. I do not think there is such unanimous consent.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Deputy Government House Leader. I would like to ask him if he would give us a statement of the business the Government intends to call over the next several days.

Message from the Senate

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, this afternoon we will continue with report stage of Bill C-144, the child care Bill, which I understand may be completed by six o'clock this evening. If there are recorded divisions requested, they would be deferred until 6 p.m. Monday.

Tomorrow, Friday, September 16, we will continue with report stage of Bill C-136, the broadcasting Bill. I understand that it may be possible for this stage of debate to be completed by two o'clock tomorrow afternoon. If there are any recorded divisions requested, they would be deferred until 6 p.m. on Monday.

On Monday, September 19, we would call the Bill introduced this morning respecting variable entrants' requirements for unemployment insurance. If that is completed, we would then propose to call Bill C-128, the Bill to establish the Department of Industry, Science and Technology. If there is any time, we might perhaps proceed with Bill C-157, the Bill dealing with public servants' political rights.

Pending what happens to report stages of Bill C-144 and Bill C-136, on Tuesday, September 20, we would commence third reading of Bill C-144, the child care Bill, followed by third reading of Bill C-136.

• (1510)

Mr. Rod Murphy (Churchill): Mr. Speaker, since Allan Gregg is not allowing the Conservatives to call an election this weekend, can the Minister indicate if he is willing to move forward on our proposals regarding a definition of election expenses? The Deputy Prime Minister received our letter before the break indicating that we were willing to move quickly. We have been told by Elections Canada that they believe the amendments we have proposed can be put in place quickly and they look at them with a certain amount of favour. We are still waiting for a response to that letter we sent to the Deputy Prime Minister over two weeks ago.

Mr. Lewis: Mr. Speaker, my hon. friend will know that due to the filibuster by the NDP we were unable to proceed with Bill C-79 which involved a great deal of amendments to the Elections Act. I know my friend wants to proceed with the election expenses business. Members on our side want to pin down exactly what happens to campaign contributions so they are no longer used by the NDP to fund municipal elections.

Mr. Murphy: Mr. Speaker, we are not arguing with the Government's right to introduce whatever type of legislation it wants. The point is that it has not made any attempt whatsoever to introduce legislation. Again, we have made a specific proposal with respect to a unanimous report of a committee of the House of Commons which said that election expenses must be clearly defined before the next election. That was the report of a majority Conservative committee which investigated the affairs of the Hon. Member for Frontenac (Mr. Masse).

Do you not think that after that report and the passage of six months the Government could move and provide a decent definition of election expenses before we go into the next election?

Mr. Lewis: Mr. Speaker, this new-found effort toward co-operation on the question of election expenses is a complete surprise to me and my Party. We outlined the work for next week. If we have complete co-operation on Bill C-79, we can look at it.

I reiterate that members of my Party are very disturbed about federal contributions being used for municipal elections, as they are by the NDP. Any change in the Act would have to take that into account.

* * *

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-21, an Act to revive Grenville Aggregate Specialties Limited and to provide for its continuance under the Canada Business Corporations Act, to which the concurrence of this House is desired.

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, as reported (with amendments) from a legislative committee.

Mr. Speaker: I have a ruling which I am prepared to give in just a minute. I want to say to the Hon. Member for Vancouver East, who spoke to me about one particular motion, that I am not going to deal with Motion No. 16 at this moment. I am prepared to give it some further thought, and I thought out of courtesy I should advise the Hon. Member. In the meantime, I am prepared to go ahead with all of the other motions.

There are 40 motions in amendment set down on the Notice Paper concerning Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof.

[*Translation*]

Members will recall that earlier I promised to return and give a final ruling in connection with this Bill. I am now ready to do so.

[*English*]

This morning the House disposed of Motions Nos. 3, 15, 27, 33, 34, and 40. There may be some Hon. Members who want to have a copy of this in front of them. Does the Hon. Member for Vancouver East have a copy?

Ms. Mitchell: No, Mr. Speaker, and it would be very helpful to have a copy.

Mr. Speaker: Perhaps I could ask the table officers to assist Hon. Members.

This morning the House disposed of Motions Nos. 3, 15, 27, 33, 34, and 40. The grouping of Motions Nos. 18, 21 and 22 were allowed to stand by unanimous consent, as was Motion No. 38.

[*Translation*]

I will now deal with the remaining motions.

[*English*]

Motions Nos. 1, 2, 14, 17, 19, 20, 23, 24, 25, 26, 31, 32, 35, 37, and 39 are all similar to amendments moved and debated in the legislative committee. Thus, it is with regret that I cannot select any of these motions under paragraph (10) of Standing Order 114.

[*Translation*]

Motion No. 4 is similar to an amendment presented to Clause 2 in the Legislative Commitee and not proceeded with for procedural reasons. This Motion seeks to insert a declaration of policy which at first blush is not consistent with the principle of the Bill as adopted by the House at second reading. However, I have carefully examined the matter and I am prepared to give the benefit of the doubt to the Honourable Member. Motion numbered 4 will therefore be debated and voted upon separately.

[*English*]

Motion No. 5 will not be selected as it is similar to and seeks to do much the same as Motion No. 4.

[*Translation*]

Motions Nos. 6, 7, 8, 9, 10, 11, 12 and 13 are attempting to insert new clauses in the Bill. These Motions stand in the name of the Hon. Member for Vancouver East. In effect, the Hon. Member is attempting by these Motions to amend the principle of the Bill by providing and defining national objects not found in the Bill as read a second time by this House. This is out of order and in this connection I would refer the Hon. Member to paragraph (1) of citation 773 of Beauchesne's, 5th edition.

[*English*]

I was going to deal with Motion No. 16, and I draw to the attention of the Hon. Member for Vancouver East that I am omitting any reference to that at this time. I will report back to the House a little later.

[*Translation*]

Motion No. 28 standing in the name of the Hon. Member for Vancouver East is consequential to Motion No. 26 which was moved, debated and negatived in Committee and which was not selected earlier in this ruling. For this reason, it will not be selected either.

[*English*]

Motions Nos. 29 and 30 cause the Chair procedural difficulty because they seek to continue the application of the Canada Assistance Program and this is clearly not envisaged in the Bill as adopted at second reading. Thus, it is contrary to paragraphs (1) and (8) of Citation 773 of Beauchesne's Fifth Edition.

[*Translation*]

Motion No. 36 is in order and will be debated and voted upon separately.

[*English*]

Motion No. 38, allowed to stand this morning, will be debated and voted on separately.

[*Translation*]

The House will now resume consideration of Motions Nos. 18, 21 and 22 which have been grouped for debate but will be voted on separately. It is my understanding that the Hon. Member for Winnipeg North (Mr. Orlikow), wished to move an amendment to Motion No. 22.

[*English*]

Debate.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the motion which I propose to move now is very similar in intent and content to the motion I attempted to move earlier today. I understand this motion as drafted is correct procedurally. I move:

> That Motion No. 22 be amended by adding the following at the end thereof:
>
> "(i) indicate the means by which the province will encourage the development of child care spaces to meet the needs of infants and toddlers under three years of age".

Mr. Speaker: The Hon. Member for Winnipeg North has just moved an amendment to Motion No. 22. I am prepared to accept it but I point out that it is very close to the line. I would not want it to be used as a precedent. However, this is an important matter. I see that the Minister does not seem to have any particular objection, but I do not want people rushing to use my generosity at this moment as necessarily a very binding precedent. I will accept the amendment. The Hon. Minister on a point of order.

• (1520)

Mr. Epp (Provencher): Mr. Speaker, I rise on a point of order. This amendment to the amendment gets into the area with which we were dealing in the legislative committee. In my mind it gets into that grey area of constitutional competence.

We can debate this and the argument obviously is going to be in the field of the flexibility of provinces as well as the jurisdictional position of provinces.

The problem created by accepting these motions which get close to the line is that while we can obviously use a majority to defeat the motion there is the constitutional consideration, because if it is accepted here it could also be accepted in other areas.

Mr. Speaker: I will hear the Hon. Member for Vancouver East on a point of order.

Ms. Mitchell: Mr. Speaker, this amendment is really related to Motion No. 22 which was allowed to be debated today. Motion No. 22 refers to asking the provinces to indicate the means by which they would encourage the development of child care for school children aged six to twelve.

We are not telling the provinces that they must do it. It says "indicate the means by which the provinces will encourage the development" of this. We are just adding the younger age group since there is a great need in that area. We are trying to make the provinces' indication of what is needed for under three-year-old children a little more specific. It is exactly the same principle as in Motion No. 22.

Mr. Speaker: I have indicated to Hon. Members that I am prepared to accept the amendment. I am conscious of the point that the Hon. Minister raises, but it is a substantive matter and I have to make these decisions on a procedural basis. No doubt there will be some debate on both sides of the House and perhaps the point that the Hon. Minister has made will be considered.

However, I am prepared to allow this motion to come forward. I again repeat it is very close to the line but I will, in the general interests of the debate, allow it.

Mr. Gauthier: Can we have the motion put?

Mr. David Orlikow (Winnipeg North) moved:

That Motion No. 22 be amended by adding the following at the end thereof:

"(i) indicate the means by which the province will encourage the development of child care spaces to meet the needs of infants and toddlers under three years of age".

He said: Mr. Speaker, any Member of Parliament who represents an urban constituency and moves around not only his or her own constituency but any part of the city in which he or she lives will see at four o'clock, four-thirty, five o'clock, and in the late evening, very young children aged six, seven, eight, and ten, wandering the streets and hanging around convenience stores. They are doing that because very often both their fathers and mothers are working. They have come to be known as latchkey children and we have to face up to that problem.

Some school divisions are trying to do that but they have very limited resources. I happen to have some personal knowledge of this because my grandson, who is seven years old, is attending a public school in Winnipeg which draws students from a pretty wide area. Arrangements have been made at that school for the school to be open at eight o'clock in the morning so that mothers or fathers who are working can leave their children at the school at that time. They have made arrangements that the children can have lunch in the school and can stay there till five o'clock.

That is a tremendous change. For many years, and probably still today in many schools, at noon hour the school is closed to students. As I say, those are the kinds of arrangements which we are increasingly going to have to make if we are going to protect and improve the living style of the children of today and of the next generation.

They made a good beginning in my City of Winnipeg in this regard and I am sure in other cities, but the local school boards do not have the financial ability to extend that kind of arrangement across the whole system, although it is needed in almost every area in my city and in other cities.

I say to the Minister of Health and to the Members of Parliament that we have to begin facing up to the problems of the 1980s and the 1990s. We cannot deal with the problems as they existed 20, 30, and 40 years ago. We are living in a new way. I would urge the Government to give consideration not only to approving this amendment but to helping the provinces and the local municipalities to deal with this problem by helping to pay for the costs which will undoubtedly be involved in extending that kind of program to those who need it.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I would like to speak to the amendment regarding young children under the age of three.

• (1530)

It is very important that there be some additional movement to provide services for parents who have young children. In most ridings, such as in my riding of Vancouver East, there is only one licensed day care space for infants. There are many mothers, particularly single parent mothers who have no choice but to go on welfare if they cannot get good child care in order to take training or get into the workforce. The same is true for parents of toddlers.

We believe it is particularly important to emphasize this, perhaps more than on any age group, because it is more expensive to provide care for children under three. It is very important that they are given the right kind of care and that there be a high adult-child ratio in a separate facility that is operated in a more home-like atmosphere than in the group care that is provided for three to five-year-olds. The provision of such care is more expensive and that is why there are not as many spaces for this age group. Day care centres simply cannot afford to provide it.

The Government, the Minister, and other Ministers have refused to do anything about parental leave. If we do not have parental leave to help mothers and fathers be at home with

young infants, they have absolutely no choice. The Government talks about choice but refuses to provide it. This amendment is particularly important in stressing that this is one of the services of a comprehensive child care program. It means that there should be child care services for every age group.

My colleague mentioned school aged children. It is also extremely important to highlight the need for services for children under three. It is also important for the three to five-year old age group, but there are more centres for the three to five-year old age group and the provinces are likely to continue just maintaining what they have now, if they can afford to do so with the limited funding provided by this program. They are very unlikely to move into the care for children under three, which is more expensive but much needed. It must be good quality care for these young children in their formative years. It is the most important time of their lives, when they must have good care with a loving caregiver who is a substitute during the day for the parents. That is why we believe it is important to include this specifically as an amendment.

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I support this motion because I want the Minister to persuade the provinces to set aside spaces for infants. We know that today, day-care for infants is far more expensive than for older children, and we also know there is a serious shortage of spaces in this area. Most young mothers are unable to find day-care space or a sitter for children of that age. To be perfectly frank, it might be better for mothers to stay home and take care of their very young children, at least until they are a year old, but as I said this morning, there are many couples with children who both have to work, and in that case, we must help them find spaces. As I said earlier, the Minister can be very persuasive when he wants to be, and I support this motion because I want him to negotiate with the provinces to find spaces, especially for infants.

I represent a riding that is particularly fortunate, because we have several day-care centres. Outremont was one of the first ridings that started day-care centres more than ten years ago. I think people in the cities may be more fortunate in this respect. Although there is a serious shortage, people always manage to find spaces. However, in the regions and in small towns and communities, th shortage of spaces is far more dramatic. So I support this amendment, and again, I want to ask the Minister of National Health and Welfare to do everything he can to have spaces set aside for infants.

[*English*]

Mr. Neil Young (Beaches): Mr. Speaker, the Hon. Member for Vancouver East (Ms. Mitchell) has expressed concern about the inadequacy in providing funding or direction for children under the age of three.

I want to add my concern, which is the apparent absence in this legislation of consideration for the particular problems of parents who have disabled children. The cost of providing child care services for those children is substantially more than for able-bodied children under the age of three.

The *Obstacles* report was a document tabled in the House of Commons by an all-Party committee that made unanimous recommendations. It recognized that the additional cost associated with a disability was something for which the federal Government had a responsibility in providing leadership.

Let me give a perfect example. It is estimated that the cost of child care for a disabled child is some $8 a day, $5 per day for an infant or special needs child, $4 per day for full day care for pre-schoolers or school aged children, and $2 per day for a child needing after school or half-day care.

I want to emphasize that there are additional costs in day-to-day living associated with disabilities. If child care imposes an even greater cost on parents who are already having a hard time making ends meet, I believe that the Minister has a responsibility to re-examine that aspect of this legislation, in giving incentives to provincial and municipal Governments that also have a role to play in providing child care spaces. There is an additional responsibility on the Minister to persuade his cabinet colleagues to provide that additional financial assistance to those families who have disabled children not only under the age of three, but for those who require child care services on a long or short term basis.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 18, standing in the name of the Hon. Minister of National Health and Welfare. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion No. 18 (Mr. Epp (Provencher)) agreed to.

The Acting Speaker (Mr. Paproski): The next question is on Motion No. 21, standing in the name of the Hon. Member for Outremont. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

• (1540)

The next question is on the amendment to Motion No. 22 which was moved by Mr. Orlikow and seconded by Ms. Mitchell.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 114(11), the recorded division on the amendment to the motion, with the motion, stands deferred.

The next motion for debate is Motion No. 4.

Ms. Margaret Mitchell (Vancouver East) moved:

Motion No. 4

That Bill C-144 be amended by adding immediately after line 24 at page 3 the following:

"3. It is hereby declared that the primary objective of the Canadian child care policy is to establish a national child care program which provides non-parental care for children who require it and which is consistently affordable, accessible, available and of assured quality across Canada, and which is provided by not-for-profit child care agencies."

She said: Mr. Speaker, this is a very important motion. Almost every group which appeared before the legislative committee considering Bill C-144 said that one of the great weaknesses in this Act was that it had no national objectives. We have heard that over and over again. We know that the Canada Health Act, which is the last major piece of social legislation passed by Parliament many years ago now, spelled out principles. This is a social program where the federal Government provides funding in addition, even though the program itself is in provincial jurisdiction, but it does so on the basis of really carrying out our national principles, the five national principles of medicare.

This has been extremely important, as any student of history can tell you, because it is the only way a national social program can be available with not exactly quality day care but at least some practical provisions that are similar in the different provinces. It is important that health care be universal in Nova Scotia, just as it is important that it be available to anyone in Ontario. Constitutionally, and this is a constitutional issue, it is quite important that national social programs, even if money is being put into programs under provincial jurisdiction, do have some guidelines and goals. National dollars should not just be spent for anything. In British Columbia over the years, for example, money that was supposed to be spent for post-secondary education was put into roads and other kinds of things instead, with no responsibility at all to be accountable.

We felt very strongly about this very major and very important new social program, a program which has been needed for 20 years. For 20 years women have been advocating a national program for child care. We must do it right, and to do it right we must have national objectives. I hope the Hon. Member for New Westminster—Coquitlam (Ms. Jewett) will speak to this matter because she is a constitutional expert. As she knows, under the Meech Lake Accord there was agreement among the provinces, including the Province of Quebec. I would point out, that there would be national objectives and that federal spending for social programs would be based on provinces agreeing to the national objectives. This program is the forerunner of the Meech Lake Accord, and surely the Government would agree that this should be developed as a model in the spirit of Meech Lake.

I am sorry to say that it is anything but a model. In fact, it is a very negative kind of cop-out. It is actually just a pretence on the part of the Conservative Party, I am quite convinced, some token gesture to get the women's vote across the country. The Conservatives are concerned about the gender gap and well they should be because the women of Canada will be expressing their anger and have already expressed their anger about the extremely inadequate Canada Child Care Act.

We would like to see national objectives that would spell out a real program, and we have an amendment that would do this in greater detail. We talk about quality. A national child care program should be a program with objectives of quality, affordability, accessibility, comprehensiveness, flexibility, not for profit administration, and accountability.

In subsequent amendments we spelled out what we meant by each of those objectives. We were following the model of the Canada Health Act. We had it right in front of us and that is what we were using. We thought it was very important to spell out the objectives we would like to see. These objectives are much broader than the Minister will even consider. When I questioned the Minister in the House a number of times, as well as in committee, he affirmed that he had national

objectives. In his preamble to the Act he does mention that there is a need for child care programs which are affordable, accessible, available, and of assured quality. I have not quoted it specifically but I believe those are the four points in the preamble to the Bill. He has even referred to those principles as objectives in the preamble. The preamble leads off by stating:

> Whereas the Parliament of Canada, recognizing that there is a need—

Not that there will be objectives but that there is a need. It continues:

> —to improve the availability, affordability, quality and accessibility of child care services, is desirous of increasing the number of child care spaces throughout Canada—

Sure, there is a need. Every study we have had for the last 15 years has indicated that there is a need. In fact, there is a need for much more. There is a need for non-profit child care as well. Putting this into a preamble of an Act, saying in an innocuous way that there is a need, is not the same as putting objectives into the body of the Act.

With respect to the guidelines of the Canada Health Act, there is one statement which is the general object of the Act. It goes on subsequently to spell out the national objectives with definitions. That is what we were trying to do when we presented this motion in committee and as we are presenting it now. I say again that it is really very important. Many of the provinces are in desperate straits. They have told the Minister over and over again that they do not have enough money for child care. They certainly are very concerned that he is not going to give them enough money to make any real impact or even to do very much more than they are doing now. Many provinces, I suspect, will use the available money to help cover the costs of existing programs. As we said earlier, we are concerned that low income children, for example, may not necessarily have priority.

We are also concerned that any new national child care program has to be consistently affordable. It means that parents have to be able to afford the fees. That means there has to be money to reduce the fees. It is not enough to have a tax rebate of some type because many parents will be using that for nannies or for unlicensed care. What we are saying is that it must be covered in national objectives so that the provinces have to begin to reduce the fees, or at least say how they will reduce the fees in the future in order that they will be affordable.

• (1550)

We are not talking about poor families. We are talking about average families, the ones in the middle that are left out. The Government likes to give tax breaks to the wealthier parents where often two professional parents are working and their income is pretty good. Of course they like a tax break. The Government tends to forget about the families in between, the ones that are struggling and do not have a high income. Such a family would be in the poverty group if the second parent was unable to work to help pay the mortgage.

There are many, many single parents, I regret to say increasing numbers, and the Government has no programs designed to help single parents. They are in an incredible situation when it comes to care. They simply cannot afford the fees. Many students now have children. They cannot afford the fees. In fact, we heard about child care centres in universities that will be closing because the fees are so high that parents who are students simply cannot afford them.

This motion also refers to the question of accessibility. It is grossly unfair, and I would suspect even unconstitutional, that child care is available in urban centres in a limited way, usually for three to five-year-olds, but it is not available in rural communities, northern communities, and in many of the poorer regions of Canada.

We want to ensure that this Act has national objectives which state that day care must be accessible, and that parents, no matter where they live, have the right to good, licensed, affordable child care. The Minister has stated that it must be available. I suppose he means that seriously. If he does mean it seriously, why will he not put it in objectives? He also referred to the whole question of quality. If the Minister means what he says about quality in the preamble, then why in the first national child care program that we have ever had why is he afraid to include it in a national objective in the Act? I am compromising with the Minister. I am not insisting on our objectives which are by far superior. Why will the Minister not even accept his own objectives?

The Acting Speaker (Mr. Paproski): I regret that the Hon. Member's time has expired. On debate the Hon. Member for Outremont.

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I simply wanted to say that I support this motion because many groups and witnesses told us they were concerned that non-profit day-care centres would get less support from the various governments. I think it is important for us to have subsidized, non-profit and affordable day-care centres.

As was said earlier by the Hon. Member for the New Democratic Party, we have many teen-age mothers who cannot get their children into day-care, mainly because they can't afford it. I think it is important for us to give non-profit day-care a special place in our child-care system.

[*English*]

Ms. Pauline Jewett (New Westminster—Coquitlam): Mr. Speaker, I am very happy to have this opportunity to join the debate because all through July and August of last year I was privileged to be a member of the committee on the Meech Lake Accord. One of the most important subjects that the committee addressed, you will recall, Mr. Speaker, was the matter of shared cost programs and the conditions under which a province could opt out of such a program.

Early on in the hearings all members of the committee spent a good deal of time with the witnesses before us, the Ministers,

deputies, constitutional experts, and members of the public, assuring ourselves that a program such as a national child care program would and could adhere to certain national objectives that would be spelled out. We had that assurance time and time again, indeed, so much so, that the whole issue of shared cost programs in the constitutional accord, and the national objectives that could be pursued in developing such programs, became no longer an issue. For the remainder of the hearings we devoted ourselves to other parts of the accord that we felt needed greater clarification. It was made clear, and it was a very exciting moment for many of us because our shared cost programs in the past had not contained national objectives in the Constitution. I for one regarded this as a tremendous accomplishment for Canadians, and one of the very strongest reasons for supporting the new constitutional accord. I also believe that was true for my fellow committee members.

Now we find that the Government which introduced the constitutional accord, which pursued placing national objectives in the Constitution of Canada for the first time—we never had the words "national objectives" in our Constitution before—is welching. It is welching on its own proposal. Indeed, it leads one to think that the Government is rushing this legislation through because it knows that it is welching on the Meech Lake Accord. It wants to get the legislation through before the Meech Lake Accord kicks in. That, I am afraid, is exactly what it is doing.

I spent an enormous amount of time studying the accord, thinking about the accord, and having it explained and argued over. I certainly recommended as strongly as I could to my fellow caucus members, who were also worried that under Meech Lake we might never again have a national social program, that the possibility of having national objectives in a national social program was stronger than it had ever been before, and that under Meech Lake there would no longer be an opportunity for any Government of Canada to do what it has done, for example, in post-secondary education, which is not to have any objectives at all, and the provinces can spend the money on roads and bridges.

I do not see many present at the moment, Mr. Speaker, but I can assure you that I had the assurance of members of the committee from the government side that was their understanding of the insertion of the phrase "national objectives". The problem may be that the Minister of National Health and Welfare (Mr. Epp) has not read all of the minutes of the Meech Lake discussions last summer. He is smiling, so I guess he hasn't, but I wish that he had read it.

• (1600)

Mr. Epp (Provencher): You are absolutely right.

Ms. Jewett: All right. He has not read it. Of course. I was on the committee. The Minister for International Trade (Mr. Crosbie) has not read the trade deal, and the Minister of National Health and Welfare has not read the minutes, or even the final report of the constitutional committee. Had he done so, he would have realized that it did not say that they could just be tucked into a preamble to an Act. It said that the national objectives could be fully developed, along the lines of this amendment. If they wanted different national objectives, they could have put those in, but in the body of the Act. You do not need Meech Lake to put something in the preamble of a Bill. Preambles are not binding, as we all know. You do not need this great constitutional accord to put in a preamble providing for accessibility, affordability and availability of child care.

The whole benefit of the constitutional accord, what we commonly call the Meech Lake Accord, is being lost by the very Government that proposed Meech Lake in the first place. I know, as I stand here, that if Meech Lake had already kicked in; i.e., if the remaining two provinces, including the Minister's province, had signed on, as I am sure they will do—although this is probably going to make them wonder—

Mr. Epp (Provencher): This explanation will.

Ms. Jewett: I would like to hear the Minister give a better one.

Mr. Epp (Provencher): I will. It is not hard.

Ms. Jewett: Had they signed on, and had Meech Lake already kicked in, there is no way that this Government could have introduced a Bill like this, simply putting the national objectives in the preamble of the Bill rather than in the body of the Bill, knowing, as even the Minister must know, that preambles have no legal effect. If the Minister cannot understand that, then he does not understand what Meech Lake was all about.

The Minister said that he is willing to speak. I would like the Minister to explain why the Government did not place in the Child Care Act—

Ms. Mitchell: He refuses to even consider it.

Ms. Jewett: —or even consider putting in the body of the Act the objectives of this Government. I am not saying that they have to adopt all of our objectives, but there should be some objectives for a national child care program in the Act. I would like to know why they have not been put in when the Government, in the Meech Lake Accord, made it not only possible but obligatory to have national objectives stated. Why did they not do it? Why have they taken this action and welshed on the Meech Lake Constitutional Accord?

Ms. Mitchell: Well put.

The Acting Speaker (Mr. Paproski): Is the House ready for the question? The Hon. Member for Regina East.

Mr. Simon de Jong (Regina East): Mr. Speaker, I was slow in rising because I was expecting the Minister of National Health and Welfare (Mr. Epp) to rise and give the promised explanation.

It is of concern to us that there are no national objectives, that it is being left up to each province to interpret what this will mean. It is of concern to us that we will end up with a patchwork of child care facilities across Canada that will not have national objectives. It is of concern to us that there will be in some progressive provinces, probably those with New Democratic Party Governments, good quality day care, and that in other provinces, probably Tory provinces and Social Credit provinces, that in essence do not believe in day care, philosophically, there will be very low standards. Public moneys will be used to support scams that will go under the guise of day care but, in essence, are not day care.

My colleague from New Westminster discussed the implications in terms of the Meech Lake Accord, and I wish to add a few comments about this. When we were discussing the Meech Lake Accord in our caucus—and I do not think I am giving away caucus secrets—they were many long and heated debates about the implication of the Meech Lake Accord. One of the major concerns that we, the New Democrats, have is the ability of the federal Government, in certain areas, to be able to set national objetives when it comes to federal moneys.

We were given the assurance, both in caucus and on the floor of the House of Commons, that indeed national objectives will be allowed under the Meech Lake Accord. The Government had a real opportunity with this legislation to demonstrate that we can have national objectives under the Meech Lake Accord.

I understand that the Province of Quebec was not opposed to implementing within the Bill national objectives and the definition of national standards.

Ms. Mitchell: National objectives.

Mr. de Jong: National objectives. The Government failed to demonstrate in the House and to the Canadian public that we could have a new national social program with national objectives and still have the Meech Lake Accord.

I am becoming worried. I am worried that—

Mr. Crosbie: You have never been anything but. I have never seen you when you were not worried.

Mr. de Jong: —with Meech Lake we will not be able to have national objectives. A fair number of people in this country who have supported Meech Lake must now think twice. The national broad consensus and the all-Party support was delivered on Meech Lake in an attempt to heal and bring the nation together. This Government with its inaction, its inability to act in this area, is destroying the national coalition. When you stand back and look at what this Government has done and continues to do, is it in any way a surprise?

Since the 1984 election, we have entered into the Orwellian world of 1984 where what is said is not really what is meant. We see it in the child care legislation. I am really concerned that this is also applicable to the Meech Lake Accord.

What we are asking for, in essence, is a recognition by this Government that national objectives should be defined and included in the Bill, not just in the preamble. The preamble does not hold any water. The Minister and the Government know this.

We are asking for a definition within the Act that will carry some legal weight. We would like to see the Government adopt what we propose and the definition of those national objectives. At the very least, we are asking in this amendment that what the Minister has often spoken about, what is found in the preamble, be moved into the Bill to give it some flesh around those bones.

I think the indication of the Government is that, it will not accept this amendment. The Minister promises some explanation. I hope that he does eventually find whatever it takes for him to stand up in the House and to give that explanation. I was hoping that he would do it after my colleague had finished speaking in order for me not to have to give this speech and to express these concerns. It seems that the Minister is not quite prepared to explain to us how we could have national objectives as part of an Act and still have the Meech Lake Accord.

Let me just say a few words about the need for having some national objectives. Part of what we asked for in terms of national objectives was accessibility.

• (1610)

I represent a seat, Regina East, which has a rural component, an urban component, as well as bedroom communities and the downtown of Regina. It has various Indian reserves. There are Indian people, native people and Métis people living off the reserves. They all have very specific needs.

Rural people have a special need in terms of day care, particularly considering the cycles of agriculture. During harvesting and seeding there is a special need for a rural type of day care facility. Children in the Province of Saskatchewan die every year as a result of farm accidents. Children are taken up on the combine or on a tractor and they have some very nasty accidents. Several of them die every year because the farm family, both the husband and the wife, are needed to put the crop in or take it off. There just are not the proper facilities or the opportunities to leave their children in care.

I know of Métis and native families in Fort Qu'Appelle who have to postpone their education. There are young families with children and they want to upgrade and better themselves. They have been accepted into technical courses but they cannot go because there are not enough facilities in the native day care centre in Fort Qu'Appelle.

I have heard the same stories about young working couples going back to university. There is a great need for day care facilities, a variety of different types of facilities. They all need a certain standard, a basic standard that should be available whether one lives in Newfoundland, Québec, Fort Qu'Appelle, Saskatchewan or Richmond, British Columbia. That is why we

feel so strongly that national objectives are needed and that this should indeed be part of the legislation.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to say a few words on Motion 4 under consideration, which seeks to amend the Bill by adding immediately after line 24 at page 3 the following:

> "3. It is hereby declared that the primary objective of the Canadian child care policy is to establish a national child care program which provides non-parental care for children who require it and which is consistently affordable, accessible, available and of assured quality across Canada, and which is provided by not-for-profit child care agencies."

Mr. Speaker, I took part in the debate on second reading, when I commented on my personal conviction that such an important Bill as this, dealing with a national problem, should contain national objectives.

Unless I completely missed the debate—but it is unlikely that I missed the point—I remember that the Minister of National Health and Welfare (Mr. Epp) admitted to us that it was necessary to set national criteria for a national shared-cost program.

I then thought that the Minister agreed that it was important to ensure that Bill C-144 set clear and explicit criteria so that people throughout Canada could understand the national objectives set by the Parliament of Canada.

This addition to the interpretation section would, in my view, be almost essential to a better understanding and implementation of the legislation.

Mr. Speaker, after being in power for four years, the Government admits it must provide Canadians, wherever they happen to live, with a measure of equity as to the fundamental aspects of national shared-cost programs.

I hear the New Democrats are talking about Meech Lake. If I understand the finer points of this debate, a number of NDP Members would have some hesitation if they had to vote on the Meech Lake Accord today.

I don't intend to play that kind of game. I voted for Meech Lake. I maintain that Meech Lake is still basically a good thing for Canada, and if my understanding of the Accord is correct, provinces that opt out of shared-cost programs must meet national objectives if they are to obtain reasonable compensation from the Canadian Government, from the Parliament of Canada. I think that is an essential point. I think the Minister will reply, and I hope he does, because he is sincere, that he is agreeable to certain changes aimed at establishing minimum national standards as part of the agreement with the provincial governments. I believe these standards should not in any way restrict provinces that already have a head start in the area of child care and whose standards are already above the minimum. This should not prevent those provinces from opting out and receiving reasonable compensation.

Raising the issue of Meech Lake at this point in the debate seems rather academic and more a political gesture on the part of the New Democrats because unless I am mistaken, Mr. Speaker, we have established that a province that meets minimum standards and that participates in the shared-cost program must meet national objectives if it is to obtain reasonable compensation.

This means that Parliament and Canadian families would have the assurance that day-care services financed by the federal Government would not fall below minimum standards acceptable across the country. We would have to be sure of that. I understand that there is a desire to establish clearly what our minimum acceptable standards are. That would seem to be elementary. That is the kind of guarantee any prime minister, any self-respecting Minister of Health would want to give Canadian families. That is why I find it difficult to understand why this Government is reluctant to include in the legislation . . . I realize it is there in the preamble. We have it in the preamble. I think it is in the first part.

> WHEREAS the Parliament of Canada, recognizing that there is a need to improve the availability, affordability, quality and accessibility of child care services, is desirous of increasing the number of child care spaces throughout Canada by *at least*

. . . thanks to an amendment in committee, at least . . .

> two hundred thousand over the seven-year period ending March 31, 1995, and of contributing to the maintenance of the expanded child care system thereafter;

It's in the preamble which, as far as I know, is supposed to help interpret the Act. I am not a legal expert. I am a Member of Parliament, a legislator, but I have always been told that the purpose of a preamble is to interpret the legislation in question. tion in question.

When we read the preamble, we realize that it contains set criteria, minimum standards for the shared-cost program. Look at the Canada Health Act and the amendments adopted in 1983 and 1984. I am referring more specifically to Canada's cash contributions to health services insured and administered by provincial health care insurance plans, and to Canada's health care policy which is based on the five criteria we all know: accessibility, portability . . . I could read them all, they are all here.

• (1620)

[*English*]

I had noted on the back of this sheet here accessibility, portability, non-profit administration and universality. These are criteria to which we have agreed in our health care system. They are clearly used every day as minimum standards and objectives. Therefore, I fail to see how the Minister cannot agree that this should be made clear in the body of the legislation, not simply in the preamble.

If the Minister is telling me that as a legislator he is satisfied that the preamble is clear for him and therefore for all those who read the Bill, that is fine, but let him rise and say that. I

would appreciate hearing from the Minister on this point, and I would also appreciate hearing his comments on how Meech Lake has been brought into the debate by the NDP.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, first I would like to congratulate my colleague, the Hon. Member for Vancouver East (Ms. Mitchell), for the hard and creative work she has done in providing leadership on the issue of establishing a national day care program and for her work in identifying the failure of this legislation to meet that need. I would also like to congratulate my colleague, the Hon. Member for New Westminster—Coquitlam (Ms. Jewett), for her edifying intervention. However, I must state that my two colleagues, in criticizing the Minister for failing to state a national objective, are perhaps off the mark.

It is clear from the events that have occurred in this Chamber that the Hon. Minister has no intention whatsoever of indicating in the House what the Government's national objectives are. He sits there smugly, knowing that those objectives cannot be revealed, but he hopes that his national objectives will be met. In fact, this piece of legislation is a part of a blizzard of promises, certain to be broken, that the Government has sprayed upon the people of Canada in preparation for an election.

The national objectives of this legislation are clear. As a matter of fact, the objection is singular. It is to fool the women and families of Canada into believing that they have a national child care program. Therefore, it is clear why that national objective cannot be included in this legislation.

That, of course, is an incomplete approach. I do not want to suggest that the Hon. Minister is not himself indeed interested in achieving a national child care program. However, it is obvious that the Government is not interested in achieving a national child care program which would meet the minimum national objectives that such a program should meet. However, the Minister is aware of what most Canadian families expect national objectives to be.

Most people do not realize that a preamble has no legal effect. However, just before an election, copies of the legislation will be sent out to all those groups which expect something to be done and they will read the legislation and find that it is to achieve availability, affordability, quality and accessibility. I am sure that even sounds good to you, Mr. Speaker, as well. It sounds good to the women of Canada who want decent legislation. Only after the election is all over will anyone come to realize that this was a fool's game being played.

The women of Canada must be becoming completely disillusioned with this Government. My Party supported the Meech Lake Accord in the face of the concerns expressed by many women's organizations that never again would a national program such as the Canada Health Act be enacted. They were reassured that that was not so, particularly by my colleague, the Hon. Member for New Westminster—Coquitlam. They were assured that indeed we could have legislation that would go as far to establish a certain degree of uniformity with respect to application of new programs as was obtained in the Canada Health Act.

What has the Government done? Did it use the opportunity this legislation presents to demonstrate the fallacy of the criticisms of those organizations and show that we could state national objectives in this first piece of significant social legislation to come before us since Meech Lake was considered? No, it circumvented that opportunity. It tried to fool the people again instead of using the opportunity to demonstrate that Meech Lake could in fact contribute significantly to the effort to find some degree of co-operation between the federal Government and the provincial Governments in the enactment of social programs to the benefit of Canadians.

As a consequence, we have a Bill that states what could be objectives in an unenforceable preamble. The amendment we are advocating would provide that those objectives be included in the Bill. I am very interested in whether the Minister will continue to sit there looking like the cat that swallowed the canary because he has fooled the people of Canada or whether he will rise in his place to defend his failure to include objectives in this legislation.

As my colleagues have said, we do not think that the objectives that are in the preamble are adequate. We think that the objectives should be included in the body of the Bill and should, as suggested by the amendment proposed by my colleague, include that day care establishments be not for profit.

This is another area in which the Government has done damage to the interests of women. Of course, most of those involved in the delivery of day care are women. They understand that profit oriented day care, apart from delivering poor care as compared to not for profit day care, also provides very low wages for the women working in those establishments, and the Government wishes to continue that. This is a piece of legislation that the Government would parade as a contribution to the improvement of the status of women in Canada, but it is a bad joke.

I would ask the Minister to rise to his feet, stop looking so smug since he is not fooling anyone, and explain why there are no national objectives in this legislation.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I have just had the opportunity to have a chat with the Minister of National Health and Welfare (Mr. Epp). His goodwill shows, but I would plead with him to give some very serious consideration to the amendment we are now debating. I am not in full accord with the complete principle of the amendment. Parts of it create some problem for me with respect to the not for profit child care agencies. I am not so sure it adds to the fundamental issue we are discussing, therefore I would like to address what I consider to be one of the fundamental problems one is faced with when dealing with legislation from the Government.

• (1630)

Unfortunately, in my view, we deal with pretty packages containing the right words but never in the right place where they can be effectively and efficiently applied. That is what we are looking at here. The preamble to this Bill indicates a worth-while intent, but unless it is translated into concrete action, unless it is a directive in the law, it is of no avail. All the lovely—

[*Translation*]

. . . phrases in the world would be useless if they are not reflected in the Act itself.

[*English*]

With that thought in mind, I would like to point out that the Minister knows full well that Rosie Abella, in her employment equity report, stated that child care was a fundamental building block for Canadian women and their families. He knows full well that more and more women must go to work even if they do not want to. He also knows that many women want the opportunity to use their intelligence, their skills, their aptitudes in the workforce while at the same time being parents with the right of choice, a right which I believe every person in Canada, male or female, should have. You cannot have that right if you do not have adequate, affordable, and accessible child care. To have it otherwise is to put our women and children in jeopardy because there is no level playing field, and I think the Minister knows that well.

The *Equality For All* report was a landmark report. It indicated how vital both maternity leave and child care was to fairness and equity in this country. The Government put an employment equity proposition before this country in the form of Bill C-62, but it has no mandatory aspect because there are no penalties unless you fail to file a pretty little program. Yet if you do not put the program in place, nothing happens to you. We are faced with the same thing in child care. The Government says in the preamble to the Bill:

> Whereas the Parliament of Canada, recognizing that there is a need to improve the ability, affordability, quality and accessibility of child care services, is desirous of increasing the number of child care spaces throughout Canada by 200,000 . . .

I hope it does put in place at least 200,000 over the next seven years, but that is still a cap on what would have happened if we did not have this Bill at all.

Mr. Epp (Provencher): Not true.

Mrs. Finestone: I will not address that issue right now, but I will come to it another time.

The important matter here is availability, affordability, quality and accessibility. Those are key words and they are found in the National Health Act. They are implied in the fundamental principles of Meech Lake with respect to federal spending power and national objectives. The sad thing is there was no translation from intentions in the preamble to action in the Bill.

I would like to compliment the Hon. Member for Vancouver East (Ms. Mitchell) on her good, solid amendment. It is worthy of serious consideration. While I wish she would delete the last little bit, the intent is there. I suggest that where it declares the primary objective of the Canadian child care policy is to establish a national child care program which provides non-parental care for children who require it and which is consistently affordable, accessible, available and of assured quality across Canada, it makes eminent good sense.

I will not talk about rich and poor, which I could, in addressing this Bill. Let me just say this. The well-being of every child assures the future dynamism of this country. If you do not see to the child' intellectual, physical, growth and small motor control development, in adequate space with decent, trained staff and decent meals while the parents are at work, you are jeopardizing the future of this country. That is why we call this program a basic building block.

If we cannot do it properly, why are we taking it out of the capped services? Why not just leave it there and see what we could have negotiated? What are we negotiating this way? Are we going to have decent, normal standards or are we going to sink to the lowest level? Are we going to have maximum considered services? Shall we find a worth-while middle road? In the long run the Minister is responsible for the health and well-being of our children and he knows it, so I hope he is not too uncomfortable in that seat right now.

We could put into the body of the Bill those vital principles. That would be better than being in the position of saying that what you see is not what you get and the reality is an empty package. I do not want to say that to the parents and children of this country. I would like to know that the opportunity for decent, affordable, accessible child care is available to me if I choose. I can send my child or not, if I wish, to either all day care or all night care, drop in care if I need some relief and want some time for my own growth and to express my own self worth, and so on. If I live in the country, I want to be able to drop my child off, if necessary, in a neighbour's home which is properly supervised in some way. The province that I come from, Quebec, has under its child care legislation some excellent principles and policies, and they have been applied. It is a fair program. There is fairness of access for the most part, mostly non-profit, true.

I would like to suggest to the Minister that there is a way at this point in time or in the near future that if he could use that Act as the model for all of Canada, we would all be the beneficiaries of a very far-sighted and carefully planned program which is good for children. The bottom line is whether it is good for my child. Is it good for your child? Does it fit my grandchildren? Will they be good citizens for tomorrow? The question is: What is this going to do?

In closing, I would like to recommend acceptance of this motion.

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I am pleased to rise and speak for the NDP and myself on this very important Bill and what I consider to be a key amendment.

It was very interesting to hear what the Hon. Member for Mount Royal (Mrs. Finestone) said a minute ago about different standards in this country. I am not from Quebec so I do not know, but I am told it has a fairly good plan. That is because of the social democratic thrust of the PQ Government there. You can tell the difference between that and the Province of British Columbia which constantly goes downhill as it veers toward the Conservative agenda. We have a terrible day care system in British Columbia.

• (1640)

My colleague from Vancouver East, the NDP critic on social affairs, has introduced the amendment which reads:

> It is hereby declared that the primary objective of the Canadian child care policy is to establish a national child care program which provides non-parental care for children who require it and which is consistently affordable, accessible, available and of assured quality across Canada, and which is provided by not-for-profit agencies.

The Minister may not like the last part of the motion. That is our particular philosophy. The Hon. Member for Mount Royal said that she did not quite agree with that but she agreed with the other part. The Minister is free to accept this amendment while rejecting the latter part of the clause if he wishes. It seems to me that this amendment, excluding the not for profit aspect, incorporates into the body of the Bill what the Minister set out in the preamble which says:

> WHEREAS the Parliament of Canada, recognizing that there is a need to improve the availability, affordability, quality and accessibility of child care services, is desirous of increasing the number of child care spaces throughout Canada—

—and so on. If the Minister is prepared to put that objective in the preamble, why is he afraid to put it in the body of the Bill? I would ask the Minister to respond to that when he speaks to this motion. Why not put it in the body of the Bill? What is he afraid of? What is stopping him from doing this?

You and I, Mr. Speaker, have been around this place for a little while, you for a little longer than I. You know that putting something in the preamble is a nice gesture, but putting it in the body of the law is the real test of whether you want it to happen. Our amendment is quite simply an attempt to put the objectives which are set out in the preamble of the Bill into the body of the Bill, with the one distinction being the last words, "not for profit child care agencies".

This is based on the objectives in the Canada Health Act. Why do you think we have national objectives and requirements in medicare in this country? Doctors cannot extra bill because that is prohibited right in the Act. I am proud that my Party, the NDP and the CCF before it, with support from other Parties, fought to have it introduced in Saskatchewan and it later came in at the national level. This does not happen by magic. It has to be legislated, and that is what we are attempting to do in this Bill.

The first objective set out is affordability. Child care should be affordable no matter where you are in the country, whether in Newfoundland, eastern Arctic, or downtown Toronto. We want equality in Canada—again a social democratic principle. We think the Government is bringing in a system more and more like the American system in which the emphasis is not on equality but on survival of the fittest.

Child care should be accessible and affordable in rural areas. The Minister used the word "accessible" in the preamble and we use it in this amendment. I know that the Minister, who comes from a rural area, would want to make child care as accessible as possible in rural areas, especially since, as I understand it, the western Canada reform movement is running a number of candidates in the Minister's area, which could be a challenge to the Conservatives in some areas. I would think he would accept our advice in order to be able to go to the rural areas and tell the people that he is including in the body of the Bill accessibility to child care for them.

Mr. Epp (Provencher): Are they running against you?

Mr. Waddell: Not yet, but I hope they might because we know whose votes they are going to take.

Quality is important. Services can be so underfunded that people are not paid decent wages. I give my province as an example. It is usually women who work in these low-paid jobs which hurts the equality of the day care. In Alberta the only qualification to work in day care is that you be 18. We need more qualifications. It should be a good job because looking after future generations is one of the most important things we can do.

We have added non-profit. Three research studies show that commercial child care in general has lower standards and lower quality than non-profit care.

I would like to conclude by saying a few general words about this Bill in relation to the amendment. We in the NDP do not believe that this is a national program because it does not have national standards. It is another deal of the Prime Minister (Mr. Mulroney) to try for women's votes and to try to patch up the gender gap which he is experiencing. He has greater support from men than from women. Therefore, right at the very end of his four-year mandate, right at the very last gasp of a dying Parliament, he has introduced day care. The people in my new riding do not want to be fooled, they want a good, affordable child care program.

Meech Lake was mentioned. I personally think that Meech Lake was a disaster for Canada. The Prime Minister gave away half of Canada's powers to the provinces in Meech Lake and the other half to the Americans with the free trade deal. How Canadians look at this particular Bill is very important. This is the first major social program Bill since Meech Lake. I have been very afraid that Meech Lake would freeze national

social programs. I was afraid that after Meech Lake medicare would be over. I am told by my colleagues and other critics that that will not be so. I hope that that is so, I hope that we have not accepted the end of the progression of the welfare state on a national level. I am told that that is not so, but this is our first test and we must look at this very carefully.

As I understand it, federal Government spending powers can come under Meech Lake and national objectives can be set. Therefore, why is the Minister not setting national objectives in this Bill? It is very important that the federal Government exercise its right to do this right away or the provinces will be signalled that we are going to have a checkerboard system of social services.

This is the first time I have spoken on this Bill, Mr. Speaker, and I am speaking on the amendment. I will conclude shortly.

The Acting Speaker (Mr. Paproski): As the Hon. Member knows, he has had 11 minutes now and there are only 10 minutes allotted for debate by each speaker. The Speaker does have a ruling to make. I will recognize him for the next 30 seconds.

Mr. Waddell: Thank you, Mr. Speaker. I believe that this is an opportunity lost. We have a chance to set national standards and national objectives in this Bill.

• (1650)

The Minister is on the right track in the preamble. This amendment would put it in the Bill. If the Minister is very serious about this, because I think he is a serious and good person, I conclude by challenging him to adopt this amendment by the Member for Vancouver East (Ms. Mitchell) for the good of the country and for the good of ordinary Canadians and their families so we can have the best child care system possible. We can afford to do it in this country.

Mr. Speaker: Earlier today, following a conversation with the Hon. Member for Vancouver East (Ms. Mitchell), I undertook to review once again Motion No. 16 in her name. I have looked at it very closely and I regret that I must advise that I am unable to comply with her request.

Procedurally, that motion would introduce a new principle to the Bill, that of national objectives and criteria, binding the provinces under the agreement referred to in Clause 4.

The Speaker trespasses with very great caution in these matters, and I suppose I can be allowed to remark that that may be indeed, for some Members, a very desirable principle. But it seems to me it was not contemplated when the House adopted the principle of the Bill on second reading. The House has already pronounced on the principle of the Bill and I must be bound by procedural law. It cannot be altered at this stage by way of amendment.

I want to say to the Hon. Member that I have given this very careful consideration. I am sorry, under the circumstances I cannot accept it.

The Acting Speaker (Mr. Paproski): Resuming debate on Motion No. 4.

Mr. Neil Young (Beaches): Mr. Speaker, much has been said in the course of this debate about the need for this Bill to have within it stated national objectives. In my opening remarks I want to read that portion of the preamble that Members in my Party, specifically the Member for Vancouver East (Ms. Mitchell) has proposed by the motion we are debating at the present time. That statement in the preamble reads:

> It is hereby declared that the primary objective of the Canadian child care policy is to establish a national child care program which provides non-parental care for children who require it and which is consistently affordable, accessible, available and of assured quality across Canada, and which is provided by not-for-profit child care agencies.

It escapes me why the Minister, in negotiating with the provinces, would not insist that that objective be written into the Act itself.

The Hon. Member for Windsor-Walkerville (Mr. McCurdy) mentioned the Canada Health Act. Negotiations took place between the provinces and the federal Government to establish the Canada Pension Plan. Various policies have been negotiated between the federal and provincial governments in terms of cost-sharing of programs, where national objectives have been the main initiative to be pursued by the federal Government, for a very good reason. It should not matter whether a Canadian lives in Newfoundland, in central Ontario or on Vancouver Island, that Canadian should be entitled to receive the same standard of social services as any other Canadian. I am afraid that if those objectives are not contained in the legislation itself that Canadians will be treated differently, depending on where they live in Canada.

According to the proposals in this legislation, the federal Government seems to have abdicated any fiscal responsibility for providing or helping to provide adequate child care spaces across Canada. In fact, it seems to have said that it is no longer interested in being in the area of providing affordable child care spaces across Canada and is transferring that responsibility, after a number of years, totally in the bailiwick of the provinces and municipal governments. After several years, a provincial government, depending on its tax base, will determine whether or not it can provide affordable child care in that particular region of the country.

For example, one must wonder whether Newfoundland, with its high rate of unemployment and bad financial situation, will be able to afford, practically on its own, to continue to provide affordable child care spaces at higher rates than its present level. The same could be true for a small province like Prince Edward Island, which does not have the financial resources as a rich province like Ontario. This legislation, without the national objectives in place, will make an already bad situation even worse.

Let me refer the House to a brief presented to the committee that studied this legislation. It is a brief presented by Paul

Christie, an alderman who happens to represent a municipal ward in my constituency in Toronto. He said that child care is in greater jeopardy than at any time in the 1980s. The bottom line is that in Toronto in 1988, over 55 per cent of families with young children cannot acquire either a licensed space or the child care subsidy they require.

The entire brief goes on to attack this legislation for the very reason that even though child care in a place like Toronto is in a state of crisis, at the end of seven years it will be even worse than it is today, rather than better. I do not need to hear someone from Toronto come to Ottawa to present a brief about the problems there because I have raised it numerous times in Question Period and in previous debates in this Chamber about the inadequate child care spaces in the country.

One need only talk to operators in any constituency in the country and ask how funding is meeting their requirements in providing child care spaces. There is no child care provider in my constituency who does not view the lack of child care space as being very severe.

A young woman in my constituency is a single parent on mother's allowance under the social welfare program in Ontario. She wants to get off mother's allowance and go back to school. When she attempted to do so, she found that there was not only a shortage of child care spaces for her child, there were no child care spaces at all. Therefore, that young woman is denied the opportunity to go back to school to further her education and allow her to get into the workforce and get off mother's allowance. She is caught in the typical trap that many individuals caught in the welfare system find themselves. They cannot get out because the system will not allow them to do so. The lack of affordable child care spaces is one of those traps.

• (1700)

As we gain experience under this legislation as it is presently written, we will find that the situation will become even worse than it is today. I think that is a shame because, on the one hand, this Government and every other Government across the country, especially if they have a Conservative stripe, argues that the cost of social welfare and health care costs and such other things are prohibitive, and they are continually trying to cut back on the social services, yet, on the other hand, they introduce legislation such as this which does not improve matters at all. In fact, it makes the existing situation even more severe.

I would think the Minister has a responsibility, as nearly every witness who appeared before the committee argued, to go back to the provincial Governments and tell them there is absolutely no consensus from the user groups across Canada to support this legislation as it is presently written and, therefore, the Government is not going to proceed with it, unless the provinces agree to national objectives being written into the body of this legislation.

I not only think the Minister has a responsibility as a Minister of the Crown to do that, but I think he has a moral responsibility to do so on behalf of Canadian families in order to ensure that one of Canada's richest resources, our children, are provided with the means to be brought up, if you will, in an atmosphere that every study has shown to be conducive to their own well-being.

I see the Minister is busy talking to one of his colleagues. If I could catch his ear for a moment, I am quite sure he would agree that the desirable thing to do would be to go back to the provincial Governments and tell them we want their agreement to include these national objectives in the body of the legislation. The Minister should use the fiscal clout the Government has in these kinds of negotiations, and which the provinces are always interested in, to come to an agreement.

After this House of Commons authorized approval for an increase in disability benefits for recipients of these disability benefits under the Canada Pension Plan, the provincial Governments come along and grab that money and take it for themselves. So the recipient does not receive any benefit from that increase at all. I would suggest the attitude the Minister showed toward the provincial Governments which did that should be the same attitude he uses when he goes back to the provinces to insist that national objectives be written into this legislation so that that kind of abuse does not happen over the ensuing years as this legislation goes through the process.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise to support the amendment proposed by my colleague. It seems to me that over a long period of time, and not all at the same time, the people of this country and the Governments, federal and provincial, have arrived at a consensus which was accepted by all that certain aspects of life should be viewed as a right of all people in Canada and that the state should pay the bulk of the cost of those services. I suppose the first time we adopted this principle was with respect to education. Some years ago, in every province across Canada, it was accepted that every young person had a right, in fact a duty, to attend school until at least the age of 15 or 16 years. It may vary from province to province. Either the province or the federal Government, or a combination of both, pays the major costs of that program because we believe it is important that the people of this country be well educated.

Similarly, in the late 1940s, following the example of the then CCF Government of Saskatchewan, each province accepted the idea that hospital costs, which can be enormous when there is a major illness in the family, should be met by a universal non-profit hospital insurance plan funded jointly between the federal Government and the provinces. That was a major improvement in the services we provided and a major step in improving the over-all health of the people of Canada.

Somewhat later, 25 or more years ago, a consensus was reached that medical costs should be guaranteed and paid for by the state, jointly funded by federal and provincial Governments. The people of Canada no longer have to worry if there

is a major illness which requires a prolonged stay in hospital or very specialized and costly treatment. It will no longer be a burden on the individual or his or her family.

It is time we agree that it is necessary for the people of Canada as a whole, through their Governments, federal and provincial, to have adequate, high quality child care for our young children. The reason I say there ought to be a consensus and agreement on this is because we know that substantially more than 50 per cent of mothers with young children are now working. If we do not have an adequate system of child care, the children will be left with a neighbour or with some stranger, with no assurance, no guarantee, that the care they receive will be what is needed.

My colleague has moved an amendment. What does this amendment call for? It calls for a national child care program. That does not mean, and we have never suggested it should mean, that the system in every province in every city should be the same. There are different needs in different cities and there are tremendous differences in what is needed in cities and towns and in small villages or rural areas. There should be some national standards which would assure Canadians, wherever they live, that there is an adequate child care program.

• (1710)

I have two young grandchildren. Because my daughter works, as do so many other mothers in all parts of Canada, both grandchildren spent several years in a day care centre before they started school. On occasion, when I was in the city, I would pick up one or the other. I could not help but be impressed with the people who worked in that day care centre. That day care centre was not much different, I believe, than most other centres. I could not help but be impressed by the concern, the care, and the efforts made by the people who worked in that day care centre.

I knew, I think the Minister knows, and I think any Member of Parliament who has an interest know that on the whole, and almost without exception, day care workers are paid very low wages. The reason is very simple. The state has not yet accepted the principle that day care is a right of every young person who should be in a day care centre, as we have done for education—teachers are professionals—and as we have done in our hospitals—nurses are professionals. Other people who work in hospitals are increasingly well trained. Our doctors are professionals. The day care workers are underpaid, therefore, there is a great turnover which does not help maintain the quality of the system.

All day care workers are underpaid. As long as day care centres are non-profit we can be sure that the day care workers will get as much as the system will permit them to be paid. If, on the other hand, we help fund day care centres operating for a profit, the first requirement of those who own and operate those day care centres will be that the centre will pay a dividend on the investment that has been made. Given the fact that there is not enough money to adequately fund the day care centres, the people who work in the centres will be underpaid. They will be subsidizing the day care system by accepting very low wages. I think that that is unacceptable. I think that it is morally wrong for the Government of Canada and the people of Canada to put that burden on the people who do a first class job in helping to run the day care system in Canada. I for one do not intend to support that situation. That is why I intend to vote for this amendment.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I have been listening to Members opposite. I believe it is this clause where the fundamental difference is evident between the position of the Government and the Parties opposite.

I find it interesting when members of the Liberal Party talk about "universal choice". I believe the Hon. Member for Outremont (Mrs. Pépin) used those words. Yet when I look at the minority report of the Liberal Party, after the special committee, it indicated that if a Liberal Government were elected, it would increase the spending in those years when the deficit went down.

From the years 1969 to 1988 the deficit only went down each year from 1984 to 1988. That was the first four-year cycle post war that the deficit has gone down for four years consecutively. The deficit did go down for one year between the years 1969 to 1984 when the Liberals were in office, and that was in 1979. The Liberals were in office for three months and the Conservative Party was in office for nine months. Members of the Liberal Party talk about a principle, but there is no money and no funding. I ask them what they mean by that.

Hon. Members know that under the Canada Assistance Plan the number of spaces funded by that plan is considerably less than this program. What members of the Liberal Party like to do for political argument's sake is tie non-profit and profit spaces together for the amount of growth. However, the amendment states that the mover does not want any for-profit space. One cannot argue about three different directions at the same time and remain cogent. The point of the matter is that Members opposite are not cogent and they are not being accurate.

I wish to address the point with respect to Meech Lake. I was interested to listen to the Hon. Member for Regina East (Mr. de Jong). I take it that the NDP is now reconsidering its position on Meech Lake.

Mr. Waddell: Just me. I am not reconsidering, but I am not the Minister.

Ms. Mitchell: Why are you ignoring Meech Lake?

Mr. Epp (Provencher): It appears that the Member who lost his seat through distribution is getting some company in that Party with respect to Meech Lake.

In respect to Meech Lake I said very clearly that Meech Lake was not being used for the Bill, and I will tell you why.

Ms. Mitchell: No confidence in Meech Lake?

Mr. Epp (Provencher): No, not for a moment. Again, the Opposition only used half the argument. The argument is national objectives, and that is clear in Meech Lake, but if one looks further in Meech Lake it is also based on an opt-out. Members opposite do not want an opt-out on this one, because they will then argue in reverse about chequer-board. They argue both sides of the coin depending on what argument they need. I say to them to argue one way and I will accept your arguments as being cogent and valid, but I am not going to allow you to use arguments both ways.

Let us take a look further at what the amendment states. First, we clearly stated that the federal Government was not going to accept or commit itself to a universal program that likely, if the amendment is interpreted, would be a federally and provincially and publicly fully funded child care system. That is not supported by the people of Canada. It is supported by the NDP. It is supported by one of its two policies on child care. One policy states that it wants a universal program, and it wants to spend $11 billion a year—

Ms. Mitchell: That's Katie Cooke.

Mr. Epp (Provencher): Exactly, that is Katie Cooke, and that is what you endorsed. On the other hand the Leader of the NDP goes to Vancouver and states: "No, we will do it better. We do not like the Conservative position of 200,000 new non-profit spaces in seven years. We will do it in four years".

Which way do Members opposite want it, Mr. Speaker? Which policy are we talking about here? What Members opposite are suggesting has been rejected by the Government, in committee, and by their own Leader. When I listened to the amendments and the addendums presented by the Member for Vancouver East (Ms. Mitchell), then I am not quite sure.

Additionally, what about the Canadian people? In the last polling it indicated that less than 10 per cent support a universally fully publicly funded day care system.

Ms. Mitchell: That is a long-term goal, and you know it.

Mr. Epp (Provencher): It is a long-term goal, and it is also a long-term expenditure. Let us take a look at the other point, the matter of not for profit. Let us take a look at that hotbed of socialism prior to the great election in Manitoba, when finally the NDP Government was defeated. There was the hotbed of this experimentation. They said no spaces, none whatsoever, unless it was non-profit, which meant, very simply, that if one lived on Ash Street and there was a for-profit centre in the neighbouring block, you could not go to it. You went across the city to find a non-profit space which did not exist.

• (1720)

More important, there was another point. Not only was it the most expensive per child anywhere in Canada but, additionally, it was also the lowest growth for the last five years. On the one hand they say: "We need to have more spaces". That is true. That is why you have the Bill. On the other hand, the very program that they have in place created less growth than other provinces. The point is quite clear. What they say and what the hotbed of experimentation was has not, obviously, been brought together.

Here is another point that has to be brought to mind. Forty per cent of all child care spaces in Canada today are commercial. I take it that what they are saying by this amendment is that 90 per cent of the spaces in Newfoundland should be closed and 40 per cent plus of the spaces in Ontario should be closed.

Ms. Mitchell: You know that that is not what we have said. Have you ever heard of conversion?

Mr. Epp (Provencher): Seventy-three per cent of the spaces in Alberta—your own province, Mr. Speaker—should be closed. Why? Because it does not fit our philosophical position. We are not going to give the provinces that right. We are not going to give the parents that right.

What we are debating here, very simply, is a philosophical position which has not been accepted by—

Mr. McCurdy: I want to hear you discredit Meech Lake again.

Ms. Mitchell: Tell us about national objectives.

The Acting Speaker (Mr. Paproski): The Hon. Minister for National Health and Welfare.

Mr. Epp (Provencher): Mr. Speaker, I do not mind them nattering away. It is more pleasant than their speeches. Let us go back to exactly this matter of non-profit. The NDP constantly like to think that nobody has either a social conscience or any concept of what is best or what is right. They have the failure of the Manitoba experience, the failure of Canadians accepting the position that they put forward, the non-recognition of at least 40 per cent of spaces now being commercial. I say to them, quite simply, they can have the philosophical argument, but the provinces must have the freedom to decide on the type of child care that they want.

In conclusion, and just to make a point—

Mr. de Jong: Now I have figured out why you wanted to be the last speaker.

An Hon. Member: Show some respect.

Mr. Epp (Provencher): The last point is this. If they want to give me more time, I will be glad to take the time. I have spelled out at least seven areas under the agreement which are

going to be included in the agreements between the provinces and the federal Government so that the money will not flow simply unencumbered. I have heard them say: "At the whim of the province". Some of the arguments that they have made are ridiculous. If they could at least say that it was made on a philosophical basis, I would at least accept the philosophical argument though I disagree with it.

This Bill will create 200,000 non-profit spaces, where we now have 125,000, approximately, in Canada. It is going to allow us federal-provincial agreements. It will give parents choices. That is why this amendment should be rejected.

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Paproski): All those in favour please say yea.

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 114(11), a recorded division on the proposed motion stands deferred.

We will now deal with Motion No. 36.

Ms. Margaret Mitchell (Vancouver East) moved:

Motion No. 36

That Bill C-144 be amended by deleting Clause 10.

She said: Mr. Speaker, we are moving now to the clause of the Bill which really tries to amend the Canada Assistance Plan. For many groups that appeared before the committee, it is a policy that creates very serious concern, because people are not at all convinced—those who are very familiar with child care across the country—that this program, in the first place, is going to be better than the Canada Assistance Plan. For years and years, of course, many of us have felt that child care should not be a welfare program; it should be a program that is available for any child regardless of the family's income, where it is needed and wanted by the family. Of course, the Canada Assistance Plan is primarily to provide funding for a 50 per cent cost-shared funding from the federal Government for services for families in need or are likely to be in need.

This refers to the very low income families—and many of them are on social assistance—and to the working families who are working poor. I think of many women who are working at very low wages and perhaps have part-time jobs or non-union jobs to a very large extent. In many cases they are the sole support of the family. They need to be assured that they are going to get child care subsidies and that they are not going to have to compete for those subsidies with other people who have just as much right to child care for their children but who happen to have a little higher income. That is the whole range of people, of course—as we often say, average Canadians.

This clause which talks about removing the Canada Assistance Plan funding from the Act would really force provinces to make a choice. They have the choice, if they want to remain on the Canada Assistance Plan or they can choose a new Act. There is no phase-in program at all. If they feel, like many of the witnesses do, that it is quite insecure to give up the Canada Assistance Plan all together, then they do not have access to some of the things in this Bill that we think are important, and that is 75 per cent capital funding. It is only for seven years, mind you. I do not know what happens after seven years. I do know what will happen if this Government should, by any horrible act of future history, remain in power.

If they should choose the Canada Child Care Act and give up the Canada Assistance Plan, they would get capital funds. They might get capital funds, depending on how much money the Minister makes available to each province. If they are in the poorer regions of Canada, such as the Atlantic region, they would get variable cost sharing. We fought hard for this over the years in the special committee. It is tremendously important in provinces like Newfoundland, where people are almost 100 per cent low income in some communities, and poverty communities where the province as a whole does not have the money to put in its 50 per cent of the cost sharing, that there should be variable cost sharing. In fact, the Canada Assistance Plan should be adjusted to that.

There are certain things in the new Bill that they would like to have, but they do not want to give up the Canada Assistance Plan all together. What we are trying to do in this amendment is remove this clause from the Bill so that at least during a phase-in period provinces would be able to choose both. It would mean that they would have the protection for low-income families, for children with special needs, for disadvantaged children. They would have a certain open-ended funding under the Canada Assistance Plan. I want to stress that again. The Canada Assistance Plan is open-ended. The new Bill is not. There are only so many spaces left for everybody in Canada. There are 2 million kids and only 200,000 new spaces over seven years.

Under the Canada Assistance Plan there is flexibility. That is one of the things that people want to keep. They want to be

sure also that poor families do not have to compete with average-income or well-to-do families who also need child care. All of them should have the right to child care, just as children have the right to education. However, the reality is that with the Minister capping the number of spaces and capping the amount of money that is going into the program and doing nothing after the end of seven years, there simply will not be enough spaces to meet the demand—far from it.

• (1730)

We are trying through this amendment to have a more flexible program. Our proposal would be that this should be what we would call phase one or phase two, a period until such time as the user-fees can be really reduced. In the Province of British Columbia even poor families which should be eligible to child care under Canada Assistance Plan are not able to use the program very much because the province still puts a user-fee on day care. I think that is really quite unrealistic. In fact, it is punitive. Mothers and families who do not have enough to put food on the table by the last week or two of the month will not be able to find even a few dollars for user-fees. It means that mothers on social assistance cannot get into training programs. They will be trapped in welfare for the rest of their lives.

We feel that it is important during this phase-in period that there be funds for operating grants for centres. If there are not operating funds coming into centres, there is no way they can reduce the fees generally since most parents cannot afford $4,000 or so a year per child for child care. It also means that operating grants will be needed in order to pay caregivers a decent wage. We have heard over and over again, and I would like to repeat it, that the type of poverty wages that caregivers who have two years of post-secondary training and doing one of the most important jobs in the country are paid is abominable. That is one of the things for which it is very important to have operating grants. It is also important to improve the quality of child care generally for all children.

For example, there are many family day care homes which are not licensed. They need money to be able to obtain a licence, to have training for the parents who are sometimes foster parents in those day care homes. They need money to put up fences, to meet fire and health regulations. All that costs money. Good equipment is needed even if it is for a family home in which care is given to five children.

This is why we feel very strongly that it is important to keep the Canada Assistance Plan and also have some of the positive parts of Bill C-144. It would give us seven years in which to try to make some changes and to get a decent program in place as well.

I was astounded in committee when the Minister's own officials from the Department of National Health and Welfare, when asked about the definition of subsidy, said that subsidy could be as little as $2 per day. The actual cost of a day care space is estimated to be about $20 per day. If the subsidy is only going to be $2 per day and the cost is $20 per day, then that means fees will have to be $18 per day. How on earth can average or even higher income families afford those kind of fees, much less lower-income people? They cannot. It is absolutely ridiculous for the Minister to say that he is being so generous with this program of his when he is really not being generous at all. We feel very strongly that what we should be aiming at is to reduce the fees to 50 per cent of the costs for parents and then have subsidies, if necessary, during an interim period of time for those who cannot pay a fee that is reduced that amount. That would make good sense.

It is absolutely essential that there be more flexibility in terms of this Bill. It is a very rigid Bill. Both the funding and the spaces are capped and restricted. Also, the provinces are very restricted in having to give up the Canada Assistance Plan if they opt into the new program.

The Acting Speaker (Mr. Paproski): The Chair recognizes the Hon. Minister on debate. The Hon. Member for Davenport will be next.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I apologize to the Hon. Member for Davenport (Mr. Caccia). I was really going to wait until he had spoken, but there were a number of matters raised by the Hon. Member for Vancouver East (Ms. Mitchell) which I think I better clarify so that they do not become a part of the debate.

First, I would like to deal with subsidies before I get to the exact amendments.

On subsidies, what the Hon. Member is referring to is the amount of subsidy. When my officials were asked how much subsidy there would be they said that, first, it is based on the amount of provincial cost. Obviously, the subsidy will be related to that cost. More important, under the terms of this Bill the federal Government will pay 50 per cent of the cost. That should be clearly understood.

In addition, if one takes a look at the Canada Assistance Plan, which the Hon. Member says is better, one will see that the average amount that the federal taxpayer pays only for the operating costs—and I am not talking about capital yet—is approximately 35 per cent. Thirty-five per cent is less than 50 per cent. To make these specious arguments is just not good debating. She might want to use it in debate form but it is just not correct.

Ms. Mitchell: We are quoting your officials. It is what they said in committee.

Mr. Epp (Provencher): It is a misinterpretation of what the officials said. The amount of subsidy per day obviously varies depending upon what the cost is in terms of the recognized cost of the province. How else can 50 per cent be calculated, or any percentage for that matter?

The other point that has to be made is that at the present time there is no expenditure from the federal Government for

capital. There is a capital project for 75 per cent of approved costs on capital for non-profit child care. If this Bill is not passed there will be none. There is no money from the federal Government for capital costs.

The third point which has to be made is with respect to the Hon. Member asking what would happen after seven years. The federal Government, under the terms of the Bill, has clearly committed itself to the fact that ongoing operating costs and cost-sharing will continue beyond the seventh year. In fact, at the present time under the Canada Assistance Plan the federal Government's costs are approximately $160 million. By the way, when we came into office that figure was around $25 million—and I have heard the Liberals talking about us spending more money.

That $160 million has to be compared in year eight, the first year after this program ceases to operate. The annual expenditure is calculated at $800 million. Building some inflation in for seven years certainly does not bring that figure anywhere close to $800 million. That is simple mathematics. To make those arguments is just not factually correct. It is a total misinterpretation of the Bill.

Despite all that, we said to the provinces: "What we will do is we will give you a period of time to phase in. Namely, you can stay under the Canada Assistance Plan and if you sign the federal-provincial agreement by March 31, 1990, the federal Government will reimburse under the authority of this Bill all moneys back to April 1, 1988". If that is not a phase-in, if that is not flexible, if that is not generous, then people must be using a different interpretation.

Let us consider what the amendment does. If one looks at Clause 10 of the Bill, one will see that if it were to be deleted the very point that she makes, namely, that women and parents do not want this to be a welfare program but rather a social service program, would bring us back to a welfare program under CAP. Every time the Hon. Member puts an argument forward, I almost ask why she does, because obviously the opposite point will be made. Why does she keep on repeating these things?

• (1740)

In fact, the deletion of Clause 10, even if we accepted it, would not provide for what she intends to do since Section 5(2)(c) of the Canada Assistance Plan prevents the sharing of any costs under CAP which are intended to be shared through another federal program. If a province signed an agreement under the Canada Child Care Act, then Section 5(2)(c) of the Canada Assistance Plan would apply. If the province does not want to enter into the new program, it already has the option of CAP.

This program puts more money into child care. It provides a greater federal share of the costs of operating the centres. It provides more money at the end of year seven than we now have under CAP and it provides for flexibility. I would suggest to the Hon. Member that she might want to consider withdrawing that amendment, because we will vote against it for sure.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the fact remains that despite the intervention of the Minister, the points made by delegations which appeared before the committee, particularly those from Metro Toronto and the City of Toronto, were to the effect that they do not even look forward to the phase-in feature that the Minister just explained. In other words, in a large centre like Metro Toronto, we heard in committee through briefs the fear that sooner or later, CAP will no longer be in place. That is what is of great concern to the people affected.

It is clear, as the Minister said, that by March 31, 1990, there will be a phase-in, but that is not the issue with organizations and municipalities, as in the case with Toronto. At the time we were in committee, we did not have the most excellent amendment by the Hon. Member for Outremont (Mrs. Pépin) who in committee was successful in inserting in Clause 4(b) the provision that the provinces commit themselves to accord special priority to meet the needs of children from low to modest-income families. Nevertheless, the organizations felt, and understandably so, that to help disadvantaged children, the Canada Assistance Plan was the route to go.

Here is where the argument of the Minister comes to a dead end on March 31, 1990. At that point, CAP is no longer flying. As I understood him, at least, CAP is no longer functioning.

Mr. Epp (Provencher): No, just retroactive money.

Mr. Caccia: Well, they do not get their retroactive money. That is also an important aspect.

The fact is that the question of reimbursement by the federal Government becomes central in this debate, particularly because of the deadline of March 31, 1990. That is what is preoccupying the provinces. This is the greatness and genius of the Canada Assistance Plan which, by the way, was a very fine piece of legislation put forward by a Liberal Government over 20 years ago. Over time, it has gained the support and confidence of those who are interested in the improvement of our social security system. It has served us well. No wonder it causes a reaction on the part of Canadians and organizations affected by Bill C-144 if we start tampering with it by modifying its effectiveness and its role. With this motion, we have touched one of the central nerves of this legislation.

If, as the Minister says, Motion No. 36 does not achieve what it intends to achieve, then the Government could put forward a motion to improve on it, keeping in mind the central point which is that if at a certain point retroactive payments are no longer made, be it next year, in 1990 or beyond, but the Minister has specified March 31, 1990, evidently the provinces will feel the pinch and they do not like that. As a consequence, municipal Governments, particularly Metro Toronto which has a very fine history of child care programs and has been over the years among the pioneers, will be unhappy.

This is why we heard not only one brief but two, one from the Mayor of Toronto and one from the Social Services Committee of Metro Toronto. They reinforced each other. Obviously they talked to each other and we all know that this is part of the political process, but they reinforced each other on this very point. They are concerned about the fact that the Canada Assistance Plan, at a certain point—and I am grateful to the Minister for having clarified the date because I did not have it clear in my memory—the over-all effectiveness of the plan will come to an end as far as retroactive payments are concerned.

Obviously the provinces would want to be reimbursed by the feds. This has been the nature of our country. I hope that the Meech Lake virus has not travelled and affected the government body so fast and so deeply as to start eroding this concept that we have under the Canada Assistance Plan, a piece of legislation that keeps open the option of reimbursing the provinces dollar for dollar when they make social assistance expenditures. It is a good scheme and it keeps the country together.

To conclude, if we want to ensure that the disadvantaged children are taken fully into consideration and if we want to ensure that the provinces do play their role fully, then we must maintain the role of the Canada Assistance Plan as a central force in the implementation of the child care policy. Therefore, Bill C-144 must be amended.

We are told that the need over the next seven years will be much greater than the needs forecast by the Government. There is an intensified trend of parents seeking employment and needing in increasing numbers the services of good child care. We will see an acceleration in the process of people entering or requiring the system. The waiting lists are becoming longer and longer. We have waiting lists this year that are longer than last year and waiting lists last year that were longer than the preceding year. Evidently we are facing a social movement, a pattern which has to be dealt with by planning for a much larger number of child care spaces than the ones proposed by the Government.

• (1750)

The calculation is that 200,000 spaces over the next seven years represents only about 15 per cent of the anticipated requirement of roughly 1.8 million spaces. Therefore, do you find it unreasonable for the provinces and municipalities, which in the end depend on the provinces, to express their unhappiness about the fact that the Canada Assistance Plan seems to be gradually being phased out in its effectiveness? Therefore, the notion that the province of Ontario, for example, be given, if it wishes, the choice to continue under CAP and not necessarily under the Bill in order to meet a greater demand or to rearrange its own social priorities is very understandable and makes a lot of sense.

What troubles me about this feature in the Bill we are now trying to amend is that over the next few years CAP is going to be eroded and reduced in scope. I think that is a bad development. The Minister ought to reconsider it. If anything, CAP ought to be strengthened and expanded and brought up to date with the requirements of today's society and in anticipation of the next decade. At a time when the demand for child care spaces is increasing at a much greater rate than anticipated by the Government, I say that the Government has to take that into account and understand the preoccupation of the provinces and the municipalities through the provinces. I hope the Minister, in light of his understanding of the debate on Motion 36, will find a way to improve the motion if he feels it is not adequate.

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I just want to expand on some of the remarks made by the Hon. Member for Vancouver East (Ms. Mitchell) with respect to this amendment. As I understand it, we are dealing with a part of the Bill which deals with the Canada Assistance Plan. The Hon. Member for Davenport gave a little bit of the history. Groups that appeared before the legislative committee said they are concerned about this part of the Bill because they are not convinced they will be better off under it than under CAP.

As I understand it, CAP primarily deals with 50 per cent cost-shared funding for needy families. We are talking about people on social assistance, the working poor, and so on. They are concerned about whether they will continue to get child care subsidies. The problem, as the Hon. Member said, and the groups concerned probably expressed this as well, is that they will find themselves competing for money with higher income people and therefore they would lose. The Hon. Member said the provinces would have to make a choice, to remain under CAP or go under the new Act. That is why she wanted to look at the phase-in sections of the Act.

What we are trying to do in this clause is put in place an amendment that will cushion the poor and disadvantaged. Child care is particularly important to those families and we would not want to see a plan come into effect under the name of reform which would take spaces away from the poor and disadvantaged. It is a constant struggle for poor families and they could lose out if this amendment were not adopted.

I know the Minister criticized the Manitoba Government. Therefore, I wonder why he did not go back and run against it. It is too bad that life is full of lost opportunities, but perhaps the Minister just did not take that opportunity because that Government was not so bad. He mentioned the NDP program. Who are working families and their children to believe? Are they to believe the Prime Minister (Mr. Mulroney) and what he has concocted for a quick election to meet the so-called gender gap? A child care program that is not only putting poor families at risk but which does not really deliver for middle-income families. Or, are they to trust my leader and my critic and the NDP with a program that will create more spaces at less cost?

I challenge the Government to call an election on this and other issues and we will let the people decide.

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, I would like just a couple of moments to make some quick observations. It is unquestionably the job of the Minister to defend his position, no matter how indefensible it may be. I have waited patiently to hear him respond to some questions we raised earlier. However, one of the things that really bothers me in this effort to defend the legislation is what I perceive to be a central intellectual dishonesty.

Moments ago we had a little exchange between the Hon. Member for Vancouver East (Ms. Mitchell) and the Minister over the funding available through CAP as compared to his program. He said under CAP only 35 per cent is paid and under this program it is 50 per cent. That is absolute nonsense.

Mr. Epp (Provencher): It is accurate.

Mr. McCurdy: It must be obvious that the 35 per cent is a kind of gerrymandered figure which takes into account the variation and the extent to which the program is used across the country.

To give you another example of the kind of intellectual dishonesty that this Minister has been purveying, moments ago he said we try to argue both sides of the issues. We say on the one hand we want national objectives but we ignore the fact that the Meech Lake Accord also provides for opting out. Of course, a province can only opt out if it meets national objectives. That gives you an idea of the extent to which the Minister would mislead the public and this House.

It also should be obvious to him that if you have a program with limited funding, this amendment takes into account that a program that is going to meet the needs of all those in need of day care is inevitably going to be at the expense, at least in part, of those poor people requiring special programs which are served by CAP. It allows all kinds of programs that this Bill will not provide, such as Head Start and the kind of program we had in Windsor where we could subsidize working women to at least a certain extent.

[*Translation*]

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6 p.m.

HOUSE OF COMMONS

Friday, September 16, 1988

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed from Thursday, September 15, consideration of Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, as reported (with amendments) from a legislative committee; and the amendments of Ms. Mitchell:

Motion No. 36

That Bill C-144 be amended by deleting Clause 10.

Motion No. 38

That Bill C-144 be amended by deleting Clause 11.

Mr. Speaker: Continuing debate with the Hon. Member for Churchill.

Mr. Rod Murphy (Churchill): Mr. Speaker, again it is an honour to get up in the House and speak on child care which we believe is a national priority for all Canadians. In my riding I think one of the things that we have to be concerned about is making sure that we increase the availability of child care for people in remote communities.

One of the concerns that we have with the legislation that is in front of us is that because it lacks national standards, national objectives, that will be followed through, we are not sure if we will have these day care centres and available spaces in the communities that need them. I would like to spend a few minutes in talking about why that is essential.

In native populations we have high unemployment. Among native women we have higher unemployment. It is essential that we increase not only the job opportunities for those women but also the opportunities for those women to get training. One of the ways that that can happen is if we are in a situation in which those women and those families are guaranteed adequate child care. That is not difficult, but it is not that hard either if the Government has the political will to make it happen.

We would like to see within the legislation that we have before us some means of increasing funding for child care to increase the spaces that are available. I noticed yesterday that the Minister tried to ridicule the amendment put forward by my colleague, the Hon. Member for Vancouver East (Ms. Mitchell). That is not surprising, since the Minister has ridiculed everybody who has an opinion different from his own on this issue. He does not have to listen just to my learned colleague, the Hon. Member for Vancouver East. He could have listened to the various groups that have made presentations to the House of Commons committee. They were concerned with the same issue that my colleague was concerned about. It is interesting to note that all 40 groups that came forward at the committee hearings spoke against the Government's project.

• (1010)

There would have been more people speaking against the Government's project if government Members on that committee had not limited the hearings to two days of investigation. It was two days on a child care program that is supposed to be national in scope, an issue which is so controversial, so important. This Government says two days is enough to study it, two days is enough for groups across Canada to make their presentations.

I always considered it a problem with this Government that when something is controversial it does not want it studied. When something is important, whether it is trade, child care, or tax reform, it wants to limit public input.

It reminds me of that leaked government document a couple of years ago where they wanted to low profile the trade issue. They did not want it to become a public issue. We know why. We see with the recent polls that the more Canadians know about this Prime Minister's trade deal with the American President the more they dislike it.

The same situation would exist with child care. The Minister, his officials, his cabinet colleagues, and backbenchers, those who were not promoted to Cabinet yesterday, have all gone out and said what a wonderful program it is, how it provides the money for stay home mothers—80 cents a day, I understand—and how that is really helping our young children across this nation. As those kinds of facts become public more and more people will know that we are getting another flim-flam from this Government.

Four years after the Prime Minister (Mr. Mulroney) promised that we would have child care legislation, they finally come up with this package. They want to rush it through the House of Commons, not because they believe it is a priority

but because there might be an election in the next couple of weeks. They want to keep one or two promises in the whole area of social policies even if it is a flim-flam, even if it is done at the last possible moment, and even if it is not meeting the concerns of people across Canada including the people in the remote communities that I mentioned in opening my remarks.

Specifically on the amendment put forward by my colleague, the Hon. Member for Vancouver East, we believe that the amendment put forward is the type of thing that we need to improve this legislation.

Yesterday the Government accepted a motion that would finally make it possible for concerned groups to have access to the arrangements made with each of the provinces and what would be in those arrangements. We had an amendment put forward and eventually accepted by this House that would ensure the public access to those agreements and to any amended version of those agreements. That was important.

More important, we must make sure that there is adequate funding. The intent of this amendment by the Hon. Member for Vancouver East and of the other amendments she has put forward in the same area is to increase funding for child care spaces and to make sure that the Government's legislation does not actually limit the number of spaces which will be created over the next number of years.

I indicated earlier that a number of groups have spoken specifically on that point. In their presentations to the House of Commons committee they indicated that they would support that type of amendment. I will just read from three of the briefs that were presented to this committee. I am taking a cross-section because, as the Hon. Member for Vancouver East has indicated, approximately 40 groups spoke against this legislation in committee. Many of them spoke on this specific aspect of the legislation. I will start by taking the presentation of one union group, the National Union of Provincial Government Employees, which said:

> I'm sure all of you here tonight remember what constituted a "subsidized space" in childcare-funding-parlance in the days before the National Childcare Strategy. BNCS we had CAP, and in CAP language a "subsidized" space meant a space which was available for the child of a low-income family at a subsidized fee.
>
> In fact, when the National Childcare Strategy was unveiled in late 1987, and the Minister and departmental officials talked glowingly of 200,000 new childcare spaces, "most of which would be subsidized", even those of us who have been keenly involved in the childcare policy debate long enough to consider ourselves veterans failed at first to grasp that the federal government had written a new dictionary of childcare language.
>
> We continued to think that a subsidized space was a subsidized space, and we had great difficulty figuring out how the Government could claim to be funding 200,000 new subsidized spaces on the allocations of direct funding outlined in the National Strategy.
>
> Now, of course, we've been re-educated on the subject of what the government means when it talks about a "subsidized space". In the era after the National Strategy on Childcare, a subsidized space is merely a space for which a province, having received money from the federal government, provides a "meaningful subsidy". "Meaningful subsidy", in the new federal childcare dictionary is currently defined as $2/space/day. At $2/space/day, the new subsidized space is much cheaper for governments than the old CAP definition of a subsidized space, which might range as high as $27 for a space filled by a toddler from a low-income family.

After looking at the legislation, at what the Government was doing, one group realized that it would indeed limit the contributions of the federal Government in this area. It was not the only group that made presentations, as I mentioned earlier.

We also have the brief of the the National Anti-Poverty Organization which, in part said: "Under existing cost-sharing agreements, child care has been funded as part of the Canada Assistance Plan. One of its components is social services that are eligible for cost-sharing if they serve those in need or those likely to be in need without the service. This objective is indeed clear. While the money has been removed from this program to provide funds for the Canada Child Care Act, its objectives have neither been replicated nor replaced in this Bill". It went on to say: "Removing the funds for cost-sharing child care from the Canada Assistance Plan to the Canada Child Care Act accomplished several federal Government goals", but not necessarily doing what it should do to help low-income Canadians. That is why the National Anti-Poverty Organization has spoken out against this legislation.

Further, the Government's own Canadian Advisory Council on the Status of Women, people appointed by the Prime Minister and his Cabinet, has also come out in its brief against what the Government is doing. In this specific area of the amendment put forward by my colleague, the Hon. Member for Vancouver East, it said that the Government had actually moved backward.

To read part of its brief in the few minutes that I have remaining, it said:

> In 1973, 15 years ago, the Council pointed out the "evident inability of the federal-provincial governments to come to grips with the problem of child care services so urgently needed in Canada." In 1986, we reiterated our belief that "child care . . . is an essential service which should be universally accessible."
>
> The Canada Assistance Plan (CAP) was one solution; Bill C-144 is another. However, neither of them acknowledge that child care, for low-income and middle-class families alike, will become part of the Canadian landscape; that families cannot bear this burden without considerable help; and that that help must intelligently, in good faith, and with the most intense political will, come from a government that has the foresight to understand that the labour force requires the participation of women and men, and that responsible fiscal planning for the future requires a great commitment for the care of our children.

What I am trying to point out—

● (1020)

The Acting Speaker (Mr. Paproski): I will let the Hon. Member wind up.

Mr. Murphy: Mr. Speaker, I thank you for the extra few seconds, and I certainly will not abuse it. What I am trying to point out from the briefs that I have scanned in terms of what I have said this morning is that it is not only our amendment that we are speaking to in the House of Commons. What we are speaking to is a belief widely held by groups across this country that this child care legislation is not doing what it should be.

Again through the use of flimflammery the Government has actually restricted the ability to provide the child care services that are needed across this country. It is not just our belief, and the Minister may not like our amendments, it is what people across this country have been saying in front of the committee in the two brief days that the Government would allow the public to make presentations.

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, I rise to speak on this very important amendment. I am very concerned about the fact that the so-called child care strategy brought to the House is one that eliminates people who normally would be able to have some access to child care.

I must say the people, certainly the children, and the families of Canada, are very fortunate that they have had a Member of Parliament such as the Hon. Member for Vancouver East (Ms. Mitchell) who really understands child care. I am very concerned about a Government that will bring forward a Bill that states that this is a child care strategy. What it is really doing is demeaning the ability to deliver child care in our country.

Anyone who has children would start to understand that, first of all, we are looking at children in need and we are looking at children of low-income families who, if the provinces use this Bill, will be cut off in the Canada Assistance Plan. That is really important. We have looked at the statistics and the analysis. We recognize that if the Canada Assistance Plan was left in place at least these people would have access to the kind of quality care that is available to them at the moment.

Second, what we have done with this is said to people who already have spaces, regardless of what kind of spaces they have, that they will be able to get tax exemptions. That is not what we are looking for. We are looking at two million children out there in need of care. Certainly the New Democratic Party has recognized for a long time that to make sure families are secure and have a basis of choice they must have the services that are there. Suggesting that this is something that we cannot afford in Canada is saying that we cannot afford to give stability and caring to families and children. That is not the position of New Democratic Party.

In the Minister's comments yesterday he stated that he was not going to implement the Meech Lake principles. This Government said that it was at last going to be able to establish national standards, but he did not want to do this for children. Again it is this flop-flop that the Government is using. Children are not important to the Government. It is about time that it recognized that the people of Canada do care about their children.

We are looking at a program that will cut off the Canada Assistance Plan that now is at least addressing the needs of low-income people. That plan will be cut off if they kick into this type of Act. That is unacceptable, it is unfair, and it certainly does not serve the children of Canada well.

There are many research institutions in this country and a lot of research has been done on child development. We have the information, and we know what is needed. We know that those first eight years are the most crucial years in any person's developmental stages, yet the Government is again saying that it is not going to worry about it. Every research institute that looked at child care has said "eliminate the welfare system network for child care and put it into a national child care strategy so all children will be seen as equals, at least for those first eight years". No matter what they have to face in life later on, at least they will be given that base.

What the Government has done in putting this Act in place is discriminating against the low-income people and the people who normally would be able to be part of that welfare assistance plan. The research institutes and the New Democratic Party have stated that if we are going to put a national strategy in place, get that national strategy in place. In the meantime there has to be a phasing in so that the low-income people and the children in real need have the ability to use that Canada Assistance Plan.

This Government has turned down two amendments that would have helped to be put that in place. We have an amendment in front of us this morning that is really saying "allow that to happen", Mr. Speaker, to assist the children who are homeless, the children who are of the working poor, and the families that are under pressure in their existence because of poverty.

It is all very well for the Government to brag about the kinds of programs it has put in place that have actually given assistance to those who already have money, who have places for their child care, and who are comfortable when they go to work knowing that their children are well looked after and that they can afford to pay for it. Is that the kind of society this Government wants to be part of, a society that builds two Canadas, a Canada for the children of those who have the ability to be able to pay for their child care, independent of any help from society, except extra tax exemptions? Rather, do we want to a build a society that says a child born in this country is a valuable treasure, a person that we understand has the potential of being a very productive and secure and creative individual in our country?

As a Party we know that investing in children is probably the most serious and important investment we can make in all times. As New Democrats we understand that if we are going to build a base of a secure society we must build that base in the first eight years of a child's life. If we want families to be able to operate with some security, with knowing that they can build their family unity together with a sense of security that their children will be well looked after and safe, then we need a child care program that does not discriminate against the children in need.

Many, many briefs were put forward to the committee. They were briefs from people who were not necessarily seen as supporting the New Democratic Party, but they were briefs from people who had done an analysis of this Child Care Act. Every one of those briefs objected to the Bill that we have in front of us and said that it is bad, withdraw it, leave the *status quo* rather than put something in that will really threaten the quality of care that our children are presently getting.

We know there has been a crisis in Canada in child care. We know there have been people who have been on long waiting lists for years. We know that there are certain provinces where it is almost impossible to get any kind of quality care. Yet with all of that, these people who have studied the Act have said leave the *status quo* the way it is, rather than implement this, because it is increasing the discrimination against people of lower income and certainly the working poor. It is also saying that we have no guarantee of any quality care in this country.

They really are not going to put in any national objectives that say that whether one is in Newfoundland, in British Columbia, in the Yukon, or in the Northwest Territories, a child in Canada has a right to specific kinds of quality care. There is nothing in the Bill that addresses that, and the Minister is saying that he chose to ignore the fact that at least in Meech Lake we are allowed to start to put in national objectives. However, he wants to ignore that, and says quite blatantly that he has ignored the fact that national objectives are possible in Meech Lake. He does not intend to implement them. That is a fine way to be responsible about what child care is all about.

Every one of us here, men, women, and parents who understand what that basic need is for children, cannot in any conscience support this Bill and not support these amendments. Surely, we have to look at the implications for the children of the working poor and the low-income families in Canada. What we are doing is relegating them to an adult life of trauma, because this Parliament is not willing to use the resources of this very rich country to say that children are important, and because this Government has a majority it is being crassly ignorant of the needs of children.

• (1030)

Members opposite stand up and talk about this child care strategy. It is not a child care strategy at all. It is just making it easy for people running private child care centres to increase their profit. Obviously the Government thinks that children are there for profit. Instead of looking at non-profit co-operative kinds of service delivery and recognizing that our children are a major resource, the Government refuses to accept an important amendment which would, at least for a time, extend a safety net to low-income families and poor children. It would give some sense of hope to families that are under so much stress from living in a society where they see many people with lots of resources while they are eking out an existence from day to day.

I see you giving me a sign that my time is up, Mr. Speaker. I will respect that, but I certainly hope the Government will review what it is doing to the future of this country and our families and children when it dares to bring in an Act such as this.

[*Translation*]

The Acting Speaker (Mr. Paproski): The Hon. Member for Yorkton—Melville (Mr. Nystrom).

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, your French is getting better every day but the accent is still Edmonton!

[*English*]

I wanted to say a few words about the Child Care Act before the House today. As you know, Mr. Speaker, I come from a rural riding in Saskatchewan with many different communities. It contains about 10,000 or 15,000 farmers. It has about 60 different villages and small towns and hamlets and a couple of very small cities. The Minister himself, coming from a very similar riding in Manitoba, should understand that there are some very particular needs and concerns, some special problems with respect to child care in rural Manitoba. However, I do not think this Bill addresses those needs.

We need more flexibility to provide funding to parents' groups, co-operatives, community associations, in order to provide decent child care in rural Canada. It must be a lot more flexible because we are dealing with small hamlets, villages, and towns. In addition, we have many farms scattered over many miles of rural Canada. There are parts of my riding where you can go for a mile or two from farm to farm, and then you get down to southern Saskatchewan or southern Alberta and you can go for five or ten miles from one farm to a ranch or another farm. The problem of child care is a different problem in rural Canada from what it is in urban Canada. I do not think this Bill takes into account the need for flexibility across rural Canada.

In rural Canada on the farm problems arise because of a given season. I am thinking of the harvest season which is just winding up in my area. That is a special problem. There are many farms that do not need or want child care on a full-time basis, but do need it on a part-time basis for the harvest season or during spring planting. It is then a necessity.

Neither is it just for the male farmer. The woman farmer is a 100 per cent participant in planting and harvesting crops. Therefore, I hope the Minister, being from rural Canada and representing a riding very similar to mine, would be more open to suggestions and amendments to make this legislation even better.

[*Translation*]

Mr. Speaker, I know I was not on the committee that examined this legislation, but I know that over 40 witnesses appeared before the Committee last week, and our Member for Vancouver—Kingsway (Mr. Waddell) was there.

Everybody present was opposed to the legislation, Mr. Speaker. Everybody was against it. Only two days were allowed to hear witnesses here in Ottawa and give them a chance to express their views and opinions on this Bill. If everybody was against the legislation, I wonder why the Government did not propose any amendments. This is a democracy, Mr. Speaker, and public opinion is very important in Canada. On the other hand, the Government spent $15 million last year on public opinion polls. A lot of money was spent because Allan Gregg and recently, a couple of Senators, wanted to sound out public opinion. I hope the Minister will be in the House very shortly. There were 40 witnesses, and after two days, everybody was opposed to this Bill. So why didn't the Minister propose any amendments to introduce changes in the Bill?

[*English*]

I really wonder why, after two days of hearings and over 40 witnesses against this legislation, there is not an amendment that will take into account what those witnesses want. Surely that is the democratic system. Surely that is the purpose of public hearings.

In the two or three minutes that remain I want to place on the record an example of what I am speaking about. Perhaps the Minister will respond. Over 40 witnesses appeared before the committee last week and I am told every one of them opposed the legislation. The Minister had a reputation as someone who would listen to the people of Canada. I wonder why he is now proposing amendments that go against the beliefs of those who appeared as witnesses. I have here, for example, a copy of the brief from the Canadian Jewish Congress presented to the legislative committee on September 8.

It says: "The concern with replacing the Canada Assistance Plan lies in the fact that while it was flawed in its child care funding mechanism, it at least afforded protection to low-income users". It goes on to say that this entitlement to subsidies for low-income earners is now negotiable in federal-provincial arrangements and may effectively disappear under the new system, hurting the people least able to afford good care. It also says that it is uncertain whether the provinces will be able to maintain the same level of low-income subsidization in addition to the new competing interests that are there. This may make it extremely difficult for a province to continue providing CAP style low and middle-income family subsidies while providing grants to a variety of meaningfully subsidized child care programs. This may be the case particularly after the seventh year of the program when matching operating cost funding is curtailed and capital cost funding ceases.

That is what the Congress says in its in its brief that goes on for eight or nine pages. It expresses, on behalf of the people it represents, concern about the Minister's legislation.

I also have a copy of the brief submitted by members of the Canadian Union of Public Employees. They, too, are really concerned about the kind of amendment the Minister is turning down. They say: "The Canadian Union of Public Employees sincerely and passionately believes that it was a sad day indeed for parents and children and child care providers when Bill C-144 was introduced into the House. To be blunt, we think the enactment of this legislation would represent a callous and backward act by an insensitive government".

Those are pretty tough words, "callous and insensitive government", but truer words have never been spoken. Over 40 witnesses came before the committee, and the Minister will sit there and not listen. What is democracy all about? What is the parliamentary system all about if the Minister will not respond to the wishes of the people? What are we all about if we do not respond? The Minister will not even bring in amendments to make sure there are national objectives in place despite the fact that this Parliament passed the Meech Lake Accord last year which says we can now have national objectives for programs like day care.

• (1040)

This is one of the first opportunities we have had to enact the spirit of Meech Lake, and the Minister himself was an eloquent critic. He was a good critic in the Opposition on the constitutional proposal back in 1981-82. If there is any Minister who understands that proposition, it is the Minister in charge of health and welfare. Yet he is not responding when he has a golden opportunity.

[*Translation*]

Mr. Speaker, in concluding, since my 10 minutes are up, I want to say that it is time to act. It is time to do something for Canada's children and to do something concrete.

[*English*]

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

Some Hon. Members: Question.

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I think not. I think the House is not yet ready for the question. We are ready to face the issue head on.

I have been spending the last couple weeks in my riding knocking on doors, talking to people, and I have found that Manitobans, the people in Winnipeg and the people in Winnipeg North Centre, are interested in issues, contrary to the mythology that people are only interested in personalities, in whether or not the Prime Minister (Mr. Mulroney) has a smile on his face. The people are not only interested in style, they are interested in issues.

Two issues are uppermost in the minds of the people. One is the trade deal and the other is day care. These are important and fundamental issues that people across Canada are concerned about. The people tell me that they need day care, that there is not enough day care to give appropriate and proper care to their children. They have to work in order to make ends meet.

Increasing numbers of Canadians have to work at two jobs. It is no longer possible for a person to make a decent income on one salary; there has to be two salaries. When two parents are working out of necessity, the children must be taken care of properly and that creates a new demand for day care. This demand exists at the grass roots level. It must be responded to and it must be responded to in a substantive way.

I want to make a few comments about the Government's day care program. Having examined this program, I find it is more propaganda than substance. It is more sleight of hand than it is day care spaces. It is more flimsy than reality. This program fails in some fundamental ways. It fails to meet the needs of the women and the families in my riding and in all the ridings across Canada. It fails to add sufficiently and significantly to the number of spaces in Canada. What Canadian families need is day care spaces so that our children get appropriate care.

This is a propaganda program. It was a propaganda announcement that the Government made. In fact, it is not only a propaganda gesture, it is an inept one. I would have expected more of the Minister of National Health and Welfare (Mr. Epp).

What do I mean when I say that this is an inept propaganda gesture? The Tories made a big announcement of $6 billion, and they caught the headlines. Of course, when the people read below the headlines, when they read the full story of day care, they find out something which is often true. The headlines differ from the story.

With this new Conservative day care program, a ceiling is put on the amount of money going into day care. Up until now, under the Canada Assistance Plan, day care spaces were expanding at the rate of 15 per cent per year. Under this new program, day care spaces will be expanding at what rate? They will be expanding at the rate of 10 per cent per year. Ten per cent is less than 15 per cent and any person with a little arithmetic understands that.

This program is retarding the growth of day care. It is putting off the day when the needs of the ordinary Canadian family for the proper care of children will be met. That is the first way in which this program is a deception.

Another significant way it is a deception is that this program weakens the commitment to providing day care for the poor. I want to back up what I have said with the statements of some groups that have analysed this matter. The Canadian Day Care Advocacy Association says the following in its brief:

> Bill C-144 is silent on the definition of a "subsidized space". It is the federal Government's responsibility to see that all subsidized spaces—existing spaces as well as the "200,000" new spaces—are adequately funded in terms of individual family's financial needs. By that, we mean that existing spaces should continue to be funded at no less than their current level. It is common knowledge that the new definition, a "subsidized space" could be a space that receives as little as $2.00 a day of public funds. We find that unacceptable, because it would leave such spaces out of the reach of low and middle-income Canadians. The "space count" should not leave room for this kind of exclusion.

The Canadian Day Care Advocacy Association is saying that this new program leaves out the poor. It is heartless and it runs the danger of providing less day care for the poor in Canada. The Canadian Federation of Students said the following:

> The fact that there are no guaranteed subsidies for low-income Canadians is of great concern to us. Student parents in need of child care are low-income Canadians. The subsidies that are in place under the Canada Assistance Plan should, at the very least, be guaranteed under the new Canada Child Care Act. As this is not the case, the Canada Assistance Plan represents a "safer" option for low-income Canadians. We would parenthetically add here that the income tax provisions under the national childcare strategy will not be of much use to students. Most students will not need the deductions and the additional child credits are too little, and too long after the refund would be of use.

Members of the Canadian Federation of Students indicate that the Canada Assistance Plan is a better plan for them than the new Tory plan. In the opinion of the Canadian Federation of Students, this is a step backward rather than a step forward.

The National Council of Women of Canada says the following:

> Our first problem with this new bill is that it does not seem to ensure that the supply of these spaces will increase, indeed there seems even to be the danger that they might decrease, because while under the Canada Assistance Plan support for such spaces for low income families is open-ended to meet needs as identified, under the new Act, there will be a ceiling. A fixed cost-shared federal contribution will be available to provinces on a yearly basis, for a variety of purposes including capital funding, operating and grants etc. but without specific reference to subsidy needs. Our concern is that impoverished families may lose out.

The Government ought to be moving forward with care, with heart, trying to include all Canadians under its umbrella. What in fact the National Council of Women of Canada, the Canadian Federation of Students, and the Canadian Day Care Advocacy Association have said is that this program puts in jeopardy the day care spaces that are available for the poor. That is a major indictment of this program. The program is a step backward rather than a step forward.

There are two points about the substance of this program that are fundamental. The Government's new plan reduces the increase in spaces and therefore is a step backward. It threatens the subsidies for the poor and is therefore a step backward.

I see you indicating that I have two minutes left, Mr. Speaker. I just want to make this point. Over the last decade or two our society has changed significantly. No longer do the vast majority of women stay home and look after children. In today's society women who stay home and look after their children are in the minority. In my family that is the case, but my family is in the minority. The reality for the majority of families these days is that both parents have to work to make ends meet, both parents are in the market-place, and we have to ensure adequate care for the children.

• (1050)

If we are going to have a great nation in the future, if our children are going to be able to meet their responsibilities in the future, they need adequate care today. The Government was challenged to move in and meet that need, and it has

failed abysmally. It has the headlines, but when we read the story under the headlines we find a program that is a step backward rather than a step forward. That is why I say this program is more propaganda than substance. What ordinary Canadian families in my riding have been asking me for, as I have gone door to door to talk to them, is more day care spaces. They want a place in their neighbourhood at which their children can receive adequate care while they go to work.

I call upon the Government to rethink what it is doing. I call upon the Government to re-examine the critiques being made by this Party and the critiques of the National Council of Women, the Canadian Federation of Students, the Canadian Day Care Association, the Advocacy Association. The Government should rethink what it is doing, go back to the drawing board, and come up with a plan that will be a real step forward.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have the opportunity this morning to speak on Bill C-144, particularly on the amendment put forward by my colleague, the Hon. Member for Vancouver East (Ms. Mitchell), which would retain the participation of CAP, the Canadian Assistance Plan, in child care and day care. I see the Minister is here. I know a little about this field, having been a probation and parole officer and having been involved in the field of child care most of my professional life. I have in fact set up and been the president of a day care society. I did that 13 years ago in a small northern community in British Columbia.

I recognized then the rapidly evolving need for day care because of the increasing number of families where either both parents worked or, in the case of single parent families, where the single parent is very often involved in the workforce. In all cases, at least at some point during each day or each week, the parent is away from the child. I know something of the problems associated with day care and child care. I also know what the outcome is for many children where proper care is not provided. That is why I point out to the Minister that having been a probation and parole officer I recognize the problems that many children get into. Often one can find the root causes in terms of the care provided to them in their earliest years. I do not think there is anyone in this House who would dispute that the early years in the life of a child are key to the development of that child's personality throughout his or her life.

I want to spend a moment on the needs of northern child care and of child care among first nations, among native families, because that is an area of real crisis. I do not think the Government has addressed this problem at all. There are no objectives in Bill C-144 which are directly related to the amendment put forward by my friend the Hon. Member for Vancouver East. She has brought forward not only this amendment for us today, but also amendments over the last few days related to the need for objectives.

I am surprised after all the talk from the Prime Minister (Mr. Mulroney) and other Ministers that the Meech Lake Accord did not have any kind of viral implant in terms of the potential for national legislation to have objectives. The Government was always planning to bring forward national programs that would have objectives, yet the very first time it has an opportunity to bring something forward we find there was a back room virus, at least among Tories, in relation to the Meech Lake Accord.

Obviously, every two facilities across the country are not going to be the same no matter what kind of objectives there are, but there are certain things one has to have for a safe protected environment for children. I think particularly of the training for those who will be working in this field. Having worked in the field myself I know what kind of training is required. My children are young, aged four and six years. I have some kind of idea of what kind of situations they feel best in, what kind of people they get along with best, what kind of toys and what kind of environment they need. Why would the Government not put those kinds of objectives clearly into a piece of legislation for those who are the most important in our society and in every society around the world? I can only assume that the Government never really intended to bring forward a plan to reach those hundreds of thousands of children in need of care during the day.

We know there are over two million children in Canada whose parents, either one or both, work and they are involved in some kind of care situation. It might be with a grandmother, a neighbour, or a licensed day care facility. All kinds of situations have evolved because the need is there. What Governments are supposed to do in collecting taxes is to spend the money in the most effective, rational, and cost-effective way.

Bill C-144 does not meet any of those criteria. That is why all groups that appeared before the committee last week oppose the Bill. Not some of them, not half of them, not three-quarters of them; all groups that appeared oppose the Bill. One would assume that the Minister or perhaps some of his back-benchers might have been able to find a group somewhere in Canada they could invite who would say that this was the next best thing to sliced bread, that this was what they always wanted. However, it would not be those who are knowledgeable about the needs of children, what kinds of facilities are required, or what kinds of capital funding are required.

The Minister's Bill provides for an ending to capital funding after seven years. The Minister crows that there are 200,000 licensed subsidized spaces and that it is going to double, that there will be 400,000 spaces seven years from now. As many groups across the country have pointed out that many spaces would be developed without the Bill, without the Minister's proposal.

I think we have to ask ourselves: What is this Bill, really? It appears to be, and it may well be, a sop to those who are not crucially involved in day care. When Tories are out knocking on doors they can say they brought forward this child care Bill.

I doubt there would be very many Tories during this campaign, including the Minister of National Health and Welfare (Mr. Epp) and the Prime Minister, going to licensed day care facilities and asking "do you like our Bill", with a reporter in tow. That is unlikely. They will be peddling this to those who will be worried about their nieces and nephews and grandchildren. The Tories will be able to say: "Well, we dealt with that. We have Bill C-144. We are spending billions of dollars". If they are going to spend billions of dollars, they have to identify the area of need and the training costs. They have to figure out how it can be cost shared among various jurisdictions. They have to make sure that the people who are working there are properly qualified, that the space is adequate, and that the needs of our children are being met.

The Acting Speaker (Mr. Paproski): The Hon. Member for Skeena will have two minutes remaining in his debate after Question Period.

It being 11 o'clock a.m., pursuant to Standing Order 19(4) the House will now proceed to Statements by Members, pursuant to Standing Order 21.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—FORMER JUDGE'S ANALYSIS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, after reading the entire trade agreement, which is more than the Minister for International Trade (Mr. Crosbie) seems to have done, former Family Court Judge, Marjorie Bowker, wrote a thoughtful analysis of the agreement.

• (1100)

Her conclusions are worth putting on the record. They are as follows:

> There can be no equality where one partner is the most powerful nation on earth, the other a subordinate on the world stage; one with a population of 260 million, the other with only 26 million. Unlike the European Economic Community, a union of 12 relatively equal nations, this is an unequal union—much like that between a walrus and a frog, an elephant and a mouse. Such an union can have but one result—the smaller being swallowed by the larger . . . What Canadians can ponder in the little time that remains, is not so much what the free trade agreement will do to certain sections of our economy, but rather what it will do to Canada as a whole—

Clearly the vision of Judge Bowker and that of the Government are light years apart. Her vision is the one to which the majority of Canadians would subscribe.

TELESAT CANADA

SCHEDULED LAUNCH OF MOBILE COMMUNICATIONS SATELLITE

Mr. Bill Tupper (Nepean—Carleton): Mr. Speaker, Telesat Canada will launch a mobile communications satellite in 1992. This mobile satellite, MSAT, the first of its kind in the world, will provide mobile telephone communications over North America and 320 kilometres out from our coasts. Costs will be similar to current cellular telephone costs.

In June, 1987, the Standing Committee on Research, Science and Technology, which I had the honour to chair, recommended that the Government make MSAT a priority. The federal Government has now done so with its lease arrangement with Telesat. The federal moneys will be an important source of seed money for the $250 million project.

The Department of Communications did all the basic research on this satellite. It is an all-Canadian project. Telesat will create more than 3,000 jobs directly or indirectly in the high-technology sector. It will also generate more than $2.4 billion in sales. Fishermen, truckers, resource industries, law enforcement officers, and others will benefit from the mobile communications system.

Finally, those of us in the national capital are indeed proud of that because the antennae and satellite navigation system will be built here in the nation's capital.

* * *

FORESTRY

APPOINTMENT OF FORESTRY MINISTER

Mr. Jim Fulton (Skeena): Mr. Speaker yesterday, on September 15, 1988, the Prime Minister (Mr. Mulroney) appointed a minister of forestry for Canada. Unfortunately, there is no national forest Act. In 1984 the Prime Minister promised that "a Progressive Conservative Government will recognize the vital importance of the industry by appointing a Minister of Forestry".

Recognition has meant a four-year wait. Vital importance has meant a 35 per cent export tax on shakes and shingles and 15 per cent export tax on softwood lumber. Vital importance means that nine out of 10 federal-provincial forest renewal agreements are about to run out, and the Cabinet has refused to give a mandate even to negotiate extensions. The forest sector employs over one million Canadians, the largest industry in Canada and our largest source of a positive balance of trade.

The Tories, prior to 1984, roundly condemned the Trudeau Liberals for returning less than 10 cents out of every dollar taxed from the forest sector to that sector for reforestation, research, and marketing. It is still less than 10 cents out of every dollar. No other industry is so regularly milked and given so little in return.

In a 40-member Cabinet it took an election call to get a Minister. Canadians see the announcement for what it is, a Salmon Arm salute from the north end of a horse running south.

* * *

[*Translation*]

AEROSPACE INDUSTRY

REQUEST THAT PROPOSED SPACE AGENCY BE LOCATED IN MONTREAL

Mrs. Lucie Pépin (Outremont): Mr. Speaker, for the umpteenth time, I rise in the House to demand the space agency for Montreal. For at least two years, we have been asking the Prime Minister (Mr. Mulroney) for this agency and telling him that it must go to Quebec, and more particularly to Montreal. I was the first person to demand the space agency for Montreal, Mr. Speaker. And we do not want just a shell, that is an agency located in Montreal that awards contracts elsewhere. Montreal has everything required, the space, qualified personnel and technology.

Furthermore, at the beginning of the year, the Minister of Regional Industrial Expansion and Minister of State for Science and Technology (Mr. de Cotret) promised to make an announcement about the agency and in June, the Secretary of State of Canada (Mr. Bouchard) said that he was for this agency going to Montreal.

So let the Prime Minister make up his mind and give us this agency that we have been demanding for Montreal for so long!

* * *

[*English*]

TRADE

INCREASED MERCHANDISE TRADE SURPLUS

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, Canada is a trading nation, and according to Statistics Canada we are getting better at it every day. Our merchandise trade surplus soared to a record $1.5 billion in July, and that despite a temporary decline in the automotive trade due to retooling. Higher commodity prices and a stable Canadian dollar have helped to improve our position.

The Government's policies have been successful in revitalizing trading opportunities. With the coming free trade agreement with the United States we can look forward to an even greater trade-based prosperity.

S. O. 21

INDIAN AFFAIRS

FATE OF FORESTRY SEEDLING PROJECT

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I want to bring to the attention of the House a serious problem faced by the Dakota Tipi Reservation in the Portage Interlake area of Manitoba.

In 1985 they were approached by Special ARDA to establish an economic project dealing with the growth of seedlings that would be supplying reforestation projects in Manitoba. Private consultants were hired by Special ARDA to manage the program and over the past two or three years, because of what is clearly a case of mismanagement, the program failed. At the same time the Dakota Tipi Reservation was required to put in $80,000 of its own band money which it has not been able to recover.

The reason I raise it in the House today is that the band is yet unable to get Special ARDA to come to the table to talk about the problem. They have not been able to find anybody to negotiate or deal with the issues to find some kind of solution that would not put this reserve in jeopardy of bankruptcy at the risk of all the other social and economic programs supplied by the reserve.

I rise to my feet on behalf of the reserve hoping that the Ministers and officials of Special ARDA will take account of this very serious problem, respond to the band request, and see if they can find a resolution to the very serious difficulties in which the band members now find themselves.

* * *

INDIAN AFFAIRS

FUNDING OF CHILD WELFARE AGENCIES

Mr. Rod Murphy (Churchill): Mr. Speaker, I rise at this moment also to complain about a lack of adequate funding from the federal Government for the native people in Manitoba. I refer particularly to child welfare agencies that the bands, through their tribal councils and other agencies, have taken over in the last couple of years.

Under the previous Liberal Government these bands tried to negotiate the power to run their own child welfare agencies. They were promised they would receive the same level of funding as comparable provincial agencies operating in the same field. Under the previous Government that did not happen and those agencies did not receive enough money to provide adequate training for their people.

The same problem exists today. The Awassis agency in northern Manitoba has been criticized by a government investigative group for not having an adequate training program. That is a result of the Government's own failure to provide the necessary funding. Mr. Speaker, the actions of the previous Government and this Government have resulted in a situation which hurts native people.

S. O. 21

[*Translation*]

ENTREPRENEURSHIP

TECRAD INC. CONGRATULATED

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, September 14 was a memorable day for a company in my riding. Tecrad Inc. of Ancienne-Lorette received the silver trophy for invention at the fifth Canada awards ceremony for excellence in business. Bertrand Allard, President of Tecrad, is an outstanding example of success. His success is due to his tenacity, dynamism and love for a job well done.

Since Ancienne-Lorette is a new part of my riding, as a result of redistribution, I am proud that this municipality, made up of people with very great potential like Mr. Allard, has joined the wonderful constituency of Québec-Est and will make a most worth-while contribution to it. Mr. Speaker, we have here another company that is doing well thanks to the economic policies put in place by the Progressive Conservative Party and its Prime Minister (Mr. Mulroney).

* * *

[*English*]

MULTICULTURALISM

APPOINTMENT OF MULTICULTURALISM MINISTER

Mr. Sergio Marchi (York West): Mr. Speaker, after refusing for four years to establish a separate multiculturalism ministry the Prime Minister (Mr. Mulroney), on the eve of a national election campaign, has seen fit to do just that.

While the principle of a full ministry is welcome and one that I, as critic on behalf of our Party, have advocated for the last four years, the process by which it was developed is most offensive to all Canadians.

During the last four years any and every initiative of the Mulroney administration on the multiculturalism front have only come on the eve of a federal election campaign. Only in the last weeks have we seen a multiculturalism Bill. Only in the last weeks have we seen greater funding for third language advertising. Only in the last weeks have we seen the creation of a Heritage Language Institute. And now . . .

The Acting Speaker (Mr. Paproski): The Hon. Member for York East.

* * *

WELFARE

ONTARIO COMMITTEE'S REVIEW

Mr. Alan Redway (York East): Mr. Speaker, since fifty cents out of every dollar paid to welfare recipients comes from federal taxes, the recent report of the Ontario Social Assistance Review Committee should be of great interest to all Canadians.

According to the report, fewer than 14 per cent of all those receiving social assistance are employable but unemployed working-age adults. The largest group of recipients are those with disabilities and sole support families. Thirty-seven per cent are children under 18.

The average employable recipient remains on welfare for only seven months. Forty per cent leave the system after just three months, and only 18 per cent of all recipients live in rent-geared-to-income accommodation. Clearly there is a lot of misunderstanding about people on welfare.

* * *

• (1110)

INDIAN AFFAIRS

NORTHERN HEALTH CARE SERVICES

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, an inquiry is taking place in northwestern Ontario that is examining the delivery of health care services to northern native residents.

Unlike in most parts of Canada, health care in this region is the responsibility of the federal Government, where nearly 15,000 status Indian people of the Nishnawbe-Aski Nation alone rely on the services provided by Health and Welfare Canada.

There is no question that providing quality care in the north is made difficult due to isolation. The staff, whether nurses, doctors, community health representatives, face these problems bravely, while native leaders are to be commended on the restraint that they show in the face of these difficulties.

However, there remains a critical need for more training of native nurses and doctors to provide care in their own communities.

Currently Health and Welfare Canada funds only two nursing entry programs in Canada and provides only $100,000 in bursary assistance to those who wish to become involved in the health care field. The native nursing entry program at Lakehead University is only guaranteed funding until March next year. Yet it boasts a 98 per cent retention rate for returning students and therefore deserves a stable funding base.

DISASTER

JAMAICA—DAMAGE CAUSED BY HURRICANE GILBERT

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, one must rise to praise the strong will and fighting spirit of the Jamaican people and the people of the Caribbean Diaspora, devastated by Hurricane Gilbert, one of nature's worst disasters.

What misfortune! In Jamaica alone we hear that 80 per cent of homes are damaged, roads flooded, electricity and water cut off, communications limited, 500,000 homeless, 150,000 in rescue shelters. Across the Caribbean these numbers unfortunately are multiplying.

Hope and help are needed. Canadians should take comfort knowing that every bit of help we send, however big or small, makes a difference.

Canadians are showing their humanitarian ways. In Montreal, the Jamaican Association is receiving truckloads of canned goods. The Red Cross is accepting cheques through most banks. In the name of all Canadians the Government is sending relief in the form of medical supplies, water, blankets, and electronic equipment.

The world is coming together to provide relief from Hurricane Gilbert. I encourage Canadians, moved by the pictures and chilled by the reports, to join the effort in support of our Caribbean friends and neighbours in this, their hour of need.

* * *

TREFOILS

FIVE-LEAFED DISCOVERY

Mr. Barry Turner (Ottawa—Carleton): Mr. Speaker, recent media reports have talked about the need for good luck in getting re-elected. That is partly true, but we, the Conservatives, have more than good luck. We have St. Patrick himself pouring down on us.

I am sure you have heard of a four-leaf clover bringing good luck to people. Three days ago our son Jason was in the field behind our house and, lo and behold, what did he find but a clover with five leaves, a five-leaf clover which I will table for public viewing.

This clover was blessed yesterday by my Leader (Mr. Mulroney), by my caucus, by my Party, and pretty soon it will be blessed by the people of my constituency.

Talk about bad luck and the Leader of the Opposition (Mr. Turner). Nobody seems to want him. Let me say to my people in Ottawa South that I am the Tory Turner and I am not related to John.

S. O. 21

OLYMPIC GAMES

PARTICIPATION BY CANADIAN ATHLETES

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, we were wondering why the Conservatives were delaying the election. Now we know why. They are relying on five-leaf clovers. They are pretty desperate.

The Olympic motto is *Citius, Altius, Fortius*, higher and stronger.

During the next two weeks in Seoul, Korea, the world's greatest athletes will pit themselves against one another in a bid to win Olympic gold. This year the Canadian team is led by individuals like Ben Johnson, Carolyn Waldo, Ian Millar, Allison Higson, Victor Davis, Lennox Lewis and Curtis Hibbert, to name just a few.

These men and women have demonstrated hard work, discipline, and dedication in the pursuit of Olympic excellence. We wish them and their Olympic team mates well.

Some Hon. Members: Hear, hear!

Mr. Waddell: The Olympics themselves have become a major security problem, with politics involved in every aspect of the games. I think we should look back to the spirit of the Olympics 2,000 years ago when the emphasis was on athletics and excellence. We wish our athletes in Seoul all the best for excellence.

* * *

COLUMBIA RIVER TREATY

RETURN OF DOWNSTREAM BENEFITS

Mr. Bob Brisco (Kootenay West): Mr. Speaker, the British Columbia Government is now in the process of developing and negotiating a plan with the United States, particularly with the Bonneville Power administration, to deal with the return of the downstream benefits under the Columbia River Treaty. Those benefits are estimated to be in the billions of dollars.

I urge that the Standing Committee on Fisheries and Oceans consider the mitigation required to restore the fishery on the Canadian side of the Columbia River Basin and then to ensure that British Columbia Hydro recognizes its financial responsibilities to Kootenay West and Kootenay East by establishing the same kind of fund as has been established by the Northwest Power Planning Commission of the United States, $750 million.

ORAL QUESTION PERIOD

[*English*]

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT CONFERENCE BOARD ANALYSIS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, my question is directed to the Minister of Finance. The Conference Board of Canada, a group that the Minister has often cited as being a reputable, independent minded forum for economic analysis, has put forward a study showing that Canadian taxpayers will be expected to carry an additional $4.6 billion debt, which will cause a substantial rise in the new sales tax being put forward by the federal Government. Mr. Gilles Rheaume, Director of Forecasting, said: "To cover the revenue shortfall due to the free trade agreement the rate of the sales tax will likely be higher than would otherwise have been the case".

I want to draw to the attention of the Minister and the House that the Minister of Finance has never been honest or forthcoming with the Canadian taxpayers about what the cost of the trade agreement would be. The Conference Board is saying that it would be an additional $4.6 billion per year and that that will cause a substantial rise in the sales tax.

When will the Minister be honest in the House and tell Canadians exactly what the real cost to them will be in additional raises in the sales tax to cover the cost of this misbegotten trade agreement?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think what I have said in the House on this issue and on other issues has been very direct, very forthcoming and, to use the Hon. Member's words, very honest in presenting the facts to the Canadian people about economic policy and the effects of economic policy.

I have read Mr. Rheaume's analysis. I have only seen it in the newspapers this morning. However, one thing that the Conference Board analysis has not covered, at least according to the newspaper article I have read, is the impact of the trade agreement on economic growth. Every credible economic study on the free trade agreement has said that there will be increased economic growth. That is the way we are going to pay for any loss of tariff revenues. People will be getting lower prices. Their purchasing power will be increasing. Investment activities will increase.

Let me draw the Hon. Member's attention to what is happening today as we see all around us investment activity, investment intentions at very high levels, in the order of 15 per cent to 20 per cent this year. It looks like it will continue into next year as well.

BENEFITS OF AGREEMENT—POSITION OF EXTERNAL AFFAIRS DEPARTMENT

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, the Minister says to look around us and see what is happening today. I would simply point out to him that the increase in the interest rates that occurred yesterday of a half a point has already wiped out whatever projection or forecast his Government or the Economic Council provided as a result of the trade agreement. You have already lost whatever growth you had in one day's rise in interest rates.

I want to return not only to the statement made by the Conference Board but to the document that was put forward by the Department of External Affairs which clearly said that all officials, in preparing studies and forecasts and analyses on behalf of the Government, should accentuate the positive and downgrade the negative. In other words, all the studies, all the forecasts and all the projections have been false and misleading. They have not told the Canadian people the truth.

When will the Government finally live up to its responsibilities to be honest with Canadians, disregard these instructions, and tell us what will be the real impact of the trade agreement on increased taxes, job losses, and the loss of Canadian sovereignty that we face?

• (1120)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have done this before but I think I will have to do it again. I ask the Hon. Member to think back to November of 1984 and May of 1985 when we had that same sort of rhetoric. It was: "What is the impact of this Budget going to be? What will the impact of these measures and the Economic Statement be?" The Hon. Member and all his colleagues were saying that this was going to cost Canada 200,000 jobs. We have seen time and time again how the performance of the economy does far, far better than the doomsday scenarios set out by the opposition Parties.

If the Hon. Member wants to check back he will see that in each Budget I have set out what the economic results were going to be and studies of each show the actual outcome as being better than the estimates that I put out at the time.

Also, if the Hon. Member wants to check back to the Conference Board he will see that the Conference Board will be further off track, further off base in its estimates of economic activity than the federal Government's approaches. It is usually on the pessimistic side.

MINISTER'S POSITION

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, the Minister is asking us to look at what is stated in the Budgets. I would remind him that in the last Budget he increased the tax by one cent on a litre of gasoline to make up a $500 million shortfall on the first four or five months of operation of the trade agreement. We now have the Conference Board saying that it is $4.6 billion when all the accounts are due. The Minister has already provided Canadians with the initial evidence that it is going to cost an awful lot of money in increased sales taxes in order to make up the deficit and the loss of revenues caused by the trade agreement.

When will the Minister provide Canadians with an honest, factual rendering of what they will be expected to pay in increased taxes because of this trade agreement?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member and the Conference Board have focused on one element of economic policy. I have said that one of the key elements of economic policy that they are ignoring is the fact that the free trade agreement is going to lead to economic growth in the country over and above what is the case today—

Mr. Axworthy: One-quarter of one per cent per year—big deal!

Mr. Wilson (Etobicoke Centre): This is a major step forward. We now have the Hon. Member for Fort Garry telling us that the free trade agreement is going to give us increased economic activity. I am glad to see that he has finally come on stream with the Canadian people.

Mr. Axworthy: I did not say that. I said one-quarter of one per cent per year.

* * *

FISHERIES

NORTHWEST ATLANTIC FISHERIES ORGANIZATION—NON-OBSERVANCE OF QUOTAS

Mr. George Baker (Gander—Twillingate): Mr. Speaker, this evening Canadians will be watching the happy spectacle of practically all countries of the world celebrating in harmony the opening of the Summer Olympics. No such harmony exists today between Canada and the 10 nations represented by the EEC. Yesterday and this morning the EEC rejected the best advice of top world scientists, has voted against and said that it will not respect every single recommendation of the NAFO meeting on quota cuts off the East Coast of Canada—cuts that Canada says it will make.

Is the Government aware that Fishery Products International has said: "—such a drastic reduction could force the closure of five . . . plants at Grand Bank, Fortune, Harbour Breton, Ramea and Catalina, putting 4,000 fish plant workers and about 125 trawlermen out of work." The provincial Government of Newfoundland has said that in consultation with FPI and the fishermen's union it favours a phasing in of these reductions.

Why are we making such a sacrifice while we continue to allow the United States of America and the 10 countries belonging to the EEC to plunder our resources?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, as usual the Hon. Member is a little late. Our colleague in this House, his colleague from Newfoundland, the Minister for International Trade, took the opportunity earlier this week to speak to representatives of NAFO, directing his remarks particularly to the practices of the European Community. Our position on their practices and on their view is very well known.

LAW OF THE SEA

Mr. George Baker (Gander—Twillingate): Yes, Mr. Speaker, it is very well known because this Government, this Minister, and the Minister for International Trade continue to say that we cannot do anything about what happens outside the 200-mile zone. Not only has that position contributed to the disastrous situation we are now facing off the East Coast of Canada but it is wrong.

Is the Government aware of what any reputable lawyer of international law would say, that is, these countries are violating Article 63 of the Law of the Sea which states:

> Where the same stock or stocks of associated species occur . . . in an area beyond and adjacent to the zone, the coastal State and the States fishing for such stocks in the adjacent area shall . . . agree upon the measures necessary for the conservation of these stocks in the adjacent area.

The EEC and the United States are violating the very law that they signed five years ago. They should be treated just as Canadian fishermen are treated when they break the law—arrest them.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the issue is very serious. It is too bad that it is treated in a jocular, trivializing way by the Hon. Member opposite. He was part of a Government which for years conducted fishery policies in ways that, among others, through an agreement with France created some of the problems that we are trying to resolve today. We are pursuing the resolution of those problems with France, and other problems with members of the Community, in a systematic and effective way.

The Hon. Member knows very well that there is no provision in international law for a coastal state to extend unilaterally fisheries jurisdiction beyond 200 miles. He knows that. He knows the facts. He is not interested in resolving the problem. He is trying to scare up another headline.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—EFFECT ON AGRICULTURE

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I cannot let the day go by without asking a question of our new Minister of Agriculture.

Some Hon. Members: Hear, hear!

Mr. Nystrom: Mr. Speaker, I want to congratulate him on that post. Even though we all know that it is a temporary posting, we wish that it was not a part-time Ministry.

I want to give the new Minister an opportunity to do something substantial for the farmers. He is aware that yesterday in all the newspapers of the country there was a very big ad run by agri-business, processing companies, and many farm organizations and marketing boards stating that the trade deal would be a disaster for Canada and a disaster for our farmers. They are also saying that we will lose 150,000 jobs in the agri-business through this trade deal.

I want to know now from the new Minister whether or not he can confirm these figures from these very reputable business groups and farm organizations. Are we going to lose 150,000 jobs? Will he have the candor now as the new Minister to admit that that is the fact?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker,—

Some Hon. Members: Hear, hear!

Mr. Mazankowski: First, I am pleased to have the opportunity to answer the question since it also gives me the opportunity to say how sad I am that the former Minister of Agriculture has indicated his decision to step down. I think that all Members of this House—indeed all Canadians—would agree—

Ms. Copps: Anybody with any integrity would leave that Cabinet.

Mr. Mazankowski: —that no one single individual in Canada has done more for Canadian agriculture than the Hon. Member for Elgin.

Some Hon. Members: Hear, hear!

Mr. Mazankowski: With the exception of the Hon. Member for Hamilton East, of course.

Ms. Copps: He left because he had integrity.

Mr. Mazankowski: I could go further and say this. I am sure that the Hon. Member for Elgin will go down in history as the best Minister of Agriculture that Canada has ever had.

Ms. Copps: He couldn't stand the lies, that is why he had to leave.

Mr. Mazankowski: To top off 28 years of dedicated public service to Canada at the municipal and federal level is indeed an acknowledgement and an achievement that I think all of us in this House can look on with pride.

I note that the Hon. Member as reported in the press said that my appointment was an insult to the Canadian farm community.

Mr. Gauthier: It is part-time.

Mr. Mazankowski: The Hon. Member for Windsor West, the House Leader of the Liberal Party, suggested the same thing. We will just have to wait and see.

What I intend to do is try to continue along the same record that was established by the former Minister of Agriculture, which gives me the opportunity to remind the Hon. Member that direct income support for the Canadian farm industry had risen by 629 per cent in 1987 over 1983-84. That is in response to the devastation and the resulting aid that the agricultural community has required. As always, we will continue to provide that support in the future.

• (1130)

Mr. Nystrom: Mr. Speaker, we can now see why the farmers need a full-time Minister of Agriculture, and not an apologist for the Government.

[*Translation*]

FREE TRADE AGREEMENT WITH UNITED STATES—REQUEST FOR RENEGOTIATION BY GOVERNMENT

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I want an answer to my question. According to Agro Business and many farmers' organizations in Canada, 150,000 jobs would be lost in Canada's agricultural sector and the free trade agreement would be a disaster for Canada's farmers. Can the Minister confirm the figures indicating that workers in Canada's agricultural industry will lose 150,000 jobs, and is he now ready to renegotiate agriculture in the free trade agreement?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the Hon. Member is acting like a cowboy who, for all his life, has never stepped in cow manure.

Quite frankly, those types of questions are clearly an insult to the farming community. Farmers know that the McCain food organization is not the best representative of the farming industry.

The Economic Council of Canada conducted a study and predicted that there would be a net increase of 2,100 to 6,400 jobs in the food processing sector as a result of the free trade agreement.

Yesterday the Minister for International Trade went through the list of agricultural organizations from coast to coast that support the trade initiative. Some of them are right in the Hon. Member's backyard.

NEWSPAPER ADVERTISEMENT

Mr. Lorne Nystrom (Yorkton—Melville): The Minister certainly seems to know a lot about cow dung, Mr. Speaker. I want an answer from this Minister on behalf of the farmers of Canada. This advertisement is sponsored not only by McCain Foods but by the Ontario Federation of Agriculture, the Nova Scotia Chicken Marketing Board, the Union des Producteurs Agricoles du Québec, and they are all reputable farm organizations.

Will the Deputy Prime Minister admit today that those people are accurate when they say that 150,000 jobs will be lost in the agri-business and farming industry because of the trade deal between Canada and the United States? Will the Deputy Prime Minister answer yes or no?

Hon. Charles Mayer (Minister of State (Grains and Oilseeds)): Mr. Speaker, let me answer the question as a farmer. I talk to farmers, I live on a farm, and I farm. My neighbours are farmers. They realize that Canada produces some of the best quality agricultural products in the world. This deal will produce opportunities for us to sell.

The reason we will be able to sell, be successful, and produce additional jobs, is because we in Canada are good at what we do. We will be able to show, in the United States, that we are good at what we do when we are able to sell there under better rules.

The Canadian Canola Council has stated that it can see the possibility of an additional two million acres of Canola in western Canada which will be needed to supply the demand in the United States. The Canadian Cattlemen's Association accounts for 20 per cent of all the agricultural products produced in this country. They support this deal. The hog association supports it. We have a $2 billion hog industry that is in favour of free trade.

I would suggest to the Hon. Member that he talk to some farmers and find out what is really going on.

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ENVIRONMENTAL AFFAIRS

MUNICIPAL SEWERS—CONSTRUCTION AND REPAIR COSTS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in the absence of the Prime Minister and the Minister of the Environment, my question is directed to the Deputy Prime Minister. Canadians would like to know whether the statement made by the Prime Minister last week on the environment is an electoral move, or a deeply felt conviction. For instance, mayors from across Canada have asked the Government to help municipalities with a federal share in meeting the cost of construction and repair of sewers, so far without success.

Is the Deputy Prime Minister in a position to commit the Government, in light of the general statement made by the Prime Minister on the environment, to pay the one-third share of the cost of rebuilding and reconstructing sewers on which depend the quality of our water, our health, and our beaches?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am interested to note that the Liberal Party has released a policy paper on the environmental issues of the day. I wonder where it was 10 years ago, particularly the Hon. Member who was the Minister of the Environment just over four years ago. He seems to be an expert on it today, but he certainly did not know much about it then. The fact of the matter is that what we have here is the Liberal Party making policy on the run. Let us look at the record.

We have provided $150 million to assist in the clean-up of large emission sources; $42 million loan to Noranda; provided $25 million to assist companies with the development of new technologies; $90 million to a world-class acid rain research institution; reduction of allowable emissions; and the clean-up of the St. Lawrence. There have been a number of initiatives.

When we came into office there were no specific emission control plans. There was no financial assistance to develop needed pollution control technologies.

REQUEST THAT GOVERNMENT ALLOCATE FUNDS FOR SEWERS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I am sure that the Deputy Prime Minister, who has been around here for several decades, will recall that in the 1960s and 1970s previous Liberal Governments spent over $2 billion on sewer reconstruction jointly with the provinces and the municipalities.

In addition, in 1986 the Leader of our Party committed himself to a federal share in building and repairing sewers across the nation.

My supplementary question is the following. To demonstrate the commitment of the Prime Minister to Canadians and to the environment, and more important, in order to be credible in the eyes of Canadians, will the Government, instead of allocating funds for submarines, allocate funds for sewers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, we are demonstrating in a very clear manner that, where it is within our jurisdiction to take action with respect to environmental issues, we are.

I mentioned the Halifax Harbour clean-up, the St. Lawrence Seaway clean-up, the Great Lakes agreement, and the establishment of four new parks. There has also been the introduction of whildlife protection legislation. I could go on and on, but I see that Hon. Members opposite do not want to hear the record of achievement of this Government. They get bored by it. I invite them to read the record, check it, and then see what we have been doing with respect to the environment.

Oral Questions

FORESTRY

APPOINTMENT OF FORESTRY MINISTER

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is also directed to the Deputy Prime Minister. Yesterday the Prime Minister made what is clearly a deathbed repentance in appointing a Minister of State for Forestry. This comes despite the savaging of the shakes and shingles industry with a 35 per cent export tax, and the softwood lumber dispute which was bungled by the Trade Minister who had other fish to fry.

If the Prime Minister was really serious—and I ask the Deputy Prime Minister the following question in all seriousness—why during the four years of this Parliament, if the protection and the enhancement of Canada's largest industry were so important, has a National Forest Act never been produced, tabled, or debated in the House and brought forward as law in order that the Minister of Forests had a mandate under which to operate?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, we said that we would establish a full-fledged Department of Forestry. One of the first things that we did when we came into office was designate a Minister of State responsible for forestry. That is something that was never in place before.

We have continued working with the provinces in developing programs whether they be under ERDAs or under other specific programs. We have worked in co-operation with the provinces, because, as the Hon. Member knows, a large part of the jurisdiction remains in the hands of the provinces. It is a joint responsibility. However, the federal Government has taken leadership and is reaffirming that leadership by the designation of a full-fledged Department of Forestry.

NEGOTIATION OF FEDERAL-PROVINCIAL AGREEMENTS

Mr. Jim Fulton (Skeena): Mr. Speaker, first, there is no National Forest Act and the Government has made no attempt to bring one forward. There has not been, and there still is not a Deputy Minister of Forests who can sit around the table and talk about cash. Canada's largest industry has received $609.9 million in forest renewal agreements during the tenure of the Government, which is the same amount received by the Reichmanns in the Little Egypt Bump from the Minister of Finance.

• (1140)

Why has the Government still not even given a mandate to negotiate, which I have confirmed in a letter from the junior Minister of Forestry, new forest development agreements with nine of the 10 provinces? It is a lot of bumf and you should know it, Mr. Deputy Prime Minister.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I think it is fair to say we would have liked to have done more, and we will do more after the next mandate. There is no question about that.

Some Hon. Members: Hear, hear!

Mr. Mazankowski: What we have had here, especially from the NDP, is filibustering and blockading to the extent we had to sit all summer to get our legislative program through. Now they are asking for more legislation.

* * *

HOUSING

SITUATION IN TORONTO

Mr. Sergio Marchi (York West): Mr. Speaker, in the absence of the newly appointed Minister of Housing I will address my question to the Deputy Prime Minister.

After four years of federal neglect of housing, after slashing and eliminating a variety of federal programs, and after ignoring the pleas to confront the crisis in affordable housing in Metropolitan Toronto and other urban centres, taxpayers expect the Government to do more than just engage in electoral cosmetics.

Rather than simply establishing another ministerial position on the eve of a national campaign, one which will not lessen the price of a home in Toronto by one nickel, why did the Government not respond by implementing real housing initiatives and programs for first-time home buyers in Toronto that would offer real solutions to the spiralling cost of homes which is rapidly making the dream of owning a home an impossible nightmare? When will the home buyers get the bacon rather than simply the sizzle?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, as was indicated in the House by the Minister of Finance and the Prime Minister, housing starts are at record levels, up over 40 per cent. There have been in excess of 200,000 housing starts per year. Payments by individual mortgage owners have come down as a result of the decline in interest rates.

Today the newly appointed Minister of State for Housing is announcing in Toronto that 50 hectares of land at Canadian Forces Base Downsview in the Metropolitan Toronto area are being released, and this will provide up to 5,000 new homes and living accommodation for 10,000 to 12,000 people.

Some Hon. Members: Hear, hear!

SURPLUS FEDERAL LANDS

Mr. Sergio Marchi (York West): Mr. Speaker, the issue is not, as the Prime Minister said yesterday and the Deputy Prime Minister repeated today, housing starts. The crisis is in affordable housing. Toronto is becoming a playground for the rich and well-to-do. However, I welcome the fact that at the eleventh hour of the Government's life it has seen fit to release a number of hectares of land on the Downsview Air Force Base for affordable housing.

My question, though, is why has it taken four years, after repeated demands from Ontario and the Official Opposition, to release surplus lands for the construction of homes? Is this project simply an isolated case, or is the federal Government prepared to make a commitment that surplus federal lands in Metropolitan Toronto will be offered for housing projects on a priority basis to municipal and provincial Governments?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it is unfortunate that the Hon. Member prepared his question before listening to my answer. That is exactly what I said. Some 50 hectares of land have been released for 5,000 homes which will provide accommodation for 10,000 or 12,000 people.

The Hon. Member asked about a long-term commitment. The mere fact that we have appointed a Minister of State for Housing is a recognition of the difficulties in housing across the country, particularly in the Toronto region. That should be a clear signal of a clear commitment by the federal Government to take this issue seriously.

Of course, I remind the Hon. Member that there may be more announcements in the future, and he will be disappointed because the Official Opposition would rather we did not do anything so they would have something to criticize us about rather than giving us credit for what we are doing.

AFFORDABLE HOUSING QUERY

Mr. Neil Young (Beaches): Mr. Speaker, my question is also directed to the Deputy Prime Minister. He talks about housing starts being up. That is fine for those making $80,000 a year or more. It does not help people at the low and middle-income level at all.

Over the last several years the Government has said no to every concrete proposal put forward to alleviate the housing crisis. Do the Minister and the Government think that simply appointing a Minister of Housing at this late date is going to convince Canadians anywhere that the Government is serious about providing affordable housing?

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, I do not know where the Hon. Member has been because the record of this Government speaks for itself.

Some Hon. Members: Oh, oh!

Ms. Copps: That is the problem.

Mr. Jelinek: This Government has spent on average $1.5 billion a year on social housing, $250 million in the Metropolitan Toronto area alone. The fact is that the effort and commitment of this Government are now confirmed and solidified by the appointment of a Minister of State for Housing. We are moving in the direction of providing additional social housing for senior citizens, the disabled, and affordable housing for young couples starting out.

The record of this Government speaks for itself and the solidification of that record will provide even greater opportunities for the needy in the housing area.

GOVERNMENT RESPONSIBILITY

Mr. Neil Young (Beaches): Mr. Speaker, I have been in the House and I have watched the Government slash funding for co-op housing, slash funding for social housing, and fail to follow through on commitments it made to all kinds of organizations for native housing, co-op housing, and social housing.

I ask whether or not this new Minister is going to carry through with the responsibility that any Government has to make housing a right rather than something that comes along on the eve of an election?

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, the Hon. Member basically repeated his question and I could repeat my answer.

Mr. Mazankowski: Repeat it.

Mr. Jelinek: There has been an increase in social housing by this Government to the tune of $1.5 billion a year. That has provided some 50,000 additional social housing units per year across the country. I am surprised that the Hon. Member is not applauding the efforts of this Government which is committed to making cheaper housing available to all Canadians.

* * *

EMPLOYMENT

OLDER WORKERS—HAMILTON HELP CENTRE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, in the absence of the Minister of Employment and Immigration I will direct my question to the Acting Minister.

As Canadians go to the polls, I think the single biggest blight on the Government's record has to be its treatment of those who cannot help themselves, such as older workers. The first thing the Government tried to do was cut back on seniors' pensions. The second thing it did was cut out any federal program for older workers. Older workers have been waiting two and a half years for the federal Government to reinstate some kind of program and plan to help them. I think it is a national disgrace that even though the recession ended years ago, older workers still have a higher rate of unemployment than they did before the recession ended.

In the face of this absolute disdain for older workers, when there is one program which has been working, operating out of the Hamilton Help Centre, funded by an Innovations grant, why is the Government planning to cancel that program which has an 88 per cent success rate in returning older workers to work?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, one can notice that as the Opposition gets more desperate, the rhetoric from the Hon. Member, who we thought had reached the highest level of rhetoric, goes even beyond that. I want to tell her and other Members of the House that in the last four years the unemployment rate has gone down. About half a million people are out of poverty, and 1.2 million jobs have been created in four years. More than 700,000 of those jobs are for women. For example, the spouse's allowance was increased, the widow's allowance was increased, and veterans' allowances were increased.

• (1150)

Ms. Mitchell: The lousy child care program.

Mr. Epp (Provencher): Child care is coming. I thank the Hon. Member for that tip. One could go on and on.

GOVERNMENT POSITION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Minister may not be aware of this, but child care will not help those thousands of older workers who have been cut adrift by this Government.

I would like to ask the Minister a very specific question. He talks about rhetoric. I have an independent analysis here done by a company which showed that the Hamilton Help Centre had established a program which cost $3,511 for each client and had an 88 per cent success rate. It put the Firestone workers back on the job. The savings to the Canadian taxpayers, according to an independent assessment, amounted to $18,342.45 per client.

Why is the Government throwing away a program that at a cost of $3,500 is sending older workers back to work, throwing them a lifeline? People do not want to be on welfare. I have letters from people who want to work and who have been given absolutely no hope by the Government. Will the Government reinstitute the program at the Hamilton Help Centre and make it a model for the whole country?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I am pleased that the Hon. Member has given such good credit to an innovative program that this Government introduced, and I am pleased that that has happened because that was the kind of innovation we wanted to see. I am reminded by her comments that the former Minister of Employment and Immigration and I were able to sign the SAR agreements. That was opposed, but that helped low-income groups, especially women. In respect to the specific program, that I will take back to the responsible Minister.

Second, in respect to older workers, the Hon. Member should know as well that our colleague, the Minister of Labour, has been negotiating in this area and if there is to be an announcement—

Ms. Copps: That is a farce.

Mr. Epp (Provencher): That is not false, and I wish the Hon. Member—

Ms. Copps: I said farce.

Mr. Epp (Provencher): She might be a farce herself if she understands these words. It is about time she—

Ms. Copps: Order.

Mr. Speaker: The Hon. Member for Vancouver East.

* * *

SHIPBUILDING

CONSTRUCTION OF POLAR 8 ICE-BREAKER

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is directed to the Deputy Prime Minister. In 1985 the Secretary of State for External Affairs announced that a Polar 8 ice-breaker would be constructed to protect our Arctic sovereignty. Since then, British Columbia Members of Parliament and a number of cabinet Ministers repeatedly have promised that this ice-breaker would be built equally in Vancouver and Victoria, a measure which is desperately needed to save our shipbuilding industry. Since the Deputy Prime Minister has been actively interested in this, can he tell us when construction of the Polar 8 ice-breaker will begin as promised repeatedly over the last three years?

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, the Hon. Member should know that the Polar 8 is in its definition phase. There have been—and this is no news—some ownership problems with the company. The program and the plan is to continue to look forward to the Polar 8 ice-breaker being built both in Vancouver and Victoria shipyards, and I believe that everything is going according to plan at this point in time.

GOVERNMENT FUNDING

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I must say that that is not the understanding we have on the West Coast. First, I understand there are financial problems because the Government underfunded this.

Mr. Clark (Yellowhead): Start telling the truth, then, stop telling lies.

Ms. Mitchell: Second, we demand that this be built equally in Vancouver and Victoria. If there is a financial problem, why does the Government not increase the the subsidy? It really was underfunded, as I understand it.

Does the Minister not agree that a world-class ice-breaker which will do many practical things in our Arctic waters as well as deal with the sovereignty issue is far more important than wasting money on expensive nuclear subs? Let us have an election goody for Vancouver and Victoria.

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, we do not need this Hon. Member to tell us that an ice-breaker is very important for our sovereignty. It is this Government which initiated that program.

Some Hon. Members: Hear, hear!

Mr. Jelinek: I want to point out to the Hon. Member that I just returned from a tour of Vancouver as well, and I know what the situation is and what the facts are, and I just stated those facts in answer to her previous question.

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CANADIAN COAST GUARD

LOCATION OF NORTHERN OFFICE

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I have a question for the Minister of State for Transport. The Northern Division of the Canadian Coast Guard does excellent work under the Director General, Carol Stephenson. For a long time the long-term plan has been to move the head office of Coast Guard Northern from Ottawa into northern Canada where it rightfully belongs. What progress has been made toward this end?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker—

Some Hon. Members: Hear, hear!

Mrs. Martin: Mr. Speaker, I am very pleased to receive my first question in this new portfolio from the Hon. Member for Western Arctic, a Member who works very hard for the growth and development of his area. I can tell the Hon. Member that one of the first things that I will do on Monday morning will be to discuss the movement of this office with the Department and be brought up to date, and I will make sure that he is kept informed of all the progress on the item.

Some Hon. Members: Hear, hear!

[*Translation*]

UNEMPLOYMENT INSURANCE

QUALIFYING PERIOD FOR RECEIPT OF BENEFITS—GOVERNMENT POSITION

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, my question is directed to the Deputy Prime Minister. For at least another month, the qualifying period for unemployment insurance in Southern New Brunswick will be 16 weeks. Of course people in New Brunswick prefer to work all year round but they often have trouble finding even 10 weeks of employment. The Minister of Employment and Immigration has already indicated that she was looking into the problem, although it has already been given thorough consideration and she has all the information she needs to make a decision. My question to the Minister is this: How much longer will New Brunswick's workers have to wait for the Minister to make a decision to restore the 10-week qualifying period?

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I thank the Hon. Member for the question and I assure him that the Minister has been working on this issue. It is an important issue and it is my understanding that legislation is ready to be introduced.

[*Translation*]

ENACTMENT OF LEGISLATION—GOVERNMENT POSITION

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, I find it somewhat reassuring that the Minister said that legislation is ready to be introduced. However, how can he explain to the people of New Brunswick that they have to wait before they get the same treatment other Canadians have been receiving for some time? If this goes on, if it takes too long, there are some families in New Brunswick that will be facing a long hard winter. Will the Minister give me some reassurance on this point and tell me when the legislation will be passed and when the people of New Brunswick will enjoy the same benefits as other Canadians?

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, again I want to reassure the Hon. Member that the legislation can, I think, be passed through the House very quickly if there is co-operation on both sides. I am sure co-operation could be found, and it is possible that how best to handle this could be be taken up after Question Period.

Oral Questions

APARTHEID

SOUTH AFRICA—REQUEST FOR IMPOSITION OF TOTAL ECONOMIC SANCTIONS

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, my question is addressed to the Secretary of State for External Affairs. The Government has been engaged in a flurry of activity in its last few days trying to convince the people of Canada that it keeps its promises. Among those who are supposed to be pleased by the appointment of a Minister of Multiculturalism are a great many looking to another promise the Prime Minister made before the United Nations on October 23, 1985, with respect to the imposition of complete economic sanctions on South Africa.

My question to the Secretary of State is simply this: Will the Prime Minister, when he goes to the United Nations on September 29, fulfil the promise made three years ago that Canada will now impose complete economic sanctions upon South Africa?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Hon. Member who has followed these questions carefully and seriously knows the position of the Government of Canada on that question. If other measures will not allow Canada to help us bring an end to an apartheid regime, then we are prepared to consider the absolute disruption of economic and diplomatic relations. We believe there is some—

• (1200)

Ms. Copps: You said that before!

Mr. Clark (Yellowhead): Yes, we said that two years ago, if I may speak to the Member for Hamilton East who cannot contain herself. The policy change that was announced by this Government marked a dramatic change not only in policy but in commitment and in relevance from the position that had been followed by Liberal Governments for years. We intend to adhere to the position I have indicated in the House. We intend to adhere to the position of the Prime Minister as stated in the United Nations. We intend to look for ways in which we can contribute to the bringing to an end of the apartheid system.

I don't know if the Hon. Member is making a distinction in his question between an end to diplomatic relations and an end to economic relations. I thought the New Democratic Party had made a movement in that direction and I would not want to have the impression left that it was changing its position.

Mr. McCurdy: For Heaven's sake, Mr. Speaker, that ridiculous answer requires a supplementary question.

Some Hon. Members: Oh, oh!

PRIME MINISTER'S SPEECH AT UNITED NATIONS

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, the Minister has the impertinence to suggest that the New Democratic Party has changed its position when in fact not only on October 23, 1985, but in Nassau in 1986, in London in August, 1986, and in Zambia, Senegal, Zimbabwe in 1987 and in October, 1987, the Prime Minister made the same promise.

Is the Prime Minister going to discredit this country and cause disillusionment among those who gave him a standing applause in the United Nations, and those people in Toronto and Montreal who represent a large portion of the population who are concerned about this? Is he going to disappoint them at the United Nations on September 29? Is he going to keep his promise now? Or are we going to hear more bs on the subject?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I didn't mean to excite quite that reaction.

Some Hon. Members: Oh, oh!

Mr. Clark (Yellowhead): The position of the New Democratic Party, as I understand it, is to want to bring an end to economic relations but to maintain, at least for the time being, some form of diplomatic relations. If that is not the case, I would like to have it.

Mr. McCurdy: That is the case. Now, answer the question.

Mr. Clark (Yellowhead): That is the case. All right. I was not sure and I am pleased to have the assurance of the Hon. Member.

Mr. McCurdy: We want your assurance.

Mr. Clark (Yellowhead): Will the Prime Minister of Canada discredit Canada or disappoint those who fight apartheid when he goes to the United Nations? No, of course, he will not. Indeed, what this Prime Minister of Canada has done consistently on the question of South Africa does not only bring credit to Canadians, does not only excite pride among Canadians, but allows us to play a constructive role in trying to bring an end to a system that we all in this House regard as repugnant. He intends, and we intend, to continue on that course.

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[*Translation*]

PUBLIC SERVICE

REQUEST THAT MINISTER MEET WITH UNIONS

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is directed to the Deputy Prime Minister.

Five months ago when she was appointed President of the Treasury Board, the Minister was approached by the unions to discuss the complaints and problems of federal public servants. The Minister has systematically refused to meet the leaders of the Public Service unions.

I wanted to ask the Minister, following letters sent by the Professional Institute of the Public Service of Canada, and I am referring to what Mrs. Craig said, and I quote: " . . . the President of the Treasury Board be available so that we can at least discuss our concerns and so that she can consider our representations . . . "

Since the Minister did not meet a single union leader and since today, 60 bargaining sessions are going on and 180,000 public servants are very concerned, could the Minister give me the assurance that the Minister will be here in the House next week so that we can ask some questions? She has been away since May! Will we see her in the House and be able to ask her some questions?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the Hon. Member is categorically wrong. I personally met with Iris Craig when I was President of the Treasury Board.

AVAILABILITY OF MINISTER

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Yes, that is true, Mr. Speaker, but since he left, the Minister responsible has not, and that is the point I am trying to make. There are 180,000 public servants at this time represented by the Alliance, by PIPS and other associations which would love to meet the Minister and discuss the problems with her. Why has she not been available to these unions? Why is she not in the House? And why is it the Prime Minister lets two good Ministers go without a peep and won't let go of that one who has done nothing for us?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, there is a clear collective bargaining process in place. There is a clear process established and I know the Hon. Member understands that. I will certainly take his question as a representation but my understanding is that there has been progress and movement.

What the Hon. Member has to be reminded of is that there was an agreement in principle that was negotiated by the previous President of the Treasury Board, the Minister now in charge of Science and Technology and Industry. What is really happening here is the unions wanting to renegotiate an agreement which was put together in good faith. Quite frankly, that is part of the problem. I will certainly, as I said, take the Hon. Member's question as a representation and get back to him.

Points of Order

ENVIRONMENTAL AFFAIRS

PRESERVATION OF ROUGE VALLEY AS NATURAL HERITAGE PARK

Mr. Alan Redway (York East): Mr. Speaker, my question is directed to whomever may be answering for the Minister of the Environment. It involves the announcement of the Minister of the Environment yesterday in Toronto that the Government would provide some $10 million for a natural heritage park in the Rouge River Valley in Toronto.

Some Hon. Members: Hear, hear!

Mr. Redway: Can the Minister advise the House if it is the Government's intention that that money be used to establish a national park, a provincial park, or a municipal park? And are there any conditions attached to that offer which would ensure that no part of the Rouge River Valley would be used as a garbage dump?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, on behalf of the Minister of the Environment I am pleased to respond. I am pleased this Government, under the leadership of the Prime Minister and the sensitivity of the Minister of the Environment, was able to make a $10 million offer yesterday to protect the Rouge Valley in Toronto. It is one of the few wilderness areas in a major urban centre. I know the Hon. Member, not only in his present role as a Member of Parliament, but also as a mayor from that area, has been very concerned about this.

In terms of the $10 million, it is not to be used for a national park but rather as an offer by the federal Government in order that the area can be protected and can be used as a public space, the details of which will then be worked out between the various Governments involved.

* * *

POINTS OF ORDER

CLARIFICATION OF ANSWER

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, during Question Period, I was asked by the Hon. Member a question with respect to changes to the Unemployment Insurance Act.

I do not want to mislead him or the House in any way. The legislation that has been tabled is legislation respecting the variable entrance rate. The variable entrance rate, obviously, is affected in terms of eligibility respecting economic regions—I am getting technical now—relating to the Unemployment Insurance Act. I believe the Hon. Member—and I have had a private discussion with him—thought I was responding to changes in economic regions rather than to the variable entrance requirement. I was responding to the variable entrance requirement and not the changes in economic regions in which there has not been any cabinet authority.

I did not want to mislead the Member or the House and I thank you, Mr. Speaker, for being able to make that correction. I know it will not be a satisfactory answer to the Member but at least it is the right answer.

[*Translation*]

Mr. Robichaud: Mr. Speaker, on the same point of order, I thank the Minister for correcting what he told me, because I was quite happy for the workers in my area. I hope that the Minister and the Government will look favourably on the problem that affects all working people in southern New Brunswick.

[*English*]

ALLEGED REMARKS DURING QUESTION PERIOD

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, during my question this afternoon in the House, I thought I heard the Secretary of State for External Affairs (Mr. Clark) accuse me of lying. I believe that is a very unparliamentary word and I would ask him to withdraw. If he does not, I will check the "blues" and raise this as a question of privilege later.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, as you know, the rule in this House relates to descriptions that might be made of conduct in this House. I believe what I said accurately describes what the Hon. Member and members of her Party are doing outside this House with respect to the Polar 8 contract. However, as is my custom, if what I said has contributed to any disorder in the House, I will certainly withdraw.

• (1210)

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to Petition Nos. 332-5302, 332-5304, 332-5305, 332-5307, 332-5308, and 332-5311.

[*Editor's Note: See today's Votes and Proceedings.*]

[*Translation*]

REQUEST FOR UNIVERSALITY OF DAY CARE PROGRAMS

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I have petitions from London, Ont., Toronto and Ottawa.

[*English*]

They state humbly that families throughout Canada need high quality available and affordable child care services. They say that it has been repeatedly recommended that to make these services available for families the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for the development of a comprehensive, non-profit child care system accessible to all families throughout Canada.

The petitioners say that the child care Act proposed by the Government of Canada contains neither national objectives nor necessary funding arrangements and will not ensure that families have access to high quality child care, and that the proposed child care Act is not in the best interests of young children, women, and families in Canada. They therefore call upon Parliament to withdraw the child care Act.

PROPOSED CANADA CHILD CARE ACT

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I have the honour to present a petition to the House from a number of petitioners from Vancouver, British Columbia. They are very concerned in British Columbia about the child care Act. They believe that services are very much needed across Canada with national objectives and appropriate methods of financing to develop a comprehensive, non-profit child care system which is accessible to all families throughout Canada.

The Government has not done this in its child care Act and will not ensure either national objectives or the necessary funding. The petitioners therefore call upon the Government to withdraw the child care Act forthwith.

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I have a petition signed by a number of Canadians who indicate that families throughout Canada need high quality, available, affordable child care services. They say that it has been repeatedly recommended that in order to make these services available for families the Government of Canada must introduce legislation containing national objectives and appropriate mechanisms for the development of a comprehensive, non-profit child care system accessible to all families throughout Canada.

They say that the child care Act proposed by the Government of Canada contains neither national objectives nor necessary funding arrangements and will not ensure that families have access to high quality day care. They say, therefore, that the proposed child care Act is not in the best interests of young children, women, or families in Canada.

ALASKA HIGHWAY

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I have the honour and duty to present petitions from over 200 petitioners who call upon the Government to recognize the important transportation link for the territory, that is, the Alaska Highway which has been undermined seriously by floods and general poor condition owing to a lack of funds and a cut in funds by over 42 per cent in the last five years.

These petitioners call upon the Parliament of Canada to improve the condition of this international highway immediately and to take all measures necessary to ensure that this vital link to the territory of the Yukon remains usable and is recognized as the important link that it is in Canada.

BELCARRA BAY HARBOUR

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I have the honour to present a petition from the residents of Belcarra, British Columbia. The area of Belcarra Bay has been used for water-skiing for 20 years. Due to changes, which we think are linked to Expo '86, the harbour police have started to enforce the five-knot speed restriction so that residents and their kids cannot water-ski.

This is to the surprise of local residents. The people of Belcarra have been fighting since 1986 to have the by-law rescinded. They have the support of the Greater Vancouver Regional District Parks Department and the Belcarra City Council.

They pray that the Vancouver Port Corporation and the Department of Transport rescind this ridiculous by-law which is really just an example of bureaucratic ineptitude. It should be rescinded and there should be no speed limit in that particular part of the harbour.

PROPOSED CANADA CHILD CARE ACT

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, I have the privilege and duty today to present three petitions to this honourable House, all certified in accordance with Standing Order 106.

The first petition is signed by residents of the Province of Ontario. These residents protest the Government's child care Act, Bill C-144. They believe that it is not in the best interests of the children, women, and young families of Canada. They call for the withdrawal of that child care Act and for its replacement with a Bill which would truly meet those needs.

NORTHERN TAX ALLOWANCE

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, the second petition I have is signed by residents of the communities of Keewatin, Kenora, and Dryden in my riding. These residents call upon the Government to extend the benefits of the northern residents tax allowance to all communities which lie within the vast expanses of those ridings designated under the House of Commons system as being tier 3.

PROPOSED CANADA CHILD CARE ACT

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, the third petition I have concerns the Government's proposed child care Act and calls upon the Government to withdraw it forthwith.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I was in the process of trying to count the number of names on this petition but they are innumerable.

I rise to speak on behalf of several hundred petitioners who bring to the attention of the House of Commons that the proposed child care Act is not in the interests of young children, women, or families in Canada, that it limits spending on child care, funds the commercial sector, includes no national objectives, sets no criteria for spending or service delivery, restricts the development of services, encourages the development of poor quality commercial care; and that it does nothing to make child care more affordable for parents.

Therefore, the undersigned petitioners humbly pray and call upon Parliament to withdraw the child care Act forthwith. This petition is signed by citizens from across the country.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the following questions will be answered today: 394 and 406.

[*Text*]

PRINCIPAL SAVINGS AND TRUST

Question No. 394—**Mr. Riis:**

1. In 1987, was Principal Savings and Trust in serious financial difficulties and, if so, did the Canada Deposit Insurance Corporation (CDIC) become aware of this and, if so, on what date?

2. Did Principal Savings and Trust sell real estate and mortgages worth $23,000,000 to First Investors Corporation (FIC) and Associated Investors of Canada (AIC) and, if so, were these assets substantially overvalued and, if so, was the CDIC aware of this?

3. Were all of the mortgages involved either in default or foreclosed on and, if so, was the CDIC aware of this?

4. Did Alberta's Superintendant of Insurance register a strong objection to the transaction and, if so, what was the approximate loss?

5. Did the sale of these assets to FIC and AIC result in a net loss to either of these two corporations and, if so, what was the approximate loss?

6. Was the sale of the assets to FIC and AIC carried out as a result of the influence of the CDIC on Principal Savings and Trust?

7. Did the CDIC insist on establishing a contingent liability fund of $6,300,000 as part of the asset sale and, if so, for what reasons?

Speaker's Ruling

8. Did Principal Savings and Trust improve its financial situation by removing any other assets from either FIC or AIC and, if so, what were the circumstances surrounding these transactions?

Hon. Tom Hockin (Minister of State (Finance)): 1. This matter is currently before the courts. In addition, release of such information is constrained by Section 40.2 of the Canada Deposit Insurance Corporation Act.

2. For the reasons outlined above information regarding this question is not available.

3. to 8. See No. 2 above.

DIAND—CENTRALIZED DISTRICT OFFICES

Question No. 406—**Mr. Parry:**

Did the Department of Indian Affairs and Northern Development examine the additional travel and salary costs that Indian Bands must now bear as a result of centralizing district offices in centres farther away from Indian communities and, if so, are funds provided to Bands for such purposes?

Hon. Bill McKnight (Minister of Indian Affairs and Northern Development and Minister of Western Economic Diversification): The distance between bands and departmental offices is not a criterion in current funding formulae, however compensation is made on the basis of the relative isolation of each band from regional business centres.

As bands develop increased capacity to manage their own affairs it is expected that their need to consult with departmental officials on a regular basis will decrease.

* * *

[*Translation*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, if questions 396 and 398 could be made Orders for Return, these returns would be tabled immediately.

Mr. Speaker: The questions enumerated by the Hon. Parliamentary Secretary have been answered. Is it the pleasure of the House that questions 396 and 398 be deemed to have been made Orders for Return?

Some Hon. Members: Agreed.

[*Text*]

GOVERNMENT SUPPLY PROGRAMS

Question No. 396—**Mrs. Sparrow:**

For each fiscal year from 1980-81 to 1983-84, was there any business done in the constituency of Calgary South that arose out of government supply programs and, if so, what was the volume of this business?

Return tabled.

GRANTS WITHIN METROPOLITAN TORONTO AREA

Question No. 398—**Mr. Redway:**

Since September 4, 1984, did the Canada Mortgage and Housing Corporation make grants and/or loans to persons or corporations, non-governmental organizations and governments within Metropolitan Toronto and, if so, to which ones and, in each case, in what amount and for what purpose?

Return tabled.

[*Translation*]

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

* * *

[*English*]

BROADCASTING ACT

SPEAKER'S RULING—REPORT STAGE MOTIONS

Mr. Speaker: Before proceeding to Government Orders I thought it might be helpful to Hon. Members if I gave the ruling on the motions relating to Bill C-136. There are 91 Notices of Motions in amendment on the Order Paper for the report stage of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication. I am now ready to complete my ruling.

[*Translation*]

Motion Nos. 1, 1A, 2, 3, 4, 5, 9 and 12 have been debated together with a division deferred on Motion numbered 1. The result of that division will be applied to the other motions in this group.

[*English*]

Motion Nos. 6, 10, 11, 11A, and 11B, standing in the names of the Hon. Members for York East, Mount Royal, Beaches, and Winnipeg North, attempt to insert substantive amendments by way of modifications to the interpretation clause. In this regard I will not select these motions as they are contrary to our practices as enunciated by Beauchesne's at paragraph 10 of Citation 773.

[*Translation*]

Motion Nos. 7 and 8 have been debated separately and separate divisions have been deferred.

• (1220)

[*English*]

This next grouping has caused the Chair and certainly some Members considerable concern. After much deliberation and helpful assistance from the Hon. Members for Mount Royal and Vancouver—Kingsway, I have decided to group these many motions on Clause 3 as follows:

(1) Motions Nos. 14, 15, 17 to 23, 48, 55, and 74 which concern general broadcast policy will be grouped for debate.

Motions Nos. 14, 15, 17, 18, 19, 21, 22, 23, 48, 55, and 74 will be voted on separately. An affirmative vote on Motion No. 19 obviates the need for a vote on Motion No. 22. However, a negative vote on Motion No. 19 necessitates a vote on Motion No. 20;

(2) Motions Nos. 25, 27, 29, and 30 concerning the Canadian Broadcasting Corporation will be grouped for debate and will be voted on separately;

(3) Motions Nos. 32 to 41 and 43 concerning alternative and other programming will be grouped for debate. There will be separate votes on Motions Nos. 32, 33, 35 to 39, 41, and 43. An affirmative vote on Motion No. 35 will obviate the need for a vote on Motion No. 34. However, a negative vote on Motion No. 35 necessitates a vote on Motion No. 34.

An affirmative vote on Motion No. 41 obviates the need for a vote on Motion No. 40. However, a negative vote on Motion No. 41 necessitates a vote on Motion No. 40.

[*Translation*]

Motions numbered 13, 24, 26, 62 and 78 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone) were considered in the Legislative Committee. As a consequence they will not be selected, pursuant to paragraph 10 of Standing Order 114.

Motion numbered 15A standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone) is similar to motion numbered 15 standing in the name of the Hon. Member for Vancouver—Kingsway (Mr. Waddell) and therefore Motion numbered 15A will not be selected.

[*English*]

Motions Nos. 16, 51, and 65 standing in the name of the Hon. Member for Vancouver—Kingsway are similar to Motions Nos. 14, 50, and 64 standing in the name of the Hon. Member for Mount Royal. Thus, the motions of the Hon. Member for Vancouver—Kingsway will not be selected.

Motion No. 28 standing in the name of the Hon. Member for York East is similar to Motion No. 27 standing in the name of the Hon. Member for Vancouver—Kingsway and therefore Motion No. 28 will not be selected.

[*Translation*]

Motions numbered 31, 42, 72 and 77 were debated together. A division on Motion numbered 31 has been deferred. Motion numbered 42 carried and Motions numbered 72 and 77 were negatived on division.

[*English*]

Motion No. 31A standing in the name of the Hon. Member for Vancouver—Kingsway is identical to Motion No. 31 standing in the name of the Hon. Member for York East and therefore Motion No. 31A will not be selected.

[*Translation*]

Motions numbered 44, 45, 46, 47 and 50 are acceptable and will be grouped for debate but voted upon separately.

[*English*]

Motions Nos. 49, 56, 67, and 68 are in order and will be debated together but voted upon separately.

[*Translation*]

Motions numbered 49A and 57A will be debated together but voted upon separately.

[*English*]

Motion No. 52 standing in the name of the Hon. Member for York East causes the Chair some procedural difficulty. The Hon. Member is attempting to change the scope of the clause substantially and possibly the Royal Recommendation when he proposes to alter the methods of procedure to be used by the Governor in Council set out in this clause. Therefore, in accordance with paragraph 1 of Citation 773 of Beauchesne, I must rule Motion No. 52 out of order.

[*Translation*]

Motions numbered 53, 54, 58, 59, 60 and 69 are in order and will be debated together but voted upon separately.

[*English*]

Motions Nos. 57 and 61 are admissible and will be debated together but voted upon separately.

[*Translation*]

Motions numbered 54A, 63, 64 and 66 are in order and will be debated together and voted upon separately.

Motion numbered 70 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone) is similar to an amendment moved and debated in the Legislative Committee and therefore, the motion will not the selected.

[*English*]

Motions Nos. 71, 73, and 76 are acceptable and will be debated together but there will be a separate vote on Motion No. 71. The vote on Motion No. 73 will apply to Motion No. 76.

[*Translation*]

Motions numbered 72A and 73A standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone) cause some procedural difficulty in that they are attempting to change the roles of the Chairman and President of the CBC in a manner that is not consistent with the principle of the Bill as agreed to by the House at second reading. Thus, in accordance with Beauchesne's paragraph (1) of citation 773, I must rule these motions out of order.

[*English*]

Motion No. 75 is in order and will be debated and voted upon separately.

[*Translation*]

Motions numbered 75A and 75B are acceptable and will be debated together but voted upon separately.

[*English*]

Motion No. 79 is admissible and will be debated and voted upon separately.

I should comment that Hon. Members and the public watching will know that, again, there is great interest in the legislation that is in front of the Chamber and it has resulted, as one can expect, in a great many amendments.

I want to thank Hon. Members and members of the table staff for having worked long and diligently in order to assist me to make the rulings I have just read.

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, as reported (with amendments) from a legislative committee; and the amendments of Ms. Mitchell (p. 19310).

The Acting Speaker (Mr. Paproski): When I left the chair the Hon. Member for Skeena had two minutes remaining. Since he is not in the House, I will recognize the Hon. Member for Yukon.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I am pleased to speak to this amendment because I believe it is one of the most useful amendments to this legislation. I want to use some examples to illustrate why I support the amendment very heartily since there must be a transition stage for the implementation of any new child care legislation.

Many of us believe that this particular legislation is so flawed that there is not much that can redeem it. However, I am pleased to speak to the proposed amendment that at least the Canada Assistance Plan be kept in effect during a transition period as we go into a new and hopefully improved child care Bill other than what is being proposed here.

The example that I think best illustrates why this is so necessary is the state today of child care services in the North, particularly for aboriginal people. Northern Canada is largely rural and therefore the child care services have been greatly underdeveloped. The problems in urban areas often relate to a lack of space, an extremely serious issue which this Bill does not address adequately. In rural areas there is simply no child care services available at all and virtually no resources in order to institute any child care.

What is needed in most of the rural areas is not just the funding that would be available under the Canada Assistance Plan or even under the proposed child care plan, but assistance to develop and institute child care services that are both culturally appropriate and appropriate to the general lifestyles of the community.

• (1230)

The Inuit Women's Association, Pauktuutit, has given a very good submission to the committee. I think it underscores the problems that one sees in the North and in particular with aboriginal communities. The Inuit Women's Association points out quite well the need for culturally appropriate child care services. As you know, Mr. Speaker, the concern with child welfare services generally by aboriginal first nations has been one of very major paramountcy in discussions between the provinces and the territories and the federal Government, as well as within the communities themselves.

The history of child care services and child welfare services throughout Canada with first nations has proven to be an abysmally sad and abysmally ineffective one. Therefore we do not want to see that in instituting a national child care program those lessons from the past are not taken into account.

The Inuit Women's Association points out the need for culturally appropriate child care services. It is quite unclear whether in this proposed Bill there is enough flexibility to accommodate the kind of comprehensive community-based child care that would probably deviate from many of the southern models in order to meet the needs of those particular communities. This particular issue underscores the need for both a transition period through CAP and for rethinking of a number of the clauses of this Bill.

A second issue which very much underscores concerns with this Bill has been raised in particular by the Yukon Child Care Association. At the moment it is made up of a number of commercial operators. They have been adamant as an association that child care must not be a commercial venture, that it must be non-profit. As an association it supports this principle.

When looking at northern services or aboriginal services, the Inuit association again underscores the point that the profit-making commercial centres to which much of the child care Bill is directed to support meet the needs in the North but will not meet the needs of aboriginal communities. Child care standards, trained staff, and so on are extremely difficult in the Yukon, the Northwest Territories, and I am sure in many of the northern parts of the provinces. If this is a problem in the South we certainly see that it is exemplified 10 times in the North.

This child care Bill which puts such a strong focus on commercial operations will not in our view in any way meet the needs of the North. Obviously, if commercial operations would have been viable they would be operating now in many of the remote and isolated communities. Clearly, that is not cost effective for them. However, the children in those spaces are no less important. They will run the communities in the future. They are just as important.

Another issue I would like to address in relation to this amendment concerns the question of training. This is a particular problem for us in the North. It is a particular problem in developing the kind of training programs which, as I said earlier, are culturally relevant and which meet some of the special needs of northern communities. I give as an example the fact that many aboriginal people whom I know in small communities throughout the territories are eager to seek retraining and upgrading of their skills. Very often the problem is that there is simply no child care available for them. There is no way for them to take the courses which may be available in order to provide a better standard of living for their families. Therefore they are forced to remain in the condition they are in even though they are being told by other Departments of the Government that these programs are available, that they want to see people upgrade their skills, that there are opportunities and jobs out there. At the same time they are being limited because there is simply no child care available and no provision for them to receive it.

Introducing a Bill such as this will have particularly serious repercussions for many of the rural communities across the country, in particular northern and more remote communities. This is why national standards are so important to those of us in the North. We know that with the small population base we are not often in a position to provide the numbers which count for commercial viability. Therefore non-profit centres and national standards which include provisions for well trained staff, both in terms of cultural relevancy as well as in terms of child care methods more appropriate to the dominant population, are things that we look to in a child care Bill to ensure that all the children in our North receive the care that we expect in southern Canada which will enable them to be the citizens of the North that we feel that they can and will be.

The Inuit Women's Association petition in many ways simply reflected many areas of concern that other groups have. It exemplifies the very basic rationale for the amendment which is before us now.

Therefore I strongly urge that this amendment be supported by all Members of the House. If we are to have a national child care Act which truly meets the objectives of caring for the children of the country, then it is important to ensure that nothing is lost in the interim through having the Canada Assistance Plan terminate before a full-fledged national program is in operation.

Mr. Alan Redway (York East): Mr. Speaker, it seems to me that it is important for the House and for our country that we correct some of the comments that have been placed on the record today and yesterday by members of the Opposition concerning this Bill. The Bill before us is a national child care Bill. It is aimed at doubling the number of subsidized day care spaces in the country over the next seven years. It has been implied and statements have been made many times that in some way, shape, or form this Bill will actually reduce the number of potential day care spaces that will be provided in the country.

It is important that we bear in mind the distinction and the definitions of what we are talking about here. There is something in the day care industry called licensed day care spaces. As well, there is something called subsidized day care spaces. They are not exactly the same thing. There may be all sorts of children in day care and there may be all sorts of spaces for them as long as their families can afford to pay for the complete cost of that care. However, those spaces will be provided and there will be no subsidy provided for them, whether it be by the federal Government under the Canada Assistance Program or whether it be by the provincial Governments.

• (1240)

The spaces that we are really talking about here are the subsidized spaces. If we look to the situation in 1987, for instance, I am told that across the country there were some 243,545 licensed day care spaces. Of those about 180,000 were subsidized. Under the present provisions of the Canada Assistance Program there is no definition of what a subsidy is supposed to be, and therefore the subsidies could vary. Technically they could vary, I suppose, from a cent a day up to an enormous amount.

I am also advised that the subsidies vary substantially from province to province. Because there is no standard definition when we talk about 180,000 subsidized day care spaces in Canada at the present time, we are including in that figure spaces which are subsidized by provincial Governments in amounts as low as 38 cents a day, some as low as 50 cents a day, and some as low as $1 a day.

This Bill provides a standard definition for subsidized spaces that will require a subsidized space to provide at least a bear minimum subsidy of $2 a day. We are making a very significant change in the whole definition, in the whole concept of subsidized day care. I hear the Opposition talk about this business of not providing for those who are needy, for those who need assistance and help. In fact this legislation is doing just that; it is providing a much higher level of subsidization and guaranteeing a much higher level of subsidization for those people than is available now under the Canada Assistance Plan where this no minimum subsidization definition. That in itself is a very substantial step forward.

The other criticism I hear is of private day care centres or so-called commercial day care centres. There seems to be an impression that there is something sinister, vicious, and wrong with a private or a commercial day care centre. In fact, they have existed in Canada for a long, long time. Not only have they existed in Canada for a long, long time, they provide subsidized spaces. Many of the spaces in those commercial centres, in those private day care centres, are subsidized.

An Hon. Member: Oh, oh!

Mr. Redway: If the Hon. Member will listen to me for a minute, I will tell her that within my own block where I personally live in the City of Toronto there is a privately owned day care centre. There are subsidized spaces in it and it has been there for years. There are many, many more in my own neighbourhood.

Ms. Mitchell: Read the studies.

Mr. Redway: Of the 243,545 licensed day care spaces in Canada in 1987, some 90,386 were in so-called commercial centres or private centres. Of those 90,386, 54,000 of them or 60 per cent were subsidized spaces. This is not something new that is suddenly coming on the scene. The Government is not creating some sort of sinister plot to destroy day care and to destroy the whole system or to change things in a cruel and vicious manner. This is just carrying on the system that has been there for years and years.

If we listen to the comments of the Opposition and what they are suggesting and take them to their logical conclusion that somehow or other we have to wipe out those 90,386 private spaces, wipe out the 54,000 subsidized spaces in those private centres, and start from scratch with non-profit ones, it does not make any sense at all. If what we are interested in is providing day care for families that need it, then there is no point in wiping out what is there and having to replace it with something else. We should all bear these points in mind when we are dealing with this Bill.

Finally, I think that we should bear in mind that there is no provision for capital funding whatsoever under the Canada Assistance Plan. There is in this Bill—and it is one of the big improvements provided by this Bill and by this national child care legislative package—capital funding to allow more day care centres to be built, to allow them to provide extra spaces than there are now, and to provide extra subsidized spaces than there are now. That is what we are talking about, in fact doubling those numbers of subsidized spaces. That is the important and significant. That is why this Bill is so important to our country, as far as I am concerned. It is important to Canadians.

Thousands and thousands of people need day care. They cannot afford to pay for the whole thing themselves. They need some assistance and help if they are going to be working. Many, many single mothers, single parents, if they are going to be working and off the welfare and social assistance rolls, need some sort of subsidized day care space to allow them to do that. I think it is in the national interest to make sure that everybody who wants to work and does not want to be on social assistance has that opportunity. This legislation is geared to that very thing.

Most definitely, the impression that the Opposition has been leaving is that it will not meet that need. In fact, in the next seven years this legislation will double the number of subsidized day care spaces in Canada, and that is something for which the Government and the Minister should be commended.

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, in addressing this amendment which seeks to prolong the assistance from the Canada Assistance Plan to Canada's day care consumers, I believe that I should start by paying tribute to the efforts of my colleague, the Hon. Member for Vancouver East (Ms. Mitchell), who has been our Party's chief spokesperson on the matter of day care.

I am glad to see that there is a minimal level of consensus in the House on the need for a national day care program for Canada. I, of course, must support my Party's program, which I see as being far better in addressing the real needs inherent in day care situations than the program that the Government has put before us.

The Government first became involved in day care through the operations of the Canada Assistance Plan, and I believe that it is inappropriate at this time for that involvement to be discontinued. That, of course, is by way of subsidies for the children of parents who were receiving social assistance to enable them to attend day care while their parents were seeking work or simply taking care of other major family responsibilities. That help for low-income parents enabled many children to have their start in day care in all parts of Canada, and I believe that it is significant that we now have an amendment to continue that participation.

If there is not a transition period for the continuation of Canada Assistance Plan funding, a risk exists that some children might not receive the day care services that they require and otherwise would receive.

We believe that day care has to be universally accessible without regard to the income levels of the parents, and this is one way in which that assurance could be given to those people who are receiving social assistance.

The present program as laid down by the Government in fact implicitly acknowledges that the demand for day care in Canada will continue to outstrip the supply and that indeed the gap between the demand for day care services and the availability of day care spaces will even widen, in terms of absolute numbers, if this amendment is not adopted and the Canada Assistance Plan funding continued.

For this country to fall behind the growth in demand for day care services, in spite of a child care Act and a supposed national program, would be an insult and a disservice to those parents who are seeking day care for their children in this day and age.

• (1250)

We in our Party believe that day care should be provided on a not for profit basis, notwithstanding the remarks of the previous speaker. Indeed, I would hearken back to the remarks of my colleague, the Hon. Member for Yukon (Ms. McLaughlin), in instancing the wide support is even among commercial day care operators for a not for profit situation.

I was not personally at the hearing concerned, but I was struck by the submission that was made by the Assembly of First Nations to the committee on Bill C-144. The Assembly of First Nations has correctly identified a problem that is not simply a problem of jurisdiction but one that has very far-reaching implications for the first nations and for their Governments at the band level in Canada.

It would be a sad day for this country if in, instituting a national day care program, purportedly anyway, this Government did not make the appropriate adjustments to ensure that first nations have full control within the federal guidelines, and hopefully the national standards which we would like to see instituted, over the delivery of day care programs to their first nations' citizens in their first nations' communities.

To place apparently unthinkingly, or without adequate consideration, the first nations of this country under provincial jurisdiction in the matter of day care programs would run completely counter to the self-government trend, and the development of self-government which has been occurring in aboriginal communities across the country and which has been, ostensibly at least, supported by all three Parties represented in the House. Therefore, I would charge the Government to ensure that no such derogation from the rights of first nations' communities to determine the framework under which these services are delivered should be accomplished by this legislation.

Aboriginal communities are of course among those which would be most severely affected by the withdrawal of Canada Assistance Plan funding because of the slender income base of many of those communities. I think of the communities, for example, of Whitefish Bay and Shoal Lake in my own riding with successful day care programs in operation that are facing certain needs. Certain resources have to be provided if those programs are to continue to succeed. Where will they be if this withdrawal of Canada Assistance Plan funding goes through.

Another question brought before the committee, which I think is certainly worthy of consideration and requires careful attention in the addressing, is the matter of training for those who serve in day care centres. Child care has become a feminized profession, and unfortunately it has joined other feminized professions in exhibiting the characteristics of underpayment of the workers, the caregivers within the profession. That is something that I would have liked to have seen addressed in the legislation because it is a fundamental equity issue between persons of the female gender and persons of the male gender that has not been adequately addressed by the Government. We certainly would hope to see it addressed much more forcefully by the next Government.

[*Translation*]

Mr. Speaker, last night I had the privilege of taking part in a program on CHOT to discuss the issue of day care and its potential impact on the election campaign. Mr. Speaker, I assume that during the coming election campaign, all Parties will put before the Canadian public their respective programs for setting up day care centres and providing for child care services. Mr. Speaker, I suggest we let the election campaign be the forum for the debate on major issues, including child care services.

[*English*]

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 114(11), a recorded division on the motion stands deferred.

Motion No. 38 has been moved and seconded. On Debate, the Hon. Member for Vancouver East.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, this is our last amendment that has been accepted for debate, although there are many others that we presented in a sincere attempt to find some way to improve this Bill since the Minister is determined to go ahead with it. Unfortunately, this Minister has refused almost all amendments except very minor ones.

This particular amendment relates to the Canada Assistance Plan. I would like to say that we have tried through three different amendments to deal with this problem. Through amendments we tried to get the Canada Assistance Plan retained for families in need, or those likely to be in need, for head start programs, and many of the services that are for low-income families now funded or those under the Canada Assistance Plan. We knew the Minister was balking at that, as is his want. We presented another amendment which would at least have kept children with special needs and disabled children under Canada Assistance Plan to ensure that those children have the type of spaces necessary, and that there is opportunity for them to have the subsidies needed to get into child care services.

It costs a lot for children who are disabled because there has to be special facilities. There should have been a top up per space that the Minister had in his funding formula to allow day care centres to have a certain number of spaces for disabled children in order that all centres would be accessible. This is a requirement under our Charter of Rights. The Minister has made no provision in this Bill to focus on and target the needs of disabled children. There should also have been money to pay so much extra per space for the extra costs for staff. Children with special needs need more attention, often one-on-one care. They should be integrated with other children in a day care centre.

When we had our special committee on child care we heard from witnesses that they did not want handicapped children to be isolated. It is very important that those children have a chance to develop normally. It is important for the other children to see there are members of our society who are disabled in one way or another. Many of us are disabled in other respects. We wanted to ensure that there was going to be a place for them in good quality child care services that their parents could afford in order that they could grow and develop in their pre-school years and have the socialization and stimulating intellectual experiences that would help to prepare them for school and to go on to make a success of their lives.

I am very sorry to say that this Minister refused to consider any mechanism within his funding policies and procedures to protect spaces for disabled children and for children with special needs. Many of the witnesses, in fact most, who appeared before the legislative committee said they wanted the Canada Assistance Plan operating here to be sure of protection for lower-income families and the programs and services parents and children need.

• (1300)

We talk about a child care Act. When the committee met we, including government Members, talked about families. We wanted child care programs to meet the needs of mothers and fathers as well as children. This Bill does not allow funding for programs like the Mom and Tot program which the YWCA sponsors. That is classified as a recreation program and this Bill excludes it. Yet those kinds of programs are very important for mothers at home so they can get out for some relief, some fun, to talk to other adults, and of course so their children can have a pre-school experience. A similar kind of service is needed for immigrant women and their children to orientate themselves to Canada, to practise the language and get out in the community as well as to provide good child care.

This motion, then, is very similar to the last one. It would amend the Act to allow CAP to be used by provinces and protect primarily low income families while the new Act is established. The new Act would then provide capital funding and should certainly provide operating costs directly to day care centres and other child care services. They could then pay decent wages to their staff and reduce their fees to make the service affordable. The Minister talks about affordability in his preamble even though he would not agree to state that as an objective in the Act. Yet there is no way this Bill really will guarantee affordable child care. It just entrenches the present system of unaffordable child care and poor quality child care across the country.

By keeping CAP in place there will be protection for low income families because the funding is continuous. It is not capped at the end of seven years. It would allow the other spaces to be used for average families and any child that needs it, and there would not have to be a competition for spaces. We are afraid that in our provinces most of the available spaces—there are few of them and they are of poor quality—could be used just for kids with special needs if the funding was such as to allow it. Yet there are other children, of course, that should be covered under general funding to day care centres. The Minister is here today and we ask him to accept this amendment so that CAP funding will be available while there is a phase-in of the new Act.

I would also like to point out that there are certain programs that can be covered under CAP which are very important. We should have them in every community. I am talking about Head Start, for example. That program was initiated in the U.S. and research has shown that as a result of very intensive enrichment programs for children who are quite seriously disadvantaged, most of them poor, it is possible to help them prepare for school and give them the kind of language skills they need to obtain more cultural enrichment programs. They can get the kind of individual attention and growth they need in order to be prepared for kindergarten and so on. This is vital. If they do not get it, they will be the drop-outs, they will grow into illiterate adults, and we know what a serious concern that is today.

We heard from researchers who looked at Head Start programs. They found that children who had been through those programs had a much lower incidence of delinquency when they became adolescents. There were fewer teen-age pregnancies and a higher participation in school because of fewer drop-outs. The Minister is depriving communities of that by this plan and by not protecting funding for special programs for disadvantaged children.

Again, we have to really look at this Bill in the context of the needs of children across this country. We heard over and over again about children in every part of Canada who are in risky situations. The mother has to go to work and she does not have day care available in her community, or the fees are so high that she cannot afford it. All she can do is hope to heck she can find a baby-sitter, often someone she does not know, whom she can afford so she can go to work. Then she goes to work and worries about it all day long. This is not an unusual situation. It is particularly common for parents who have an infant child because there is no licensed, good quality care for under three-year-olds in almost every community, certainly not in my riding of Vancouver East. This is a constant complaint. It costs more for infant and toddler care, and it has to be good care.

We are also concerned about parents who have special needs. They want to be sure their children are cared for in a good centre. We are concerned also about the fathers who so often want to exercise their responsibility. Younger fathers are taking a greater share of the parenting and they want parental leave to do this. They will of course be just as worried as the mothers that their children are not in good care during the day simply because it is not available and not affordable.

I repeat, this Bill will not ensure accessible, affordable, quality child care in any one of our ridings across this country. It will not do that even though the Minister keeps trying to tell us that it will. This is not a national program. It has no objectives. It entrenches the present patchwork of low quality child care and commercial child care. There are too few spaces, only 200,000 for two million kids whose parents are working. Not all of them will need care, of course, but many of them will.

The program is very restrictive. It limits the expansion of child care to meet real needs. Capital funding will be finished after seven years. It will be grandfathered after seven years. I think the Minister should be grandfathered. He should be ashamed to be the Minister of National Health and Welfare with this kind of program. The women of Canada are not going to forget. They are aware of what is going on and we will make sure they are aware. The Minister has this last chance to improve the Bill by agreeing to this amendment, and I appeal to him again to do so.

• (1310)

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I rise to support the motion presented by the Hon. Member for the New Democratic Party. We have said repeatedly during the last few days that more than one million children do not have access to day care. We know that one child out of five is poor in this country, that 45 per cent of couples with children both have to work because they would otherwise live under the poverty line, and we know that the majority of single-parent families headed by women live below that line. When we look at this picture, we realize that we are faced with a major social problem. When the Minister says that families have a choice, it is clear he is not looking at the situation in 1988 and 1990, because families do not have a choice. Most families live below the poverty line. In this Bill we see that children from low and middle-income families have very little protection except for one amendment we managed to get through. However, the Bill does not address this particular group, and it is clear that today, a Bill as important as this one on child care must provide spaces for the groups that need them most, the children from low and middle-income families.

Of course the CAP program used to protect these children. In fact, one of the reasons why we support the recommendation that this program should be continued under the new legislation as well, is that we now have a ceiling. The number of spaces is set. If we add the CAP program, it would focus specifically on these children and it would be a way of getting more spaces in the program.

Of course when we take a closer look at Bill C-144, we see it falls short in many respects. And speaking of lower and middle-income families and poor children, there was a week-long series of articles in *La Presse* on a study of the declining birth rate in Quebec. It appears that one of the causes is of course the cost of living but also the fact that women work. In fact, our recommendations included family support programs, one of which would provide for parental leave, not just maternity leave but parental leave. The Government ignored every single recommendation. It did not even propose an amendment to extend maternity leave from 16 to 26 weeks. Sixteen weeks is just not enough. That recommendation was made by all Royal commissions and all parliamentary committees, starting with the Royal Commission on the Status of Women in the seventies. The Bill contains nothing in this respect.

This Government always says we must do everything to help families, and that during the past four years it has passed legislation that might boost the birthrate, but if we look at paternity and maternity leave, they are not mentioned in the Bill. We discussed day care centres, including day care in the work place. Here again, not a trace in the Bill. If parents are to have a choice, they should have day-care available in the work place as well. Consider the problem of absenteeism. And it would be so much easier to get fathers involved, because we all know that bringing up children, although there have been some changes in recent years, is mainly the mother's responsibility. Here, fathers could at least be involved by bringing the children and picking them up. Companies could be given incentives such as tax rebates to provide this service. However, nothing of the kind was suggested by the Government.

We talked about special leave. We recommended special leave for parents. I think it is important to have a certain number of days a year, for when the children are sick and someone has to stay home to look after them. There is no mention of that either. It is clear that in addition to helping families, if these recommendations had been followed up in the legislation, they would also have helped to boost the birth rate in this country. It is all very well to tell couples to have more children, but there is more involved than that.

Mr. Speaker, parents are not involved in day care, but they still have a role to play. We know that even private schools and colleges have a board made up of parents who participate, who want to know the kind of services offered, the kind of education their children are receiving. But now, in day care centres, the children do not have a say, they are too young and the parents will not be involved in the quality of services, the selection of those who look after their children. Parents are completely excluded. I think that we could have had private day care, but insisted that parents be involved in running it.

As for the number of spaces, there are 200,000! This only meets 15 per cent of the present demand in Canada and we know that we are leaving more than 70 per cent of the population without day care service.

So many improvements could have been made, but I still support this motion because, coming back to CAP, we know that children with little education and whose parents are not very wealthy have almost no place in our society and now, from the beginning, at birth, there will be a cleavage. We might easily find ourselves with two societies, one rich and one poor. We will then have two classes of children as we have two classes of citizens. It is unacceptable in a country like ours, Mr. Speaker!

Every child in Canada is entitled to a space in a day care facility, to quality child care. Now, I must admit that the Bill before us does not give them many possibilities.

Someone just said that the workers in day care centres were mostly women. The pay is so low that they do it out of a sense of vocation, because we know that in some places they earn between $10,000 and $13,000 a year. So if you have to look after a family—only women can continue to take care of a family on such a low salary, whereas for men, it is twice as difficult—

So let us say that I support this amendment because I think that it is important to give our children—especially since one in five of them is poor in Canada—another chance to have the same day care services, just as the same education services, to get them out of the bad situation in which they have lived. A society like ours, Canada with all its wealth, must give, and has a duty to give, every child what it needs to get ahead in life. Later, it would be easier to say that we want programs to deal with delinquency and drugs, but at least, when they are young, we will give them what they need.

Unfortunately, I find that this Bill does not help families much and does not meet the real needs.

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I will be very brief. I have some difficulty with this from a procedural point of view, even though I know that the Chair has accepted Motion No. 38 for debate. I thought that this motion was consequential on a number of motions, some of which had been ruled out of order. As well, Motion No. 36 was defeated on a voice vote just a few moments ago. I am somewhat surprised at the manner in which we are proceeding on Motion No. 38.

Additionally, in the committee proceedings, this motion was ruled out of order by the chairman of the committee.

Ms. Mitchell: Are you questioning the Chair?

Mr. Epp (Provencher): I thought under the rules that we now operate under—

Mr. Keeper: Point of order.

Mr. Epp (Provencher): I thought that would get your attention.

Mr. Keeper: I rise on a point of order, Mr. Speaker. I just wanted some clarification here and maybe some assistance from the Chair. I am wondering if the Minister is speaking to the motion and the legislation or if he is raising a point of order.

Mr. Epp (Provencher): The answer is yes, Mr. Speaker. The point that I am trying to make is that voting against Clause 11 has the same effect as Motion No. 38.

Ms. Mitchell: I rise on a point of order, Mr. Speaker. I will of course rely on your judgment, but I am surprised that such an experienced Member as the Hon. Minister is really questioning the judgment of the Chair in this matter. I think if he has complaints about whether or not this amendment was eligible to stand, they should have been discussed earlier with the Table or with the Speaker. To raise it now in the House seems to be really questioning the Chair and we, of course, would not agree to the Minister doing that.

• (1320)

The Acting Speaker (Mr. Paproski): I appreciate what the Hon. Member is saying, and I know the Minister is coming back to Motion No. 38.

Mr. Epp (Provencher): Thank you, Mr. Speaker. That is why I said yes to both questions. The reason I am putting it on the record is that later on when people take a look at the ruling of the committee and the ruling here, they will find they are in fact different rulings. I think it is important for the record that it be clarified.

With respect to Motion No. 38—

Ms. Mitchell: Mr. Speaker—

The Acting Speaker (Mr. Paproski): I appreciate what the Hon. Member for Vancouver East is going to say now. The Chair does not care what happens in committee.

Mr. Epp (Provencher): Nor do they.

Ms. Mitchell: Can I make my point?

The Acting Speaker (Mr. Paproski): I was just going to clarify what the Hon. Minister just said, but I will now recognize the Hon. Member for Vancouver East on a point of order.

Ms. Mitchell: I thought I heard the Member saying he was questioning, really, the ruling that was made. I would say this is quite inappropriate, in fact, quite insulting to the Chair, and I would ask him to withdraw those remarks.

The Acting Speaker (Mr. Paproski): I know the Minister, who has been around here for quite awhile, will probably do the proper thing and I would hope that debate can carry on.

Mr. Epp (Provencher): Thank you, Mr. Speaker. The reason I want to make that clarification is quite straightforward. We have debated this before. We debated it under Motion No. 36. My comments on Motion No. 36 and my rejection of Motion No. 36 also applies to Motion No. 38. That is why the introduction. It was so I could make the point on Motion No. 38.

The Acting Speaker (Mr. Paproski): Debate.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, in addressing Bill C-144 again today, as I did yesterday, I must say that the more one looks at this Bill, the more one notes the deficiencies in the Bill and the lack of clarity and direction. This Bill is supposed to address children 14 years old and under, which is a very diversified group. At the same time, the Bill does not clarify how we handle these children, what kind of programs we have for these children. It does not address the issue of special need children.

Think about the number of children out in society. There are an additional 1.8 million places needed. We are serving two million children. Of those two million children who are supposedly in need of care, what numbers are over pre-school care? Within that over pre-school care, from age 6 to age 13 or 14 years, how many need latchkey service and what is the nature of the latchkey service we wish to provide for these children? Is it in the school? Is it out of the school? Is it an enrichment program? Is it to help reintegrate children who have problems? Is it to address single-parent families? What is the program targeting with respect to the kinds of services we want to give children who are 6 to 13 years of age?

With respect to under age five pre-school children, we have infants and young children two to four years who have different kinds of needs. I can recall many years ago, in another life in another place, I was president of a very wonderful agency, the Neighbourhood House Services of Canada. It was a reception and integration service for pre-school children, among other services it offered.

The reason I bring this to your attention, Mr. Speaker, is because we started within that service some incredible programs, head start programs, which looked after aphasic children, Down's syndrome children and cerebral palsy children and we were able, through a demonstration program, to show that these children could be integrated into the normal pre-school programs. That enabled two things to happen. First, it sensitized children and parents to the reality that these children exist in our society and have the right to be helped to be part of society to the best of their potential. They are not total handicaps. As I have said many times, if we could see them for the things they could bring to society instead of the handicaps they supposedly have, we would be far ahead.

As we prepared those children and sensitized their families, we also prepared society to adjust to the kinds of programs for the disabled which have become a very critical part of our society. Again, we must look at the abilities of those disabled instead of their disabilities only.

What are we doing in this Bill to address those children? What are we doing to enable their parents to have a sense of being supported in the school or pre-school system? Are we going to have great differences across Canada? I travelled with the Member for Vancouver East (Ms. Mitchell) through British Columbia and up through the Yukon for a week, as well as with other members of the child care committee. We heard of the importance to the interior of British Columbia of the kinds of services about which I am speaking. We heard about the need to have teachers who were trained, not just 18 year olds with good hearts and strong muscles.

There is a need for educational programs which teach how to handle these children, how to help them talk and walk. I met one of the youngsters in the aphasic program who had been tagged aphasic. He is a graduate of McGill University and a brilliant young architect today. If he had not had that special program, and if his parents had not had the support and help within the family structure of that agency, where would he be today?

The Down's syndrome children can perform. The cerebral palsy children may have what is a perceived difficulty, but that does not mean their intellectual capacity has been damaged. If we do not have in place the kinds of programs that are going to help these children and their families, it is a crying shame. This Bill is far short of its mark.

I would like to speak about the mathematics of the situation for a moment. Supposedly under CAP we have 200,000 spaces, 15 per cent of the need. Under this Bill, we will have 200,000 new spaces over seven years, another 15 per cent of the need. That leaves 1.4 million or 70 per cent of Canadian children with no option or choice. That is the point. Many parents choose to stay at home, but there are many who do not choose to stay at home for a variety of reasons which I enunciated yesterday.

What caught my eye—and I addressed the Minister yesterday on the difference between the preamble and content in a Bill—is that the amendment the Minister has brought to the preamble is kind of laughable. It is political chicanery, in my view. In the first paragraph he says there will be at least 200,000 new spaces over seven years. In the third paragraph it will not exceed $4 billion for the said program, some of which is recaptured from the CAP payments the Minister is not going to make. And there will be differences.

Because there are no national standards, there will be good programs and bad programs. There will be good programs for rich kids and bad programs for poor kids, which will divide our society even more. That is very unhealthy for the future of Canada. The Minister has set at least 200,000 spaces, but not exceeding $4 billion, so he has already installed that incredible difference that can mark our society in the future. If we have good programs, it will take more dollars for those 200,000 spaces than if we have poor programs.

All in all, it seems to me that there will not be sufficient money if the 200,000 spaces are put in and we cannot spend more than $4 billion under this Bill, and we have to respect the way the Bill was drawn up. There is no reason then why we cannot keep the CAP process in place and supplement the kinds of things that fall, perhaps, under recreation or education, the kind of special programs that are fundamental to the well-being of this country such as head start programs.

• (1330)

I suggest that this amendment is a good directive to the Minister on how to put a decent program into place. We cannot go back to 20 years ago when I was a mother who chose to stay at home. That is not the reality of today's society. In many instances a family needs two working parents. In many instances in today's society families have one single parent, divorce being as prevalent as it is. The mother and the father or the divorced partners must get out and earn a living.

If the future is in the hands of our children, for goodness' sake take money away from the submarines or somewhere else and put it into good and proper child care, divided properly among pre-school, school, and after school.

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I appreciate the opportunity to put a few facts on the record in this debate because child care is one of the crucial areas of debate today and is an emergency need which must be met rapidly.

Before I comment specifically on the substance of the Government's program, I want to reflect a bit on what the Minister responsible for day care had to say about our home Province of Manitoba. I understood him to have left the impression that Manitoba was a laggard in day care, that the New Democratic Party in Manitoba had done less than one might expect from a New Democratic Party on day care. He did this in a couple of ways. He indicated that Manitoba has the lowest rate of growth of spaces. He also referred to the cost of spaces being higher.

This brings to mind the fact that when making a case, people often choose statistics on a selective basis. They do not throw light on the situation as much as presenting their point of view. I want to deal with the contention of the Minister that Manitoba has the lowest rate of growth in spaces.

The Minister did not tell us, for example, that Manitoba has a far greater number of spaces when compared to the neighbouring Province of Saskatchewan, which is being governed by a Conservative Party. If my memory serves me correctly, there are something like 3,000 spaces in Saskatchewan and 7,000 in Manitoba. Therefore, it depends upon which statistics you quote.

The Minister referred to the cost of spaces being higher in Manitoba. If you are to have quality care, you have to pay for it. When it comes to children Canadians are willing to pay for quality care. They do not want to go on the cheap when it comes to day care. They want the job to be done properly.

I want to place a few statistics on the record of the New Democratic Party in Manitoba with respect to day care. From 1981-82 to the end of the New Democratic Party term, there was a 225 per cent growth rate in Manitoba in the number of child care spaces. The dollars rose from $8.5 million to $27.5 million in grants for spaces and subsidies to parents. Therefore, from 1981-82 until the last provincial election in Manitoba, there was an increase of 225 per cent in spaces and subsidies to parents. That record stands by itself.

When we last debated this issue, I pointed out a few facts about Manitoba. One was that the Manitoba Government increased funding for day care spaces to $11,200 from $6,500, a 72 per cent increase from the fiscal year 1981-82 to the fiscal year 1986-87. That is a very substantial increase.

To finish off with statistics, Manitoba, which has had an NDP Government over most of the last few years, has the highest per capita spending on day care. On a per capita basis we have the most child care spaces. On a per capita basis Manitoba spends the most and has the highest standards.

I hope that this puts to rest the notion that Manitoba, under the New Democratic Party in the last few years, was a laggard with regard to day care because the reality is that Manitoba was a leader in day care. That is not to say that more does not need to be done because more does need to be done. This brings me to the Government's program now before us.

I guess it is not surprising that I am not critical of the Government's program. I am a member of the Opposition and we do have the responsibility to critique that which the Government does. However, I want to point out on the basis of facts why a critical view of the Government's programs stands up to reason and not only to passion and Opposition posturing.

The first reason has to do with quality. When it comes to child care, we all want quality. In order to assure that quality, we need national objectives. We know that more and more children and more and more families are dependent upon day care. We know that children achieve their basic learning in the very early stages of their life. They learn how to relate to the world, how to value themselves, and what to expect from people. They learn the very basic strategies of how to deal with the world as young children. It is, therefore, very crucial what they learn in that period because that largely determines what happens to them throughout their life.

Therefore, quality is fundamental, yet this program has no national objectives. It does not set out a set of principles which the provinces will have to live up to in order to get federal money. It does not set out objectives which point out that we want our children well cared for, that we want to ensure that the quality of care they get is excellent, that we want to ensure that they are not shortchanged in any way. There is a vacuum in the area of national objectives.

Somehow the Government has forgotten that it is the Government for the nation and is responsible for providing leadership to the people of Canada. It has forgotten that it is not simply enough to hand out money to the provinces and tell them to set the objectives, design the program, and do what they want with Canadian children.

Ordinary Canadian families expect more of their federal politicians than for them simply to be a funnel for dollars to provincial Governments. They want them to provide leadership in the sense of providing for valid social needs, which day care is, and in identifying how those social needs will be met. The Government's program falls flat on its face with regard to the quality criteria because it has failed to set out any national objectives ensuring that we will have quality child care spaces.

Another aspect of the program is that the legislation before this House removes the reference to day care from the Canada Assistance Plan. The Canada Assistance Plan is a piece of legislation passed by the House of Commons, the objective of which it is to ameliorate the impacts of poverty, to give people a way out of poverty, and to help people who are living below the poverty line in this country.

If the Government is seeking to meet one social need, why does it take away from the other? Why, in its attempt to do something about day care, does it forget about poverty. That is the implication of this legislation. That is the implication of this.

• (1340)

Bill C-144 removes from the Canada Assistance Plan the reference to child care. It is stated in Clause 10 and reinforced in Clause 11. It states that the Canada Assistance Plan will no longer include the objective of alleviating poverty. By no longer making any reference to child care the Government is saying to heck with the poor.

In order to reduce poverty in this country and get people off welfare so they can make a contribution to society, they must have training. One of the social supports people need in order to get training is day care. That objective ought to remain in the Canada Assistance Plan. Day care for the poor ought to continue to be a priority because only then will they have the tools to climb out of the deep pit of poverty. This Government program fails when one considers it against the criteria of what it does for the poor.

Let us examine the Government's program from the perspective of day care spaces. People in my riding and people across Canada want day care spaces so their children will be well cared for. The Government's plan reduces the number of day care spaces that otherwise would be available to Canadian families. The growth rate for day care under the Canada Assistance Plan was 15 per cent per year. According to our calculations, it will be 10 per cent per year under the Tory plan. That is a step back in terms of provision of day care spaces. The Government is turning a deaf ear to Canadian families who say they want day care.

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, this amendment addresses the inability of the Government to listen to people who went to a lot of work to make sure they presented responsible briefs. The Government is unwilling to listen and allow amendments that these groups have recommended. We in the New Democratic Party believe these amendments would make the Bill much more palatable.

There are many misconceptions about what we mean when we talk about child care. It is an issue with which I have been involved for some 20 years. Child care programs are often delivered by three levels of government. They become very complex and people often do not understand them.

I thought there was a hidden agenda, especially when I saw the multitude of males in the House and provincial legislatures. I thought that they kept these programs as convoluted as possible so people would not be able to understand them. Fortunately, in the last 20 years in Canada many groups and communities have conducted research into the seriousness of the situation and how to address it.

When New Democrats talk about affordable and accessible child care, we are not talking about putting every child into institutional care. It is important that people understand this. We are talking about the models that are used in western Europe where in some cases fathers or mothers feel that a productive part of their life is looking after pre-schoolers before going back into the workforce. I think we should applaud those people for recognizing that they play an important role.

The kind of allocation the Government has given to those parents is unacceptable. It is an insult to think that a few hundred dollars a year is what child care is worth to a parent who is staying at home. One gets the impression that the Government believes it is dealing with a parent who wants to stay home because there is no work and that $500 or $600 will be adequate in order to stay at home and look after a child. We are talking about people who are very productive in society and have decided that their priority will be child care. It is something they can do well and be creative about.

New Democrats have believed for some time that this is a valuable and good role. They also recognize that there are some parents, no matter how much they love their children, who cannot deliver the quality care they would like to deliver. Let us dispel the myth that the best person at home with the child is the parent. That is not true. Parents themselves will recognize that sometimes it is better when the time they spend with their child is quality time. That is very important.

We are attempting to establish a program in which every child will feel the love and security that is so important in the early years. When we talk about accessible and affordable child care, we mean a choice for families because spaces are available for families who require care for their children for various reasons. It may be their own emotional stability or it may be economic conditions.

Ms. Mitchell: Mr. Speaker, I rise on a point of order. I notice that there are very few Conservatives in the House. They do not care about this Bill. Therefore, I call for a quorum.

The Acting Speaker (Mr. Paproski): There is a quorum. Debate.

Mr. Brisco: Mr. Speaker, I rise on a point of order. I want to point out for the record that in calling for the quorum, the Member for Vancouver East (Ms. Mitchell) failed to state that there were two Members of the New Democratic Party in the House.

The Acting Speaker (Mr. Paproski): Debate. The Hon. Member for Hamilton Mountain (Ms. Dewar).

Ms. Dewar: Mr. Speaker, I hope we will not take any more time trying to play bingo with numbers.

Mr. Epp (Provencher): Tell her that.

Mr. Turner (Ottawa—Carleton): Tell your friend from Vancouver.

The Acting Speaker (Mr. Paproski): The Hon. Member for Hamilton Mountain has the floor.

Ms. Dewar: Mr. Speaker, when we talk about child care, it is important that people try to understand how complex an issue this is. Obviously there is a lack of interest, but the lack of interest among those Members is the same as it is with society. They do not understand that the delivery of this service is serious.

The Minister made an announcement about one month ago that he was putting more money into this program so that child care workers will be better paid. That is a complete sham. There is absolutely nothing in the Bill which guarantees any kind of increase in wages for child care workers. Furthermore, there is nothing in the national objectives that indicates a certain quality of care should be delivered to our children.

It is true that there has never been a child care strategy in this country. Lord only knows that it is something for which the people of Canada have been crying for a long time. Since we have never had any child care strategy, we thought the Government would act responsibly. The Hon. Member who spoke before me recognized that child care is one of the best delivered services in the Province of Manitoba under a New Democratic Party Government. I challenge anyone to deny that.

I have two wonderful grandchildren who have been the recipients of that service. I was very impressed with the quality of service that has been delivered in that province. That is the type of service that should be delivered right across the board. We are not talking about the ability to have every child come under a government program or anything of the sort. What we are talking about is giving security and reinforcement to Canadian families so that children can be looked after in the best way possible.

• (1350)

To say that we do not have the money to do that is blasphemy. We do not have the right to be a government and to have the resources in the country that we have if we are not going to invest in our children. We only have to look at what is happening right now across the country in some of our food kitchens. Some 40 per cent of the clients in the City of Toronto are receiving their nourishment from food kitchens. That is a disgrace. The latchkey children in Hamilton Mountain who are members of families in which both parents are working to pay mortgages and to keep body and soul together find that at the same time there are no services for child care for them.

Do not, Mr. Speaker, get the impression that parents do not care about their children and that they do not love them. Many times these parents are under very extreme pressure because they know that they have to keep the economic factors together. At the same time they cannot meet those bills, buy that food and pay that mortgage if they have not got two incomes coming in. Many of the jobs that the Government bragged about creating have been jobs which pay $18,000 and less per year. I challenge anybody to try to keep a family going with that kind of income. It takes two incomes of that sort. We know what the average income is of single parent families. We know that if we take away the lowest salary from the family with two incomes, 64 per cent will have to live below the poverty line. The reality is that the two incomes must be there.

At the same time we recognize that we do not have the spaces in which children can be looked after. We have in front of us a Bill which says to us that the Government does not care about the quality of care. It is certainly not interested in what we are going to pay to the people who are to deliver child care. If we take a good look at what child care workers are getting, we see that we pay people who work in the zoo more than we do people who look after our children. That is a disgrace. It tells us that there is a double standard. Obviously, the Minister recognized that when he said that more money would be available to pay child care workers. But the Minister was not responsible enough to put into the Bill some objectives which stated that the children of Canada are precious and that the Government is not putting federal dollars into a program unless certain criteria are met. He did not have the backbone to stand up and say: "Children are important to this Government and we are going to put in the kind of Act that really makes that count". If he was not willing to do that, he should not be the Minister bringing forward a Bill such as this.

The Acting Speaker (Mr. Paproski): I gave the Hon. Member an extra 30 seconds because of the quorum call. She has been well looked after. I say that just in case she was worried about her time.

The Hon. Member for Yorkton—Melville has the floor.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, you are a very generous man. We all appreciate that. It is the big western heart.

I want to say a few words on this Bill before the House today. I am glad that the Minister is now back in the House. Perhaps he can respond to some of our concerns.

Mr. Hawkes: Mr. Speaker, I rise on a point of order. Being very conscious of the clock, and it looks like the Hon. Member who now has the floor might be the last Member on the opposition side to speak, there would be no difficulty on this side of the House not to see the clock at two o'clock. If the Hon. Member wanted to speak for his full 10 minutes, we could delay Private Members' hour slightly.

The Acting Speaker (Mr. Paproski): I would need unanimous consent for such a proposal. Is it agreed?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Paproski): The Hon. Member for Yorkton—Melville has the floor.

Mr. Nystrom: Mr. Speaker—

Mr. Epp (Provencher): And you called quorum.

The Acting Speaker (Mr. Paproski): We have had some great speeches today, great debate. We still have a few minutes left before we get into Private Members' hour. I would ask Hon. Members to listen to the Hon. Member for Yorkton—Melville.

Mr. Nystrom: Mr. Speaker, I would love to make a long speech, but the Minister of Health, who is in very serious trouble in his riding, has to get back to Winnipeg to do some campaigning. Out of courtesy I think that we had better let him go. He is generally a pretty good guy, a pretty compassionate man. I cannot understand why he would not listen to all the witnesses who came before the committee. Perhaps he could even use some of my time, if he wants, in order to respond.

Over 40 witnesses appeared before the committee. The Hon. Member for Vancouver East (Ms. Mitchell) said that all of them—every single one of them—are opposed to the Bill.

[*Translation*]

Everyone is opposing the legislation. Despite that fact, the Minister has not come up with any positive amendment to make the Bill more palatable to Canadians. And I am convinced the Hon. Member for Charlevoix (Mr. Hamelin) is amazed at this, because he is a democratic, a very democratic Member.

[*English*]

If democracy means anything, the Government should call witnesses to appear before the committee, listen to them and seek guidance from them. Then it should try to amend the Bill to reflect what the people of Canada want. That is what the old Conservative Party used to say when it was in Opposition.

I remember the Hon. Member for Provencher (Mr. Epp) saying, when he was the constitutional critic, that the people of Canada should be listened to, that the Government should respond to the people and introduce amendments. He said that if he were ever Minister he would do that. He said that he would listen to the people. That was his main point of criticism of the old Liberal Government of Pierre Trudeau. He did not listen to the witnesses who appeared before the committee. He introduced amendments, but they are his own amendments from government bureaucrats—

Mr. Epp (Provencher): Mr. Speaker, I rise on a point of order. I know that the Hon. Member wants to get back to Yorkton to build up his fortunes. However, I want to tell him that there were five amendments accepted. If there had been better ones from his Party, we could have accepted even more.

[*Translation*]

The Acting Speaker (Mr. Paproski): Does the Hon. Parliamentary Secretary to the Minister of Veterans Affairs (Mr. Hamelin) have a question or a point of order?

Mr. Hamelin: Yes, Mr. Speaker. Since the Hon. Member referred to my amazement I was indeed very much amazed, because the Minister indeed just indicated we accepted five amendments. Therefore your whole description is totally inaccurate and inconsistent with the facts. That is the source of my amazement, not the comments you made, which were totally stupid and that beat by far—

[*English*]

The Acting Speaker (Mr. Paproski): There are no questions or comments this afternoon. The Hon. Member for Yorkton—Melville has 30 seconds.

Mr. Nystrom: Mr. Speaker, I knew that the Hon. Member for Charlevoix (Mr. Hamelin) was astonished because even at this distance I could hear his head shaking, he was so surprised and so shocked.

Mr. Epp (Provencher): We never hear your head shaking because there is nothing in it to make a noise.

[*Translation*]

And after the next election the poor Member for Charlevoix will have no constituency for himself because the Prime Minister will be a candidate in his constituency. The poor Member for Charlevoix! However, Mr. Speaker, I want to indicate—

The Acting Speaker (Mr. Paproski): I regret to interrupt the Hon. Member. Order, please. It being two o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

* * *

• (1400)

[*English*]

BUSINESS OF THE HOUSE

The Acting Speaker (Mr. Paproski): A point of order, the Hon. Member for Vancouver—Kingsway.

Mr. Waddell: Before my friend begins his Private Member's Bill, I missed the House Business for Monday. I wonder if the Government is in a position to indicate what we are doing on Monday.

The Acting Speaker (Mr. Paproski): The Hon. Parliamentary Secretary may be able to answer that question.

Mr. Hawkes: Mr. Speaker, subject to the usual possibilities, that the Government retains its options, I think that Members of the House can expect that the Order Paper will indeed list the child care Bill. If we could have stayed 10 minutes longer this afternoon, I think we could have finished report stage. We will then move on to the Broadcasting Act, the Bill to establish the new Department of Science and Technology, and then political rights, if we still have time left on that day. At this point that is the Government's intention.

I understand that at least one of the two Parties opposite has asked us to delay the variable entrance requirements Bill on UIC until Tuesday for the convenience of critics. We are pleased to be able to go along with that, and that is our intention.

Finishing child care, then broadcasting, science and technology, and political rights will be the line-up for Monday, as I understand it.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*Translation*]

STANDING ORDERS

REQUIREMENT THAT ALL DOCUMENTS TABLED OR DISTRIBUTED BE IN BOTH OFFICIAL LANGUAGES

Mr. Jean-Robert Gauthier (Ottawa—Vanier) moved:

That the Standing Orders of the House be amended by inserting therein the requirement that all official documents tabled or distributed in the House be in both official languages; and

That the Clerk of the House be authorized and instructed to print a revised edition of Standing Orders of the House incorporating the said amendment, renumbering as may be deemed necessary and making such technical and consequential changes as may be required.

He said: Mr. Speaker, I am pleased to say a few words on the motion, because it is topical and because it follows the decision taken by this House some time ago, when adopting a new Official Languages Act, in which Section 8 provides that any document tabled in this House by a federal institution, whether the Canadian Government or an agency, shall be tabled in both official languages at the same time.

That section of Bill C-72 reads as follows: Any document made by or under the authority of a federal institution that is tabled in the Senate or the House of Commons by the Government of Canada shall be tabled in both official languages.

As I see it, Mr. Speaker, the point is that the House of Commons is responsible for its own Standing Orders and they must be amended by the House. It does not matter how many Bills we pass, the House has to make a decision and a provision such as the one suggested today must be added to the Standing Orders. This is why the second paragraph states that the Clerk of the House be authorized to print a revised edition of the Standing Orders incorporating the said amendment.

Mr. Speaker, the purpose of my motion is quite simple. Hon. Members will recall that the 1969 legislation had a provision which was the source of some difficulties. Here is the text of section 2 of the Bill adopted in 1969, Chapter O-2 of the Revised Statutes of Canada: "The English and French languages are the official languages of Canada for all purposes of the Parliament and Government of Canada, and possess and enjoy equality of status and equal rights and privileges as to their use in all the institutions of the Parliament and Government of Canada." That is clear enough: English and French are the official languages of Canada for all purposes of the Parliament and Government of Canada.

Up until 1987-88 my personal experience has been that the Government always tabled official documents in both official languages. As a rule, parliamentary institutions and government agencies did follow this instruction and documents were tabled in both official languages.

Occasionally the Government is too fast off the mark and is obliged—let's be nice—to table documents in one official language only. I am thinking more specifically of the free trade Bill which was tabled in English only, to my mind a major breach of a policy that is supposed to respect both official languages. What I want to do is have the House make a joint decision to amend its Standing Orders and bring them into line with the new Act and the spirit of the new Act, so that from now on, the Government and federal institutions are obliged to table all documents in both official languages, so that neither language group is put at a disadvantage in its work here in the House of Commons. Now is that so hard? I may remind the House that this suggestion has been discussed at length and interpreted quite generously, I believe, but sometimes the spirit of the Act has been ignored, and that is why I want to ensure that the House officially assumes these statutory or quasi-statutory obligations.

Mr. Speaker, Hon. Members will recall that although the 1969 legislation contains in Section 2, which I read earlier, a provision that says Parliament should respect both official languages, the courts, on many occasions, and I could quote a number, starting with the *Les gens de l'air* and up to quite recently in New Brunswick—The court ruled that the Official Languages Act, 1969, was declaratory rather than executory, and Hon. Members will recall Judge Deschênes' judgment, and since it was declaratory, it was merely a statement of intent which means it had no "teeth". That is why the Official Languages Committee and the Legislative committee considering Bill C-72, in its wisdom, accepted and why the Government endorsed—In the final instance, the amendment I presented in committee was taken up by the Government and adopted here in the House only a few months ago as part of Bill C-72, so that now, any document tabled in the House must be tabled in both official languages.

Mr. Speaker, I just want to stress another important point, which I hope will convince Hon. Members of the importance of adopting this motion today. Bill C-72 was passed by the House of Commons and by the Senate or the other place, as I should say, and everything is in place.

Royal Assent has been given, and the Bill only has to be proclaimed to become law. This proclamation has yet to take place, and I understand the problems that may be involved. However, I may recall Section 111 of Bill C-72, passed on July 7 here in the House, and I believe, at the end of July here in the Senate, and Section 111 says, and I quote:

Coming into force

111. Subject to subsection 94(2), . . .

which deals with the administration of justice in the provinces

. . . this Act or any provision thereof shall come into force on a day or days to be fixed by proclamation.

So there may be one or more proclamation dates.

The Bill contains fourteen parts, so the Government could proclaim certain parts of the Bill now and proclaim other parts tomorrow or a month later or a year later or God knows when! It is to avoid too much hesitation and keeping the House waiting for further directives from the Government that I am proposing today that the House should adopt this motion which, as was said earlier, is quite clear and to the point, namely that from now on, all documents tabled by federal institutions will be in both official languages.

Mr. Speaker, this is not a very complex issue. I hope Hon. Members will be able to pass this motion quickly, and I want to thank them for their co-operation.

• (1410)

Mr. Charles Hamelin (Charlevoix): Mr. Speaker, my colleague tabled a motion that I think, at first glance anyway, is somewhat redundant. Indeed, section 8 of Bill C-72, which has now been passed, clearly says, "Any document made by or under the authority of a federal institution that is tabled in the Senate or the House of Commons by the Government of Canada shall be tabled in both official languages."

Perhaps it is because of his experience with this language issue, which has always been difficult in Canada, that my colleague has fears that, in some cases, have been justified. And maybe he neglected to do so, but he could have quoted Talleyrand, who said, "If it goes without saying, it would be better to say it!"

And the very purpose of his motion is to state once again that indeed "any document tabled in the House of Commons be in both official languages."

Nevertheless, I would like to remind my colleague, even though on this side of the House, I think, we will enthusiastically endorse this proposal, which is perhaps somewhat redundant, but which no doubt, in view of past experience, is useful and appropriate. So, for myself, Mr. Speaker, I will endorse this motion presented by my colleague from Ottawa—Vanier.

However, I would like to remind him that he should not use his prerogative as he did before when he was quite hard on the Speaker of the House after his own Party and the Opposition Parties had tabled nearly 130 amendments in only one of the two languages very late in the evening. They demanded the next morning that everything be ready, translated and tabled in both official languages . . .

You were quite hard on the Speaker of the House and, given the situation now at the end of the session when our clerks, translators and *Hansard* officials have an awful workload, it is impossible for them to deliver the goods on time. And I hope that my colleague will no doubt in future show a little more consideration for these servants of the State who do outstanding work.

Mr. Speaker, I take this opportunity to pay tribute to our clerks, our translators and all those who work on producing the official record of our debates and do a tremendous job. The next morning, we see the amazing quality of what they do. How many times have I seen these workers, men and women who are professionals, come to see some Hon. Member and ask him to clarify what he meant, to make the necessary changes, to do a good job on our speeches, our debates and to do a good job too for the Canadian people who, from time to time, read what we say and listen to us!

I would also like the Speaker of the House, who is responsible for this service, to look a little more closely into the working conditions of these professionals. Theirs is a painstaking job, like the work of the Benedictine monks. But I often feel that these latter-day Benedictines are less well treated that their predecessors in the middle ages were, because they have so much work to do, it is so demanding, so time-consuming, and especially at the end of a session. I do not know if any of my colleagues have had the opportunity to see where these people work. I feel that we could set up much more spacious and modern premises and give them better working conditions. Of course, someone will now mention the new technology that will help them, but technology does not replace professionalism and intelligence nor does it take the place of those who use the new equipment. And these people do an outstanding job! I do not know anybody else who would be able to produce work of such quality.

So the motion introduced by my colleague will mean additional work for those people who are at our service and at the service of all Canadians. Of course I would expect all Parties to co-operate. Perhaps it might be advisable and appropriate if they were to produce documents in both official languages before presenting them to the Speaker of the House. They ought to make every effort to assist the Speaker of the House and especially all those who are responsible for drafting legislation and amendments so as to speed up the debates and show respect for the spirit and letter of Bill C-72, and show respect as well for this country's linguistic duality which certainly ought to be most apparent in this House.

Mr. Speaker, I urge my colleagues to support the motion of the Hon. Member for Ottawa—Vanier (Mr. Gauthier) because it will indeed make it even more mandatory to implement the basic provisions of section 8 of Bill C-72. And again, Mr. Speaker, I would ask you to give serious consideration to improving the working conditions of the outstanding team which serves Parliamentarians, Parliament and Canada so well.

[*English*]

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, it is a pleasure to be able to rise today. During the House time spent on Bill C-72 the opportunity to make a few comments did not arise. I appreciate the Private Member's Motion giving me the opportunity to make a few comments. I would like to pay tribute to the two Members who have spoken in the Chamber today.

The Whip of the Liberal Party, the Hon. Member for Ottawa—Vanier (Mr. Gauthier), who proposed the motion, was a hard working member of the committee. I hope that he feels very positive today, because government Members unanimously are prepared to support his motion. It brings into effect in our Standing Orders what Bill C-72 as a piece of legislation directs us to do. I would like to advise the Hon. Member for Ottawa—Vanier that I am pleased that he finally found a Government that agreed with him.

Mr. Gauthier: Score.

Mr. Hawkes: He would be welcome to negotiate with us, if he is so inclined. We do see the world similarly on many occasions, certainly when it comes to the importance of language policy.

My region is heavily dominated by people of non-francophone background. It is dominantly English, but there are Eastern Europeans, Asians, and people from all around the world. Lately, we are receiving more and more people from South America. Sometimes it is difficult for people raised in such a region to comprehend the reality that this has always been a bilingual nation. It has always been a nation with two languages spoken in the home that young children learn, and right from the beginning those two languages have been French and English.

Geographically that is spread around the country. In Newfoundland, the dominant language is English, and I believe that is clear. For most parts of Québec, and some parts of northern New Brunswick, the dominant language is French. For the most part in western Canada the dominant language is English. If one is born into a dominant language region, sometimes it is difficult to understand why the country needs two languages. Sometimes I say to people in my riding that it does not; it is possible to separate it. It is possible to have two or more countries, one with an official language French, and one with an official language English. We could have that. There are people in political life who argue for that persuasion.

There is a political Party in the Province of Québec that has formed a Government whose origin, in large part, was owed to the reality that it was difficult to be a Canadian. It felt difficult to be a Canadian if that person came from a region where the dominant language was French. It was not a comfortable feeling. I say to the people of my riding that if someone in the City of Calgary came along and said that all of our courts, all of our policemen, all of our businesses, all of our schools will force you to be French, the people would rebel. It would be easy to create a political Party that said we should separate and become a country with this official language we call English. That is a realistic political option, but for members of my Party it is a very undesirable option and, I suggest, it is so for the vast majority of Canadians.

• (1420)

We love this country called Canada. We do not want to see separation. If we are to prosper and stay united we have to recognize in legislative form and in our practices the reality of the duality of language in this country.

To come to the Member's motion, people in my riding will say why should any official document coming to the House of Commons have to be in both official languages? The answer is that if it comes to the table of the House of Commons and is distributed to me in this Chamber as your representative and it is in French, because I worked hard at the language I will understand it generally but I will not be able to understand it precisely. If it comes to me in English I can understand it precisely. If it comes to me in English but does not go to my colleague from Charlevois in French, then he will have trouble understanding it precisely. It is imprecision in understanding that lies at the heart of a lot of human quarrels. That is true of our own families in fights with our children or our spouses. They come about many times because we do not precisely understand each other.

When we come to the affairs of a nation, we have to work as hard as we can to make sure that we understand each other precisely. To do that we must have all of our official documents presented to us in the two languages. Those of us who learned French in our homes can understand the document in French, and those of us who learned English in our homes can understand the document in English. That is the importance and significance of that provision.

Bill C-72 provides us with that kind of fairness in our courts, in government services generally, in our workplace, and in our democratic processes. It is a magnificent advance on what we have had for the last 20 years. It is very consistent with statements made in this chamber on behalf of my Party by the Hon. Robert Stanfield on May 16, 1969, a 20-year commitment. It was a real pleasure in 1984 to finally get a majority that gave us the opportunity to implement the commitments made by Mr. Stanfield on behalf of all of us in the Conservative Party some 20 years ago.

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed to.

[*Translation*]

The Acting Speaker (Mr. Paproski): Order, please. The hour provided for the consideration of Private Members' Business has now expired.

It being three o'clock, this House stands adjourned until Monday at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 2.25 p.m.

HOUSE OF COMMONS

Monday, September 19, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour of tabling, in both official languages, the Government's response to seven petitions numbered as follows: 332-5295, 332-5309, 332-5312 and 332-5319 to 332-5322, inclusive.

[*Editor's Note: See Today's Votes and Proceedings.*]

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Deputy Speaker: Is it agreed?

• (1110)

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell): I want to bring to your attention that, under Standing Order 64 of the House of Commons, it is compulsory, when a Member has asked a question that it be replied to within 45 days. There is no exception, no means by which the Government can evade that particular responsibility. You will know, Mr. Speaker, that that is sometimes not done. By and large the House is co-operative with the government Members. Whenever there is a delay of a few days, Members usually extend their co-operation to the Government. However, we reach a point when our patience does come to an end.

Question 289 in my name has been standing on the Order Paper since March 15, 1988. To refresh your memory, Mr. Speaker, it relates to the number of contracts, awards, and funds that were given to one Jean Sirois of Quebec City by the Government. That question has been on the Order Paper since March 15. The 45 day deadline has gone from 45 to 90 days and now beyond.

The Member across may think that the rules of the House are irrelevant. Perhaps that is the opinion of the Government, and perhaps that is why the question remains unanswered. As the custodian of the rules of this House, Mr. Speaker, I want to ask you if there is any means by which the Government could be compelled to reply to a legitimate question, one which is within the rules, and has not been challenged in terms of its legality, yet remains unanswered.

I have met privately with the Minister and suggested that, even if the list were not completed, I would be willing to offer my support at least to the tabling of the part of the answer that was available from the Government. Yet no reply even comes from that suggestion. The fact that the Government refuses to respond to this question obviously leads one to believe that the answer could potentially be one that would cause certain embarassment to the Government, therefore, it is withholding the information. If that is the case it is not right.

If there is another reason, I am willing to listen to what the reason is, and why the rules of this House are being breached in a cavalier fashion the way that they are in relation to Standing Order 64 as it applies to question No. 289 standing on the Order Paper of the House of Commons since March 15, 1988.

[*Translation*]

Mr. Gauthier: Mr. Speaker, I would like to contribute to this exchange of comments and remind the House that not so long ago, several weeks or maybe a month, I asked the Chair to look into the whole issue of the forty-five day limit. As the Hon. Member pointed out, the Government is supposed to answer a question within forty-five days, when so requested. When the Government fails to reply within forty-five days, as happens occasionally, no penalty is applied. No corrective action is taken, and we have no way of raising the issue in the House for debate.

I asked the Chair to look into the matter. Perhaps it has had time to consider the question and could give us an answer today or at least take the matter under advisement and refer it to the appropriate committee and ask the committee to see whether it would be possible to include corrective measures in Standing Order 64(3) and (6). It may be an academic question, but as far as the Standing Orders are concerned, it is frustrating for Members who put important questions to the

Government when they do not receive a satisfactory reply within the prescribed forty-five-day period. The Government says it can do nothing. True, except that we depend on the good faith and the good will of the Government to provide the requested replies, and if the Government does not want to do that, there are a number of solutions we can suggest to the Chair for obtaining satisfaction when a question has been asked.

The Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) is quite right to feel insulted and to think that perhaps his privileges have been breached. He asked a question. I don't know whether it was embarrassing to the Government, and it is not for me to judge, but all I know is that we have a provision in our Standing Orders that says that the Government is supposed to answer within forty-five days of the question being tabled. It usually does that. It would seem that the Government does not want to answer this particular question. If that is the case, the Government should say so. At least we would know where we are!

Mr. Grisé: Mr. Speaker, I listened very carefully to the comments made by the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) and by the Hon. Member for Ottawa—Vanier (Mr. Gauthier). I believe that in this situation, there is no question of the Government's being reluctant to answer a question. Mr. Speaker, I am inclined to believe that the issue here is the complexity of the question and the information to be provided the Hon. Member for Glengarry—Prescott—Russell. In fact, since this Government was sworn in four years ago, the Government has always acted to provide the House and Hon. Members with the maximum amount of information, as quickly as possible, so that the House can get on with its business and Members can get the information they asked for.

Mr. Speaker, in concluding I would like to make it clear to the Hon. Member for Glengarry—Prescott—Russell and also to the Hon. Member for Ottawa—Vanier that the Government does not intend to evade the Standing Orders, including Standing Order 64(6). The Government's intention is to give each question put by Hon. Members the attention it deserves, but again. Mr. Speaker, I would like to say that occasionally, a question is so complex that it takes more time to obtain the information.

[*English*]

Mr. Boudria: Mr. Speaker, the Parliamentary Secretary who has just risen in his seat has said absolutely nothing, with due respect. He told us that sometimes questions are complicated; that may be so.

Mr. Epp (Provencher): It is the answers that are complicated.

Mr. Boudria: The Minister of Health is probably correct when he says the Government would be in a rather complicated situation if it tried to answer the question at hand. However, Mr. Speaker, I am still looking for a commitment from the Parliamentary secretary. Will he or will he not answer the question pursuant to the rules of this House?

To refresh the memory of Members and of the Speaker, however, I am sure the Speaker is quite familiar with the rules. Standing Order 64(3)(b) states:

> A Member may request that the Ministry respond to a specific question within forty-five days by so indicating when filing his or her question.

Question No. 289 is marked with a number 2 beside it at the bottom of the page, which indicates that an answer is requested within 45 days. As far as I am concerned it is not a matter of choice that the Government has to have one of its Members stand in the House and state that he wants the House to know that this may be complicated. That is not good enough.

In order that Members of the House and all Canadians know what in fact I have asked of the Government, I have asked how many taxpayers' dollars—what is the amount of loot—that was given to Jean Sirois, a friend of the Prime Minister (Mr. Mulroney). That is all I want to know.

[*Translation*]

Mr. Deputy Speaker: I thank the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria), the Hon. Member for Ottawa—Vanier (Mr. Gauthier), and the Parliamentary Secretary for raising this matter.

As the Hon. Member for Ottawa—Vanier so ably put it, under the existing Standing Orders there is absolutely nothing the Chair can do concerning this problem.

However I believe this is an important question which ought to be deferred to the Standing Committee on Elections, Privileges and Procedure. Perhaps I might urge the Hon. Member for Ottawa—Vanier to make the appropriate request to the Hon. Member for Timiskaming to have the matter considered or possibly to improve the Standing Orders for the next Parliament.

Shall all questions stand?

Some Hon. Members: Agreed.

• (1120)

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed from Friday, September 16, consideration of Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, as reported (with amendments) from a legislative committee; and the amendment of Ms. Mitchell:

Motion No. 38

That Bill C-144 be amended by deleting Clause 11.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, it is I think unfortunate that the House has not taken as close a look as it should have at some of the serious problems with this day care plan of the Conservative Party. As was stressed by some of our members in the debate, the number of witnesses was very severely constrained. The possibility of hearing witnesses from a variety of different parts of the country was prevented by the committee itself. As a result, we have a Bill reported back to the House containing some serious difficulties.

With these amendments we are attempting to do two things. First, to try to solve some of those problems. Second, to try to put in front of Canadians an alternative approach to day care. We think this approach would not only be much more efficient, would not only meet the needs of Canadian women and children much more effectively, but would do so in a manner which embodies strong national directions and objectives for day care of which we can be proud.

This particular amendment is complicated in that it attempts to remove a consequential amendment to the Bill dealing with the Canada Assistance Plan. CAP, as Members are aware, is the mechanism by which the federal Government provides support to people who cannot afford to meet expenditures which most of us are able to pay for, expenditures not only with respect to child care but in a large number of other areas with respect to their welfare. This Bill is a shift from the past approach of directing all federal Government support to child care through CAP. Consequently, the Conservative Government has to amend CAP itself in order to reduce the circumstances under which such child care assistance is distributed.

I want to take just a couple of minutes if I can to back up this amendment in the much broader approach which the NDP wants to take with respect to child care. I do it on the basis of two important pieces of evidence. The first comes from my own constituency of Essex—Windsor and the large number of people who are in need of day care there. The many different homes I visited over the past four and five years take care of children under *ad hoc* arrangements which do not have the kind of creativity, careful planning and attention to facilities which have to be there in official day care facilities. It is not that love for the children is not there on the part of the people running these *ad hoc* arrangements. Very often it is a case of the cost being low and parents choosing this arrangement because that is all they can afford. They cannot afford the official day care authorized by the provinces. Yet the need exists and it is desperate. I can think of thousands of people in my own constituency who share this need, and I suspect that close to two million children across Canada will not receive the kind of day care they should receive as a result of the Government's Bill.

• (1130)

Finally, on a personal note, I would like to tell Hon. Members that both my children went to day care facilities, which were excellent, official, inspected facilities, at a time when these facilities were less expensive and access was easier. Even at that time, however, there were waiting lists. My children found that experience to be tremendously stimulating and beneficial for them as individuals. They found it to be tremendously valuable in terms of their ability to work through the school system effectively and well in the future.

We are not talking only about solving a problem which exists for working parents, though that is important. We are also talking about creating a situation for children which will be much better than the situations in which many of them find themselves at the present time.

In a previous debate, I called for a child-centered policy for Canada. We do not have such a policy. When I hear people talking about eliminating abortion as being the heart of dealing with the problems of children, I say to them that the real answer is a child-centered policy that puts a decent day care strategy into effect. That is not what we will get with this Bill. That is why we have moved this amendment, and I hope it carries.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is on Motion No. 38 standing in the name of the Hon. Member for Vancouver East (Mrs. Mitchell).

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

I declare the motion lost.

Motion No. 38 (Ms. Mitchell) negatived.

Mr. Deputy Speaker: The House will now proceed to the taking of the deferred divisions on report stage of the Bill now before the House.

Call in the Members.

During the ringing of the bells:

Mr. Deputy Speaker: The Chair has been asked by the Acting Government Whip to defer the vote until 6 p.m. today.

* * *

BROADCASTING ACT

MEASURE TO AMEND

The House resumed from Friday, September 16, consideration of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication, as reported (with amendments) from a legislative committee.

Mr. Deputy Speaker: Motions Nos. 14, 15, 17, 18, 19, 20, 21, 22, 23, 48, 55 and 74 are grouped for debate. Motions Nos. 14, 15, 17, 18, 19, 21, 22, 23, 48, 55 and 74 will be voted on separately. An affirmative vote on Motion No. 19 obviates the need for a vote on Motion No. 20, and a negative vote on Motion No. 19 necessitates a vote on Motion No. 20.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 14

That Bill C-136 be amended in Clause 3 by adding immediately after line 33 at page 3 the following:

"(ii) encourage the development of Canadian expression, providing a wide range of programming that reflects Canadian attitudes, opinions, ideas, values and artistic creativity, displaying Canadian talent in entertainment programming, and offering information and analysis concerning Canada and other countries from a Canadian point of view."

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 15

That Bill C-136 be amended in Clause 3 by striking out line 40 at page 3 and substituting the following therefor:

"rations, of Canadian men, women and children,"

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 17

That Bill C-136 be amended in Clause 3 by striking out lines 8 and 9 at page 4 and substituting the following therefor:

"provide programming that is predominantly Canadian, using predominantly Canadian crea-".

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 18

That Bill C-136 be amended in Clause 3 by striking out lines 11 to 18 at page 4 and substituting the following therefor:

"and presentation of programming;".

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 19

That Bill C-136 be amended in Clause 3 by striking out lines 19 to 24 at page 4 and substituting the following therefor:

"(f) all persons licensed to carry on broadcasting undertakings have a responsibility for the programs they originate, and such programming should be of high standard;".

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 20

That Bill C-136 be amended in Clause 3 by striking out line 21 at page 4 and substituting the following therefor:

"high standard and should provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern;"

Motion No. 21

That Bill C-136 be amended in Clause 3 by striking out lines 29 and 30 at page 4 and substituting the following therefor:

"enment and entertainment for men and women of all ages, interests, and tastes,"

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 22

That Bill C-136 be amended in clause 3

(a) by striking out lines 33 and 34 at page 4 and substituting the following therefor:

"(iii) include community programs,"

(b) by adding immediately after line 41 at page 4 the following:

"(i) facilities should be provided within the Canadian broadcasting system for educational broadcasting".

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 23

That Bill C-136 be amended in Clause 3 by adding immediately after line 45 at page 4 the following:

"(j) that broadcasting services reflecting the aboriginal cultures of Canada shall be provided where numbers warrant and as resources become available for the purpose;"

Motion No. 48

That Bill C-136 be amended in Clause 5 by adding immediately after line 27 at page 8 the following:

"(b) ensures that predominantly Canadian creative and other resources are used in the programming of the Canadian broadcasting system;"

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 55

That Bill C-136 be amended in Clause 10 by striking out line 10 at page 12 and substituting the following therefor:

"3(1);".

Motion No. 74

That Bill C-136 be amended in Clause 44 by striking out line 14 at page 28 and substituting the following therefor:

"contemplated by subclause 3(1) and in particular paragraphs 3(1)(j) and 3(1)(k),".

Mr. Gauthier: Mr. Speaker, I rise on a point of order. Just so that we all understand the process, did I hear you say that every one of those motions will be debated together but voted on separately?

Mr. Deputy Speaker: The Hon. Member is correct, with the exception that an affirmative vote on Motion No. 19 obviates the need for a vote on Motion No. 20 and a negative vote on Motion No. 19 necessitates a vote on Motion No. 20.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, Hon. Members should be aware of the fact that eight of the motions we are dealing with refer to Clause 3, the broadcasting policy. One motion refers to Clause 5, which deals with the objects and powers of the commission, and Clause 10, which falls under the regulations and general powers of the commission. One motion deals with Clause 44, which refers to the objects and powers of the CBC.

These motions are important and fundamental, yet they are very difficult to deal with all in one shot. I will, however, try to suggest to the Minister that these clauses need to be very seriously reviewed by the Minister. I hope the motions will find favour with her.

I do believe it was the intention of the Minister to see that this aspect of the broadcasting system would reflect the concerns I will try to outline in my argument. Clause 14 relates to Part C of the broadcast policy for Canada. In outlining the broadcasting policy, we have neglected to express our desire for Canadian content and Canadian expression in a very direct way so that there is no misunderstanding on the part of the CRTC. The Minister's response—

Miss MacDonald: Mr. Speaker, I rise on a point of order. I am sorry that I was tied up elsewhere when debate on Bill C-136 began.

Mr. Gauthier: Did you issue the writ? That's the question.

Miss MacDonald: You would really like me to tell you what is going on.

Mr. Gauthier: Was your meeting successful? Tell us all about it.

Miss MacDonald: I would like to indicate, for the purposes of debate on this grouping of amendments, that I am prepared to accept Motion No. 14, Motion No. 15 and Motion No. 21.

• (1140)

Mrs. Finestone: I thank the Minister very much for that information. Is that the motion which will recognize children and youth?

Miss MacDonald: Yes.

Mrs. Finestone: I am very pleased with that amendment.

Miss MacDonald: It is just that the motion of the Member for Vancouver Kingsway (Mr. Waddell) comes ahead of yours.

Mrs. Finestone: That does not matter. The Member's motion is along the same vein as mine. I am sure that that was a mere oversight. I am quite pleased that the programming goals will be clearly defined.

My next concern relates to Motion No. 17. The Minister has been good enough to accept Motion No. 14, and Motion No. 17 is directly related to it. It indicates the mechanism of how to make the system work in order that broadcasting undertakings, which include the programming undertakings, distribution undertakings, and network undertakings, operate within the Canadian system. It defines how we can ensure that it is recognizably and predominantly Canadian. I recommend to the Minister a review of that particular amendment. Perhaps we can hear about that when we vote on that amendment.

I point out to the Minister that since the Aird report of 1929 until the present there has been a continuing concern about the relatively limited amount of Canadian programming available on our Canadian channels. I need not remind the Minister of that, she has spoken about it at great length. We have been trying to ensure that we will have increased Canadian programming on our sets. As she well knows, since the spread of cable over 70 per cent of the English language television programs available to Canadians are foreign, for the most part American, and only 2 per cent of all the drama programming in English is Canadian while 10 per cent is French. We want not only made-in-Canada programs but programs which are reflective of Canada. Clause 3(1)(e) has weakened the possibilities of that and I strongly recommend a change in that regard.

With reference to the next series of amendments, our committee recommended very strongly that the developers, conceivers, and makers of the program should be responsible for them. The Minister has essentially made the cable companies, the carriers, responsible for the content of the programs which come through their systems. I suggest that that is unfair. The responsibility for programs which are broadcast should stop with the licensee.

The Canadian Bar Association presented a brief after our hearings. They brought to the Minister's attention the following:

> In the new Act, by contrast, the term "broadcast", used as a verb, would probably be seen by a court as referring back to the definition of the word "broadcasting" in Section 2. Thus, paragraph 3(1)(f) of the new Act would also impose a responsibility on distribution undertakings for programs they retransmit by wire, since such a retransmission would constitute "broadcasting" for the purposes of the Act, even though it only be "other means of telecommunications" not by radio waves.

So cable is included unfairly since, as you and I know, its primary function is to be a carrier. That is inconsistent with the Caplan-Sauvageau report, our broadcasting report, and the concern which the CCTA expressed. I ask the Minister to review what I perceive to be a very serious problem in this particular area.

The next area with which I would like to deal is that of educational broadcasters. The Prime Minister (Mr. Mulroney), in the last few days, addressed the importance of the problem of illiteracy which faces this country. He talked about allocating $110 million over the next seven years. That is not very much money but at least it goes in the direction of the concerns which I have raised consistently in our standing committee, particularly in relation to the creative use of captioning for the serious illiteracy problem which we have in

our country. I am sure the Minister would agree with me that it is a bondage on one-quarter of the Canadian population.

Some adult Canadians who are able to read and write cannot understand what they are reading. They do not comprehend it. Illiteracy has been called the secret shame of Canada. One-quarter of the Canadian population cannot read the instructions on a soup label or the instructions on how to fill out their income tax return.

A creative approach to addressing this problem through the Broadcasting Act would be to run open captioning along with programs in many areas. Adults who are too ashamed to admit that they cannot read could learn by referring the writing under the pictures to the words they hear. This would be a most effective way to be good educational broadcasters.

The key problem is that there is no reference in this Bill to educational broadcasting as such. Instead, a reference is made to educational programs. That is embedded in Clause 3(1)(r) which reads, "including educational and community programs".

The goal of my amendment is to focus on the role of the community and programmers, which are the responsibility of the cable system, and to separate that out from the role of the educational broadcasters. It is fundamental that the Broadcasting Act make provisions to license, by the CRTC, educational broadcasting services which are established by provincial Governments and that such services be regarded as an integral part of the Canadian broadcasting system.

The Minister herself told us, in her response on June 23, 1988, that there is no agreement among provincial Governments and broadcasters regarding a more specific reference in the new Act and that the existing arrangements, which define what constitutes educational broadcasting through an Order in Council, remain workable. However, it is not clear enough. The CRTC needs direction. The existing language in the 1968 Bill is satisfactory, and I recommend that we go back to Section 3(1) of the old Bill.

There is one last area which I would like to bring to the attention of the Minister, through you, Mr. Speaker, and that relates to Motion No. 55 which is with regard to the standards of programs and the allocation of broadcasting time for the purpose of giving effect to the programming objectives set out in Clause 3(1)(f) and (h). The amendment which I have proposed would remove subclauses (f) and (h) and make the application to all of the broadcasting policy in Clause 3(1). It would set the standards for the entire broadcasting system. I would like to point out to the Minister that Clause 10(1)(c) presently contains all of the sections found in the Bill under Clause 3(1). I suggest that we move it into Clause 3(1).

• (1150)

I gather that I cannot speak to Motion No. 74 which I consider to be a very important motion. I hope—

Mr. Deputy Speaker: Would Hon. Members agree to give two more minutes to the Hon. Member in order to complete her remarks?

Some Hon. Members: Agreed.

Mrs. Finestone: Thank you, Mr. Speaker. I would like to point out to the Minister that with respect to Motion No. 74, and this might have been an oversight, the motion relates to the fact that we have given a specific mandate for programming purposes to the CBC, as found in Clause 44. However, it creates a problem because it leaves out aboriginals and the disabled. I believe that is a drafting error. I would ask the Minister if she would be good enough to check this motion. I have already asked my colleague from Edmonton to check the motion since it was of concern. I think that it is strictly a drafting error. I hope that the Minister will entertain an inclusion of all of the concerns found under Clause 3(1), but in particular paragraphs (j) and (k), which set out the mandate of the CBC. I believe that the Minister would have wanted aboriginals and the disabled to be covered.

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I am pleased to be here in the House after having flown overnight from Vancouver with my friend across the aisle, fresh and ready to debate this Bill today.

I want to thank the Minister for accepting these two amendments which I think are important. Motion No. 14, an amendment in the name of the Hon. Member for Mount Royal (Mrs. Finestone), is the same as my Motion No. 16. It was put forward by the Canadian production community. Without entering into a big debate about the matter in committee, we called it the "Night Heat" debate, something which is reflected in the statement of Paul Siren of the Canadian Conference on the Arts to the legislative committee when he described rather well the notion of producing Canadian programs that are distinctively Canadian and which reflect our culture. I am not talking about an American cop show which is made in Canada, but a cop show that is Canadian and which reflects our distinctiveness and culture. Some people call this a subtle distinction. It is not that subtle. It is a very important distinction. We have tried to include it in the Bill through this expression of encouraging the development of Canadian expression. I think this is good because in the future I see Canadians producing a wide range of programs for international markets in the global village. I see that we want it to reflect Canadian distinctiveness and culture.

Motion No. 15, which has been accepted by the Minister, would include children, along with men and women, in the Bill. This is very important for obvious reasons. Children spend so much time watching television. Thus the broadcast industry and the television networks, or the television that we are describing here, has to take into consideration the impact on children. This was a suggestion put forward by the Children's Broadcasting Institute and the Canadian Broadcast League, among others. I am grateful that the Minister has accepted it.

Motion No. 18 is a motion which I moved. I will try to explain it this way. The clause of the Bill with which it deals states:

> (e) each broadcasting undertaking shall make maximum use, and in no case less than predominant use, of Canadian creative and other resources in the creation and presentation of programming—

There was a great deal of effort to have the word "predominant" included in the Bill. However, the clause continues:

> —unless the nature of the service provided by the undertaking, such as specialized content or format or use of languages other than French and English, renders that use impracticable, in which case the undertaking shall make the greatest practicable use of those resources;

I think that is a clause through which a truck could be driven. Therefore I proposed the amendment to eliminate all the words after the word "programming".

A good example of what is meant by this is set out in a letter that I received from the Canadian Broadcasting League over the signature of Rose Potvin. She wrote this:

> Dear Mr. Waddell,
>
> The Canadian Broadcasting League was delighted, when we appeared before you, to learn that the Minister had agreed to amend Bill C-136 to include the "predominantly Canadian" phrase in the policy section of the Bill.
>
> We have now received a copy of the Minister's amendments. The phrase has been included in Clause 3 but attached to it are so many qualifiers that virtually any broadcaster can claim an exemption.
>
> As we stated in our presentation to the Legislative Committee there is no reason to water down the policy section of Bill C-136 as the CRTC has the discretion to allow lower levels of Canadian content for certain licensees either by condition of license or by regulation.

If there is any difficulty over "predominant", the CRTC can cover it. Let us not put these extra words in the Bill which I say will emasculate the use of the word "predominant". We will not be able to succeed in doing what we set out to do.

The private sector, according to various reports, including a House of Commons committee have stated:

> Every royal commission and task force has said the same thing, and each of them—like the parliamentary committee—has then expressed the pious hope that private broadcasters would finally deliver what they promised when they were licensed. Year after year, the broadcasters have declined to do so—

In other words, they have promised to do better in terms of predominant Canadian content, something they never seem to deliver on.

Motion No. 20 would strike out line 21 at page 4 and substitute the following:

> "high standard and should provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern;

The clause which we are dealing with here in the bill tries to deal with balance. It deals with having balanced programming. Here it is deemed as a goal of the whole system to offer the public the right to be exposed to differing points of view on matters of public concern. We think, and this is why the amendment is here, that that should be the obligation of each broadcasting undertaking instead of the system as a whole. If it is made to be subject to the system as a whole then some station which everybody watches, for example in British Columbia, takes a very biased point of view, then another station, which hardly anybody watches, gives some room for the other side. We have met the whole standard for the system but it is not really fair and not really what we are attempting to do in terms of expressing a balanced point of view.

I know that this is a tough area, given free speech and guarantees of free speech and freedom of the press. However, I have had experience in British Columbia with this in election campaigns and other areas. It can be seen that these are public airwaves and these people do not own them. There has to be balance in them. Each broadcaster should be obligated to have that balance. We are not Americans in spite of how much the Government wants to make us Americans.

I believe Motion No. 21 was accepted by the Minister. It again would improve the human rights provision, and I congratulate the Minister on that. Of course during her political career she has always been open to women's issues long before those of us who were converted to that issue understood why it was so important.

Let me continue since I only have 10 minutes to deal with all the amendments. I thought the Government would consider accepting Motion No. 23. Motion No. 23 would amend Clause 3 by adding:

> that broadcasting services reflecting the aboriginal cultures of Canada shall be provided where numbers warrant and as resources become available for the purpose.

This motion reflects the views of a number of aboriginal organizations that appeared before the legislative committee. The Bill as it stands makes reference to the need for alternate broadcasting services in the French and English languages. However, we believe that very little has been done to recognize and respond to the communications difficulties of our aboriginal peoples.

• (1200)

As it stands, the Bill provides little reason to believe that this situation will change.

Clause 3(n) merely suggests that programming that reflects aboriginal culture should be provided within the Canadian broadcasting system as resources become available.

As the Canadian Broadcasting League noted in its appearance before the legislative committee: "This gives provision for broadcasting services for aboriginal communities no priority at all".

We believe that the approach represented in our amendment is much more positive. It says that broadcasting services reflecting the aboriginal cultures of Canada should be provided where numbers warrant. In doing so, it adopts the language found in the standing committee report which was supported by members of all Parties. It would assure that aboriginal people have access, whether it be the South or the North, to broadcasting services that they themselves have a chance to control. A number of other groups that appeared

before the committee addressed this issue. Our amendment would make aboriginal broadcasting more identified in the Bill.

While the Government recognizes English and French, the Bill is still behind the times in terms of dealing with multiculturalism and aboriginal people.

Some cultural groups have said that this Bill should go through before this Parliament ends because if there is another extreme right wing Tory Government they may not even get this type of legislation.

These groups should think of the alternative, a New Democratic Party Government, or a government centre of the left in which the NDP has the balance of power. That would result in legislation that would really meet the concerns of the Canadian multicultural community and which would not be so tied into and impeded by the free trade deal.

While we appreciate the Minister's co-operation with respect to amendments dealing with children, women and human rights, we understand that over-all the Minister is hemmed in by the cultural implications of the free trade deal and an unwillingness on the part of the Government to attack the North Americanization of Canadian culture.

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, first let me say to the Hon. Member who just spoke that indeed there are groups who have indicated their willingness now to support this legislation. One of those groups is the *La Coalition pour la défense de service français de Radio-Canada*. Included under the coalition is the New Democratic Party of Quebec. I wanted him to know that that group is on record as supporting this Bill.

I want to comment on some of the proposals that have been made. I have indicated those amendments that I am willing to accept. I believe they strengthen the Bill.

On the other hand, there are several amendments which I cannot accept. For instance, Motion No. 17 would remove the reference to maximum and return to the *status quo* of "predominant".

The use of the word "maximum" extends to other groupings that cannot be predominantly Canadian the requirement to provide the maximum amount of Canadian content. That would not happen ordinarily, and it ties in directly with Motion No. 18.

I believe the amendment proposed in Motion No. 18 would indeed weaken the Bill because, in those rare instances where it is not possible to provide predominantly Canadian content, if that usage were eliminated, it is quite possible that the licenses that are given to them could be eliminated as well. For instance, classical music stations that do not carry a predominant by Canadian content would not be able to apply for and get a licence under this restriction. Others, such as Tele-latino or Chinavision would not be able to get a licence in that case. First Choice would not be able to get a licence because the movies that are shown are not predominantly Canadian.

We have insisted that those areas which can indeed be predominantly Canadian will be predominantly Canadian. But we also want to insist that where possible, on classical music stations for instance, the maximum use is made of those compositions that have been written by Canadians and so on.

I do not want to weaken the Bill in any way. I think these amendments would do that.

Motion No. 22 deals with educational broadcasting. We have provided in Clause 3 the inclusion of educational and community programs. Educational programs are there in that fashion because we understand the importance of including educational programs.

However, I want the House to understand that this is different from the 1968 Act because the clause at that time was included for a very different reason. It was meant to include the use of the CBC transmitters because there were no educational systems in place at that time. Since then educational broadcasting systems have come into play in British Columbia, Alberta, Ontario and Quebec. They are operating now. They operate as well under federal-provincial accords, signed by Governor in Council. That has been discussed with provincial Governments across the country and that, indeed, is, it is felt, the best approach to follow with regard to educational broadcasting and the fact that education as such is a provincial responsibility. This has worked very well, and I think it will continue to work well.

• (1210)

The one other item that I want to mention is that I will take a look at the points raised by the Member from Mount Royal with regard to Motion No. 74. It is in effect a certain redundancy, but I will look to see whether or not that can be incorporated.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I want to comment briefly on the amendments under consideration. I express my thanks to the Minister for accepting amendments Nos. 14, 15 and 21, and I would simply remind the House that amendment or Motion No. 14 introduced by the Liberal Party was aimed at encouraging . . . I will read it because I think it is important:

> "(ii) encourage the development of Canadian expression, providing a wide range of programming that reflects Canadian attitudes, opinions, ideas, values and artistic creativity, displaying Canadian talent in entertainment programming, and offering information and analysis concerning Canada and other countries from a Canadian point of view,".

Mr. Speaker, it seems to me this is an excellent amendment and, as I just said a moment ago, I am very pleased that the Minister chose to accept it. To some extent I deplore the fact that she could not bring herself to be generous enough to include other amendments, particularly Motion No. 17 also relating to clause 3 and which reads:

"provide programming that is predominantly Canadian, using predominantly Canadian crea-".

I would stress "Canadian" . . . I beg your pardon?

[*English*]

Miss MacDonald: That would weaken it, the way that that is phrased.

[*Translation*]

Mr. Gauthier: The Minister seemed to think this would weaken the Bill. Well, I would not want to argue with her about the value of her opinion on this.

Still, Mr. Speaker, I know it is important to insist that the Government should take into account the will of Canadians to continue strengthening the whole question of programming, to enable them to express their cultural aspirations through this medium. I simply want to make a few comments on the impact of the amendments before us.

Having given the Minister credit for generously accepting amendments Nos. 14, 15 and 21, I want to say that like many others in this field I am disappointed that the Minister's Bill still needs to be reinforced, a Bill which I think seeks a Canadian solution but falls far short of the ideal solution.

This morning, for example, I read a *Toronto Star* editorial headlined "Broadcasting Act still badly flawed" which says that the Minister must not rest on her laurels but should continue to work and strengthen the Bill. It gives credit to my colleague from Mount Royal (Mrs. Finestone), telling her, and I quote:

[*English*]

"Liberal critic, Sheila Finestone, and her NDP counterpart, deserves credit for constructively criticizing a Bill that would clear our airwaves for further Americanization".

[*Translation*]

Of course, Mr. Speaker, the situation is not the same in the case of someone who speaks French, for he or she does not feel as seriously threatened by Americanization as does the anglophone majority of Canada.

But still I would simply point to a pervading factor in French television programming both inside and outside Quebec, namely the considerable number of American programs dubbed with French dialogue.

I thought that by creating this TV-5 Network, the Government would have realized the great need for Francophones outside Quebec to receive superior programming prepared by a network and a consortium made up of four or five countries, namely, Quebec, Canada, France, Belgium and Switzerland. But for us, outside Quebec, Mr. Speaker, this is an expensive proposition. As a matter of fact, in Quebec, those who want to suscribe to the cable systems offering the TV-5 signal, beside the other four channels must pay around $11.50 a month to get the basic package including the TV-5 channel, while those living in Ottawa or elsewhere outside Quebec must pay about $19.

Here, in my own riding, Skyline charges about $19 for the basic package—

Mrs. MacDonald (Kingston and the Islands): It is different now!

Mr. Gauthier: Not yet. I spoke a few moments ago with some people in my riding who told me that they still have to pay $19, and the Minister says that such is not the case, that it is going to change!

Mrs. MacDonald (Kingston and the Islands): Patience, patience!

Mr. Gauthier: Patience! Goodness gracious, I have been patient for a great many years and people keep telling me that I should be patient and wait. But the fact is that on September 19, 1988, Francophones outside Quebec living in the Ottawa—Vanier riding must pay to Skyline over $19 a month to get the package which includes TV-5.

So, I see a major difference between the $19 which I must pay to get the TV-5 channel and the $11 which my friends have to pay in Quebec. I feel that is a major difference.

As to the Canadian content—

An Hon. Member: There is no Canadian content!

Mr. Gauthier: There is indeed a Canadian content! This TV-5 channel which I feel is excellent for education and information purposes, is a scheme which was put together during the *Sommet de la francophonie* in Quebec City to meet the needs of all Francophones who want to be . . . how should I say . . . nourished by a television which is sensitive to their concerns.

To me there is a flaw and something is lacking. Perhaps the Minister has an answer in mind to address my concern telling me that I have nothing to worry about and that I should not be so impatient. But the fact remains that on September 19, 1988, that is today, there are Francophones in Ontario as in New Brunswick who find it impossible to suscribe to a cable network offering the basic package they want, including the TV-5 channel.

One of my constituents to whom I was talking a while ago suggested that perhaps we should insist on cable networks offering a basic package with two French channels, that of Radio-Canada—that one is always there—and some other.

I must admit that I do not have the answer, because cable distribution networks are a monopoly granted by the CRTC to groups of people which are concerned above all with providing their customers with what they want. But I suggest there might be a solution which the Minister could thoroughly examine and which would make it possible for Francophones living outside Quebec to have access to the TV-5 channel. We

should not overlook the fact that it is the Federal Government which has assumed the rather high cost of this whole new TV-5 experience. There has been a major Federal Government involvement to help the TV-5 channel succeed.

Since Canadian taxpayers contributed to the setting-up of this network, I suggest the Minister should at least ease my concern by telling me that I will get a reply shortly.

[*English*]

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Will the House allow the Chair the authorization to read the motions in a summary form as we proceed?

Some Hon. Members: Agreed.

Motion No. 14 (Mrs. Finestone) and Motion No. 15 (Mr. Waddell) agreed to. The next question is on Motion No. 17, standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

• (1220)

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next question is on Motion No. 18, standing in the name of the Hon. Member for Vancouver—Kingsway (Mr. Waddell). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 19, standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The next question is on Motion No. 21, standing in the name of the Hon. Member for Vancouver—Kingsway (Mr. Waddell). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: I declare the motion carried.

Motion No. 21 (Mr. Waddell) agreed to.

The Deputy Speaker: The next question is on Motion No. 22, standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it. I declare the motion lost.

Motion No. 22 (Mrs. Finestone) negatived.

The Deputy Speaker: The next question is on Motion No. 23, standing in the name of the Hon. Member for Mount

Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11) the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 48, standing in the name of the Hon. Member for Vancouver—Kingsway (Mr. Waddell). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11) the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 55, standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11) the recorded division on the proposed motion stands deferred.

The last question in this grouping is on Motion No. 74, standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: On a point of order, the Hon. Minister of Communications (Miss MacDonald).

Miss MacDonald: At the time that I spoke, Mr. Speaker, I indicated that I would take another look at this amendment and, if possible, I would like it to stand at the present time.

Mr. Deputy Speaker: Will the motion stand by unanimous consent?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Motion Nos. 25, 27, 29, and 30 will be grouped for debate and voted on separately.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 25

That Bill C-136 be amended in Clauses 3 by adding immediately after line 22 at page 5 the following:

"(vi) include a significant contribution from the Canadian independent production sector; and".

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 27

That Bill C-136 be amended in Clause 3 by adding immediately after line 26 at page 5 the following:

"(vii) be reflective of the multicultural nature of Canada;".

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 29

That Bill C-136 be amended in Clause 3 by striking out lines 30 and 31 at page 5 and substituting the following therefor:

"(k) and the interests of any other broadcasting undertaking of the Canadian broadcasting system, it".

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 30

That Bill C-136 be amended in Clause 3 by adding immediately after line 37 at page 5 the following:

"(m) educational broadcasters reflecting Canada's provinces are key elements in the Canadian broadcasting system;".

Mr. Deputy Speaker: On a point of order, the Hon. Minister of Communications.

Miss MacDonald: Mr. Speaker, I rise to indicate that I am prepared to accept Motion No. 27 and Motion No. 29.

Mr. Deputy Speaker: On debate the Hon. Member for Mount Royal.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I can see that we are going to do extremely well today. I am delighted, and I thank the Minister for the reconsideration. We are looking at broadcasting policy as it affects the Canadian Broadcasting Corporation. I will address the recommendations accepted by the Minister in a moment. First, I would like to address my first motion, Motion No. 25.

The general thrust of Motion No. 25 is the consideration that we would require that programming provided by the CBC should include a significant contribution from the Canadian independent production sector. This would ensure that the CBC would use independent producers in a variety of areas, not only for drama, but also for information and enlightenment programs within the CBC.

I understand that the CBC does have in house personnel. It conducts the finest of training, and those people are then available as the pool grows for the private sector and, potentially under this Bill, for those who will be working to produce programs in the distribution sector. Notwithstanding that, we have included the independent production sector in the general body of the Bill. I believe it is in Clause 3(h). The Minister has included the word "enlightenment" to make the mandate of the CBC more specific and clear. I wonder if the Minister wants to give some consideration to including that which she has done for the private sector, the independent production sector.

I am delighted that the Minister has accepted Motion No. 27 proposed by my colleague, the Hon. Member for Vancouver—Kingsway (Mr. Waddell). However, his riding will be changing soon. We will see what happens there.

I certainly support the amendment that has been brought forth. I am pleased that the Minister will support the multicultural nature of Canada. Needless to say, the Ethnocultural Council and the Canadian Race Relations Group will be quite delighted with this particular amendment.

Did the Minister state that she was accepting Motion No. 29?

Miss MacDonald: Yes.

Mrs. Finestone: That is the clarification of the word "element", and I believe that the Minister has accepted it. I believe that we should extend a word of thanks to the Canadian Bar Association for the clarity and depth of its evaluation of the whole system. It has been very helpful in enabling us to improve this Bill all along the way. I wish to give a deep word of thanks to the bar association, to the Minister, and her staff for recognizing that that recommendation was worthwhile.

I certainly support Motion No. 30. I brought forward an amendment. However, it was not received with favour. This is an excellent amendment. It brings back the concepts that were found in the original 1968 Bill and puts the educational broadcasters front and centre, which is where they should be. They have a very important role in Canada. Children watch more television than they spend hours at school, there are adults who have learning problems, and there are various aspects of training and retraining in a global economy which is changing so rapidly. They can be enabled, helped, and guided through the educational broadcasting system. I am very pleased to support this motion of my colleague, the Hon. Member for Vancouver Kingsway, which states:

> "(m) educational broadcasters reflecting Canada's provinces are key elements in the Canadian broadcasting system;"

I believe that it is fundamental for Canada and the federal Government to take the leadership and ensure that we not only support, but promote educational broadcasters across the land, and ensure that they fit into what the Minister has described as the public and private elements which make up the Canadian broadcasting system. They are a part of the public element of the broadcasting system.

• (1230)

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I want to speak to a couple of the motions, and my colleague from Hamilton Mountain will speak on the last one dealing with the educational aspect.

First I want to thank the Hon. Member for Mount Royal (Mrs. Finestone) for mentioning that I will indeed be running in another riding.

Miss MacDonald: Which one?

Mr. Waddell: It is called Port Moody—Coquitlam. That is one of the reasons I can hardly stand today. I ran in the Terry Fox Run at Port Coquitlam.

Miss MacDonald: I did it twice.

Mr. Waddell: The Minister ran twice. I ran just once and I have trouble standing up today, but it was sure worth it. I saw Mrs. Fox personally and that was really something.

I certainly support Motion No. 25, the amendment put forward by my friend from Mount Royal. It says the CBC should have a significant contribution from the independent Canadian production sector. That is an important amendment.

I thank the Minister for accepting our Motion No. 27, which is designed to make the system reflective of the multicultural nature of Canada. I learned something in committee that I would like to pass on in commenting on this part. Mr. Fo Niemi of the Centre for Research Action on Race Relations gave an excellent brief, mostly in French. He said that it is precisely because President Juneau himself and Executive Vice-President Bill Armstrong always confuse two things that the mandate to reflect multiculturalism at the CBC should be included in the Act. They always seem to confuse multiculturalism and internationalism. They mentioned the coverage by the media of the events in Haiti and the culture and development of China. What has this to do with multiculturalism, he

asked? Multicultural programming for Canadians within the Canadian context is to reflect the diversity right here at home.

So he said to our friend, Mr. Juneau, President of the CBC, who I called the George Bush of Canadian politics because he has been in so many roles but never been elected to any. Mr. Juneau had a rather heated reaction to that one.

I must admit that I would confuse it, too. The point is, do not confuse international programming with multicultural programming. It is not the same.

Miss MacDonald: Absolutely.

Mr. Waddell: However, I want to say this to the Minister and she should remember it. We still feel strongly, in spite of these provisions being put in the Act, that there is something outside the Act that runs with it, that is, it is all very well to give the CBC an updated mandate as defined in this Act, but if you do not give it any money, if you cut back as the Conservative Government has—

Miss MacDonald: Come on now, Ian. Don't say that with a straight face.

Mr. Waddell: It is absolutely true. Some 28 per cent of regional programming has been cut back, to the tune of $29 million. The reason for that is that the CBC has to get more money to produce its drama and so on and it has done it centrally. It should have had more money from the Government rather than cut-backs. In 1984, in real dollars, the CBC budget was $905 million. In 1985 it was $826 million. In 1986 it was $806 million. In 1987 it was $789 million. In 1988 it was $775 million.

Miss MacDonald: That is a lot of nonsense.

Mr. Waddell: The Minister recently gave $20 million to the English service and $50 million to the French service. However, it is a fact that the Conservative Government, especially in the early part of its term with all those back-benchers who hate the CBC, cut it back quite dramatically. The effect has been to downgrade regional programming, and those of us from Vancouver feel that strongly.

As well, and the Minister knows this very well because she presumably has to fight for it in Cabinet, you must have an increase in funding for the CBC in order to deal with the mandate, or, at least level funding. As a matter of fact, in a recent report, the Conservative Chairman of the Standing Committee said 250 million new dollars annually was needed. That is a far cry from what the CBC is getting.

Dale Goldhawk of ACTRA said while the CBC is expected to fill a wide mandate, the money to do so just is not there. "In short, this part of the announcement does not exactly make my socks roll up and down". Rather well put. He was referring to the Minister's recent announcement. I know the Minister does not like to hear this. She sits there a little frustrated by it.

Miss MacDonald: She has added all that money. Now say that.

Mr. Waddell: The Minister has added money recently, but I dare her to dispute my figures on the CBC's budget over those particular years going from $905 million to $775 million.

Miss MacDonald: It is now $1.1 billion.

Mr. Waddell: We are talking real dollars. We know it has been cut back. Ask anyone in the regions and they will tell you.

The final motion is Motion No. 30 which deals with educational broadcasting. I see my time is running out so I will let my colleague, the Hon. Member for Hamilton Mountain (Ms. Dewar), speak on that.

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, I, too, want to congratulate the Minister on the amendments she has allowed this morning. They will make it a much stronger Act. However, I am very concerned about Motion No. 30. It should be allowed because not only does the Bill not allow for educational broadcasting as a priority, it downgrades the amendment made to the Act in 1968 in this respect. That is the part we are concerned about. The fact that we need an agreement with the provinces to treat educational broadcasting as a priority was in the Act in 1968 and now that it is not there, it is downgraded.

Miss MacDonald: No, it is not.

Ms. Dewar: My understanding is that the 1968 Act says that facilities should be provided within the Canadian broadcasting system for educational broadcasting. We want this to be strengthened so that educational broadcasters reflecting Canada's provinces are key elements in the Canadian broadcasting system. That is not being allowed to stand.

Bernard Ostry has looked at this very conscientiously and critically in response to the federal Government's refusal to respond sympathetically to repeated constructive suggestions from educational broadcasters from across this country, and its inaction on issues central to the future of educational television. He said the effect of the proposed legislation on educational broadcasters and the people we serve cannot be underestimated. This is not just some other piece of legislation. The Broadcast Act is to one of the largest industries in Canada whose product touches the lives of every man, woman and child in this country what the Criminal Code is to the administration of justice.

I think one of the things we are particularly concerned about is the great strength of the Broadcasting Act and how it can serve the people of this country, and the ability of the educational networks to be able to reach out to the people. Certainly of great concern to us these days are the people who are illiterate. We have seen some of the programs put forward by the educational networks and their ability to reach people that otherwise would not be reached.

I think as well we would be giving our aboriginal people some priority in the Act. I have had great concerns about the fact that even though our amendment was not so strong on the aboriginal people and we were allowing it to say "where numbers warrant" the Minister has not accepted that amendment either. When we get into great debates about the illiteracy of our country and the inhuman way we have treated our aboriginal people over the years—I am certainly not saying that in any partisan context but in the context of how we have evolved as a society—that there could be within this Bill the ability to strengthen the educational networks and at the same time share with the rest of Canada the great riches of our aboriginal people through broadcasting. In my view, this is a very valid amendment that could strengthen the Bill. I hope the Minister will look at it again and allow it to stand so that we could have that kind of strength in this Bill that is so important for the educational networks.

• (1240)

[*Translation*]

Mr. Gauthier: Mr. Speaker, I would like to say a few words in support of the two motions now before us, since Motions Nos. 27 and 29 were accepted by the Minister, something I thank her for. I would like to refer in particular to Motion No. 30 that deals with a matter of great importance to me. If I may read the amendment again:

> (n) Educational broadcasters reflecting Canada's provinces are key elements in the Canadian Broadcasting System;".

To me this statement seems quite realistic and accurate. Educational broadcasters did not exist in 1968, at any rate when the Act was passed, at least not in Ontario; TV Ontario did not exist in 1968. Having worked, as I said in this House, for nearly eleven years and some months in education in Ontario and having been instrumental in launching the idea of an educational TV system in Ontario, I find it unfortunate that the Minister cannot respond positively to our proposal not to decrease the importance of educational television, but at least leave the matter as it was in the 1968 Act.

[*English*]

The 1968 Broadcasting Act at Clause 3(i) stated:

> —facilities should be provided within the Canadian broadcasting system for educational broadcasting

This is what we call a stand-alone clause for broadcasters who wanted to go into educational television. Even though the Minister may disagree completely with those of us who think that she is downgrading the educational broadcaster by removing that stand-alone clause and putting in a clause which in our view groups the educational television with community programs, any broadcaster could say that he is meeting the requirements of the Bill because his programming is in keeping with it and does include educational and community broadcasting.

I know the Hon. Member for Hamilton Mountain (Ms. Dewar) just quoted from a release put out by the Chairman of TV Ontario. Mr. Ostry in his plea to the Minister asked that she change the wording of the Bill to allow for this kind of stand-alone clause, but let me quote Mr. Ostry. He expressed:

> —our profound disappointment in both the current hasty, eleventh hour process and its outcome.
>
> Now is hardly the time to downgrade the standards of educational television originating in the regions. Indeed, it is a paradox that, at a time when the federal Government is, quite properly, committing millions of dollars to battle the problem of adult illiteracy in Canada, when the Prime Minister is endeavouring to encourage the development of a new "science culture", and when educational issues about skills training and multiculturalism command headlines in our news media, this proposed legislation appears to go out of its way to shove educational broadcasters out of "the system"

This comes back to the argument, and the Minister knows it, of how you define education. Maybe we could argue that there is a role for private broadcasters, a constitutional role that they may be able to displace or take over educational domains that are of provincial jurisdiction. I feel strongly that the Chairman of TV Ontario in my province, who is a well-known, serious and reasonable man, would come out so strongly condemning the present legislation and saying it is too weak. I hope the Minister will see the light as she did with the other two amendments in this grouping and accept, reply or assure us that she has absolutely no intention of muddying the waters between the provincial authorities on educational TV, the broadcasters or those who are lucky enough to have licenses given to them. I would not want us to see a few years hence have educational TV downgraded to the extent that it cannot operate or compete or see that its mandate has been weakened.

Before I end my remarks on this question, Mr. Speaker,

[*Translation*]

. . . Mr. Speaker, let me make a simple clarification. Earlier I referred to TV-5, and I would like to clarify matters. I stated inaccurately that in Quebec the charge was $11 and some pennies, while in fact it is exactly $14.32. I checked earlier. I am told it is some $6 higher in Ontario and that the matter is still current. I must admit this is a matter of great concern to me, and I simply wanted to come up with accurate figures to avoid being told: Jean-Robert, you were off the mark, the charge is $14.32. Therefore, for the record, Mr. Speaker, the charge in Quebec is $14.32 for basic service, including programs from the four channels: The *Canal Famille*, the *Météo-média*, Musique Plus and YTV in English, plus of course TV-5, while in Ontario we have no access to that basic programming and we must pay $4 a month in decoder rental plus $2 in service fees, so that in French-speaking Ontario areas, we have to pay some $6 more than in Quebec to get the service that, as I emphasize, is less extensive than that available in Quebec.

[*English*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise to add my support to the amendments which we are discussing and to urge the Minister to accept them.

I note, and put on the record as I think others have done, the views of the President of Knowledge Network, Mr. Glenn Farrell, who said in respect of this Bill:

> The amendments to Bill C-136, proposed by federal Communications Minister Flora MacDonald are inadequate because they fail to recognize the important role that educational broadcasters play in Canada. This Bill downgrades the role of educational broadcasters at a time when regional communications are increasingly important.

There is not a Member of Parliament who has young children or young grandchildren, as I do, who cannot help but realize how much more knowledge our young people between the ages of four and eight or four and ten have about matters than children had 10 or 20 years ago. This is so because they have the opportunity to watch educational programs like Sesame Street and many others too numerous for me to report on. Any Bill which does not expand the ability of TV to disseminate more and more educational programming is deficient.

• (1250)

I want to speak about another aspect of the Bill, dealing not just with children. For almost as many years as I have been a Member of Parliament, I have raised questions about the fact that 20 per cent of the people of Canada are functionally illiterate, this at a time when we know that businesses, industries and farmers are facing increasing competition, making it tougher and tougher to be a success. Other countries have moved ahead of us because of their knowledge and ability to use the newest technology. How could the 20 per cent of Canadians who are functionally illiterate possibly find jobs, even if we lived in a period of full employment in that future when they do not have the ability to fill the jobs which are or will be available.

In the 1984 Throne Speech of the Government was a promise that dealing with illiteracy was to be a major objective of this Conservative Government. Silnce then virtually nothing was done by the federal Government, much too little is being done by the provincial Governments, and the voluntary organizations working in the field do not have the financial ability to do the job they want and need to do.

Four years have gone by and suddenly, two weeks ago, the Prime Minister (Mr. Mulroney) resurrected this important question, which he ignored for four years, and announced that the Government is proposing to spend over $100 million in the next four years dealing with illiteracy. We know that 20 per cent of the people of Canada are functionally illiterate, but nobody has any real information on the numbers of people who are attending programs organized by the provincial Governments and by volunteer organizations such as Frontier College or one such as that just started less than a year ago with offices in the constituency of my colleague, the Hon. Member for Winnipeg North Centre (Mr. Keeper), called Beat the Street.

Nobody knows how many people are in the programs. As a matter of fact one of the little tasks I have set for my staff is to get in touch with every such organization across Canada to find out how many people are in these programs. I have some idea of the information they will get. We will find that probably fewer than 5 per cent of the five million people who are functionally illiterate are in programs that will help them.

My colleague, the Hon. Member from Hamilton, has talked about the problems of native people. In cities like Winnipeg, Regina or Vancouver, to mention just three, one cannot help, if one drives around these cities, but note the tremendous movement into the cities of native people from the reserves. They come to the cities and their ability to speak English is far from what it should be. Many of them are in fact functionally illiterate.

In these cities, there is a time bomb which is ticking away and which will explode. Dealing with illiteracy is just one of the questions that we have to address if that time bomb is in fact not to explode. One of the ways it can be dealt with is by giving the broadcasting system, radio and television stations, public and private, not only the right to put on educational programs but the resources to do the job. Perhaps, for the private sector, we need legislation which will force the broadcasters to do some of the educational and cultural things they promised to do when they got their licences and which in fact they almost completely ignored once they were successful in getting the licenses. What they have concentrated on is having the right, as I think the Caplan-Sauvageau Commission has pointed out, to virtually to print money and make tremendous profits in return on their investment.

This is the situation we are in. It is a very desperate situation, it is a very serious situation. It is a situation which needs to be dealt with in every possible way. One of the ways is to amend this Bill so that the Broadcasting Act will make it very clear that radio and television stations and the networks have the right, and I would say the responsibility, to increase and improve educational programming. We need this amendment in the Bill.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The first question is on Motion No. 25, standing in the name of the Hon. Member for Mount Royal.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division will be deferred.

The next question is on Motion No. 27 standing in the name of the Hon. Member for Vancouver Kingsway.

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

Some Hon. Members: Agreed.

Motion No. 27 (Mr. Waddell) agreed to.

Mr. Deputy Speaker: The next question is on Motion No. 29 standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion No. 29 (Mrs. Finestone) agreed to.

Mr. Deputy Speaker: The next question is on Motion No. 30 standing in the name of the Hon. Member for Vancouver Kingsway. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division will be deferred.

May I call it one o'clock?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It being one o'clock, I do now leave the Chair until two o'clock this day.

At 12.58 the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

REGIONAL INDUSTRIAL EXPANSION

MATANE PAPER MILL PROJECT

Hon. André Ouellet (Papineau): Mr. Speaker, today I should like to refer to a situation in Quebec where the Conservative Government is still dragging its feet. On a number of occasions the Government promised the people of Matane that a paper mill would soon become reality. In 1984 the then Leader of the Conservative Party said that a Conservative Government would give the green light to the paper mill project. The rooster did crow three times but nothing has been done about Matane. Here is a comment reported in the *Journal de Montréal* September 9 issue: "Quebecor and Donahue management are puzzled about the Mulroney Government reluctance to sign a written commitment concerning Matane's paper mill".

Last year the Department of Regional Industrial Expansion told us it would soon be time to break open the champagne, yet here we are, a year later, and the Conservative Government still has not made any commitment in this case.

Recently the Government dispatched its Minister of State for the sod-turning ceremony at Matane. Quebec Government and private sector spokesmen did make clear and firm commitments, but the Minister of State had come empty handed.

Time is of the essence with respect to this project, for an elections is near and the people of Matane will remember this.

* * *

THE LATE JACQUES BEAUCHAMP

Mr. Gilles Bernier (Beauce): Mr. Speaker, the fourth estate in Quebec is in mourning after the death of Jacques Beauchamp. It is somewhat of an institution that has disappeared, Mr. Speaker.

The very prolific sports writer and public relations vice-president of the *Journal de Montréal* died of a heart attack at the age of 61.

Jacques Beauchamp made a name for himself in Quebec and throughout the rest of Canada. He loved his job and was a tireless and honest worker. Sporting events were his forte, and the men and women who got to know him will tell you that he was a hard and valiant worker respectful of others, a demanding but generous and inspiring man. Jacques Beauchamp was a great humanist, ever looking at the positive side of things.

We offer our condolences to his close relatives and to the large Péladeau family. Professional and amateur athletes lost a friend, a father and an adviser. Sports fans lost a walking encyclopedia.

Jacques Beauchamp, Quebecers loved you! We salute you.

* * *

[*English*]

INDIAN AFFAIRS

OPPOSITION TO HYDRO QUÉBEC POWER LINE ROUTE

Mr. Jim Fulton (Skeena): Mr. Speaker, the Algonquins of Barriere Lake are currently blockading the construction of a Hydro Québec power line from the townsite of La Domaine to Rapid Lake, their present reserve. The Algonquins of Barriere Lake oppose the construction of the line through La Verendrye Wildlife Reserve for good reason. A sum of $3.8 million is to be spent by the Department of Indian Affairs on a power line opposed by the very people for whom it is supposedly being built.

Why, you ask? Because the traditional uses and occupancy of the land by the Algonquins are already being severely eroded by hydro developments, road construction, industrial activity, hunting, and so on.

The Algonquins ask, what of the recognition and affirmation of their rights in Section 35 of Canada's Constitution? Must there be a confrontation, must all developments be halted, before the federal and provincial Governments sit down and listen?

I have tried, as have the Algonquins of Barriere Lake, to get the Prime Minister (Mr. Mulroney) and Premier Bourassa to listen. The Algonquins call for a fair settlement, for conservation, and for a sustainable approach to their homeland. Canada and Quebec must listen and learn.

These lands were set aside as Indian territory by the Royal Proclamation of 1763. Canada and Quebec must respect the rights, title, and agreements with the First Nations.

* * *

SPORTS

OLYMPIC GAMES—PARTICIPATION OF SCARBOROUGH ATHLETES

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, six Canadians from the city of Scarborough are part of Team Canada at the Olympics. One of them, Ben Johnson, is a household name as the world's fastest man.

Let the names of Tessa Gordon, Lisa Ann Lyn, Elizabeth Levi, Asif Dar and Milton Ottey go into the record of this House as men and women doing their part to represent the ideals of youth around the world and to bring honour to Canada.

S. O. 21

THE LEADER OF THE NEW DEMOCRATIC PARTY

Mr. Sergio Marchi (York West): Mr. Speaker, Stephen Lewis sat down and made a deal with the Prime Minister (Mr. Mulroney). Ian Deans sat down and made a deal with the Prime Minister. Dennis McDermott sat down and made a deal with the Prime Minister. And now Ed Broadbent says he is willing to sit down and make a deal with the Prime Minister.

I wonder what the price will be for selling out on the trade deal; a larger limousine, Minister of Finance, invitations to 24 Sussex, or does he want to be Deputy Prime Minister? The slogan for the NDP will now be "Vote for Ed Broadbent and re-elect Brian Mulroney".

If it were not so hypocritical it would be funny. If it were not so dishonest, it would be a joke. Well, for all we care the Leader of the NDP can form his coalition with the Conservatives, because then after the election the Liberal Government will have to face only one true opposition Party.

* * *

ROAD SAFETY

HIGHWAY TRAFFIC DEATHS

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, in 1985, 375 people were killed in rail, air, and marine accidents in Canada. Yet 4,365 were killed on our roads and highways.

Highway traffic deaths are still way too high. However, the trend is in the right direction. The rate declined from 4.2 deaths per 100 million vehicle-kilometres in 1973 to 2.2 in 1986. Safer vehicles, the use of seat-belts and child restraint devices, and the crackdown on drunken driving have all helped.

The Road Safety Directorate of the Department of Transport and its provincial counterparts are to be congratulated on their work to date and we wish them even greater success in the future.

* * *

TERRY FOX MARATHON OF HOPE

TRIBUTE TO PARTICIPANTS

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, more than 425,000 Canadians ran, jogged, cycled, and strolled through 22 countries yesterday to raise an estimated $5 million for cancer research in the Terry Fox Marathon of Hope. Our embassy and Armed Forces personnel overseas were joined by supporters from many other countries. This is a tribute to Terry Fox and especially to his parents, Betty and Roly Fox. It is a tribute that the run continues, and it is a tribute that the number of people participating is expanding.

S. O. 21

The Hon. Member for Mission—Port Moody (Mr. St. Germain) and I ran the 10 kilometres in Port Coquitlam yesterday—

Some Hon. Members: Hear, hear!

Mr. Waddell: —I can hardly walk today, Mr. Speaker—in the presence of the Fox family. We took the opportunity, both before and after the race, to express to them the thanks of all MPs for their determined work in the Fox family tradition so that some day cancer can be beaten.

* * *

CANADA ASSISTANCE PLAN

EARNINGS EXEMPTION FOR WELFARE RECIPIENTS

Mr. Alan Redway (York East): Mr. Speaker, according to the recent Ontario Social Assistance Review Committee report the Canada Assistance Plan discourages people on welfare from getting a part-time job that could lead to a full-time job by reducing their welfare benefits if they work too much. If we are serious about getting people off the welfare rolls we should be trying to encourage them to seek employment, not penalize them for working.

It is time for the Minister of National Health and Welfare (Mr. Epp) to take another look at the earnings exemption for welfare recipients under the Canada Assistance Plan.

* * *

HEALTH

PRESENCE OF TOXIC CHEMICALS IN FOODS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, last week the Ontario Government released a study showing that a wide variety of foods purchased in the province contain low levels of dioxins, dibenzofurans, and other toxic chemicals. This study confirms the results that Dr. Kate Davies of the Toronto Department of Public Health found in 1986.

Dioxins and furans are two highly toxic families of chemicals that come from the production of pesticides and wood preservatives and pollute the air when garbage is not burned at high enough temperatures. One kind of dioxin, TCDD, is believed to cause cancer in people. Scientists speculate that dioxins, furans, and PCBs create a reaction in the human body that may lead to increased cancer, inhibition of the immune system, and changes in hormones which, among other things, control the ability to reproduce.

The question we must ask ourselves is whether any level of these chemicals in food is a safe level. It seems to me that most Canadians would answer that the only safe level is zero.

ENVIRONMENTAL AFFAIRS

GOVERNMENT RECORD

Mr. Joe Reid (St. Catharines): Mr. Speaker, this week celebrates the fourth anniversary of a Government with a record of achievement second to none, including its record on the environment. Even so, we need more than four years to correct and remedy the Liberal legacy of environmental abuse, neglect, and apathy.

The Niagara River was the largest toxic garbage pail ever imagined, but last year, for the very first time, a Niagara River Clean-up Agreement was signed.

• (1410)

We have passed an Environmental Protection Act with teeth in it.

The Canadian Water Conservation Act allows us to control our own water.

Canadians are demanding action for a clean Canada. This Government has listened, has acted, is acting, and will deliver on this as it has on other things.

* * *

EMPLOYMENT

RECOGNITION OF SEXUAL HARASSMENT AS HEALTH AND SAFETY HAZARD

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, Bonita Clark's long ordeal has ended. I rise today to pay tribute to her courage and perseverance in battling an issue of major importance to women in the workforce. Canadian women owe a debt of gratitude for her seven-year struggle to have sexual harassment on the job recognized as a health and safety hazard.

Ms. Clark began to work as a stationary engineer at the Stelco plant in Hamilton in 1979. From her very first days on the job she was confronted with sexual harassment and gender discrimination. She recently succeeded in securing women their own washroom facilities at the plant, a basic necessity of decent working conditions.

According to the Human Rights Commission, sexual harassment is a reality faced by over 80 per cent of Canadian working women. Bonita Clark, by refusing to accept this reality and by protesting the health hazard posed by sexual harassment, provides inspiration to the women and men who are continuing her struggle to guarantee Canadians a workplace free of sexual harassment.

CANADA POST CORPORATION

DELAY IN DELIVERY OF QUESTIONNAIRE

Mr. John Oostrom (Willowdale): Mr. Speaker, the Post Office under our Government has made great strides in improving its service. However, there still remain pockets of inefficiency which must be corrected. Constituents call every week to point out some glaring oversights in postal service, a common one being "the address does not exist", even though the person has resided there for the last 20 years.

Two months ago I conducted a survey to gauge my constituents' views on abortion. I used the postal service to deliver the questionnaire, and I received a quick response of over 7,000 replies. However, two weeks ago I was informed that an area of my riding was only now receiving the survey that I thought had been all delivered. I contacted the postal substation and found that my surveys had just arrived, and that they must have been lost for the past two months. The area left out was approximately a quarter of my riding.

The Post Office could not provide me with an explanation for this major error. There is no excuse for this type of service, and I hope that the Post Office now moves quickly to ensure that mail never gets lost.

* * *

THE LEADER OF THE NEW DEMOCRATIC PARTY

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the NDP's main foreign policy plan is to pull out of NATO, to destroy our alliance with Great Britain, France, West Germany, Italy, Greece, Spain and Portugal. The Leader of the NDP (Mr. Broadbent) now says that he is not sure that we will pull out of NATO.

The NDP's main economic plan is to nationalize the Canadian banks. But the Leader of the NDP says that he is not sure he will want to nationalize the banks.

The NDP says that they have become a mainstream political Party, but Eric Gourdeau, the NDP's star candidate in Québec, says that the NDP is controlled by a tiny group of 50 communists.

Finally, the Leader of the NDP says that he is opposed to the free trade deal. But now he says that he is willing to form a coalition with the Conservative Party. The NDP and the Leader of the NDP have lost their grip on reality. Canadians want a strong, independent, democratic, sovereign Canada and will vote Liberal in the upcoming federal election. Because the Prime Minister (Mr. Mulroney) has sold out his country, the Leader of the NDP has sold out his Party.

How can a man who says he opposes the trade deal say, with all his heart, that he is willing to deal with the Conservative Party?

S. O. 21

THE LEADER OF THE NEW DEMOCRATIC PARTY

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the NDP have become a laughing stock. On the one hand, Eric Gourdeau, the NDP's so-called star candidate in Quebec, has said that the NDP in Quebec is controlled by "a tiny bunch of 50 people, Trotskyite or Leninist philosophers who turn out treatises willy-nilly", confirming what the MP for Terrebonne (Mr. Toupin) told us a long time ago.

On the other hand, the self-proclaimed defender of the little people, the Leader of the NDP (Mr. Broadbent), has said that he is willing to form a coalition with the Tories after the next election.

He said that he was opposed to the trade deal. The Member for Oshawa said that he was standing up for Canada, but now he says that he is willing to sit down with the Prime Minister (Mr. Mulroney) after the next election, to ram the trade deal through. He is willing to sell out his principles for a share of power.

The Leader of the NDP will not have that chance, because Canadians are going to vote for the one Party that cares for one strong and independent and sovereign Canada, the Liberal Party.

The question for the NDP Leader is this. Is he planning to sell out his Party to the right-wing Tories, or is he planning on having his campaign run by a bunch of lefty communists? That is the question for the Leader of the NDP.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

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MULTICULTURALISM

CRITICISM OF GOVERNMENT ACTIONS

Mr. Sergio Marchi (York West): Mr. Speaker, it is very interesting to note that in the four years of administration of the Conservative Government, multiculturalism rated last on the list of priorities. Only in the last dying moments of the administration have we seen a Government, whetted by its appetite, go into an election campaign trying to maintain some degree of integrity in dealing with Canada's multicultural communities. Only in the dying moments do we see a Multiculturalism Bill, a Canadian Heritage Languages Institute, and now a realigned Department of Multiculturalism.

For four years the political climate *vis-à-vis* multiculturalism was a dry drought. Now, on the eve of a campaign, it is pouring and thundering with gifts.

It is time that this Government treat multiculturalism as other important areas of public policies, and detach the policy of multiculturalism from the roller-coaster election cart. Its

assumption that Canadians are gullible and ignorant will not work, and Canadians, not only those in this field, will see through the barrage of Tory promises in the dying moments of a dying administration.

ORAL QUESTION PERIOD

[*English*]

ENVIRONMENTAL AFFAIRS

STAFFING OF DEPARTMENT

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, we see that there are still deliberations going on that forestall my putting a question to the Prime Minister. Here he is.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): I would have thought that he would have been going down the road a piece.

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): The way that the Government cuts programs reveals its priorities. Obviously the environment has not been one of this Government's priorities. The Prime Minister talks about fighting pollution, but instead he fires those people who protect us from pollution. Once again the facts contradict the boasting of the Prime Minister.

Over 500 environmental protection officers and pollution control experts and scientific researchers have already lost their jobs in the Department of the Environment in the last four years. Now, the Director of Personnel of the Department of the Environment has said that another 361 jobs will be wiped out over the next two years.

Having already slashed program after program in the Department of the Environment, how can the Prime Minister possibly justify cutting another 361 jobs in this Department?

Some Hon. Members: Hear, hear!

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I do not know what the Leader of the Opposition would do without his newspaper in the morning in order to base his questions at Question Period in the afternoon. He is obviously relying totally on a Canadian Press story that is very misleading, if not totally incorrect.

The Leader of the Opposition says that since 1984 the Conservatives have cut 511 jobs in the Department of the Environment. That is not true. The figure could only be arrived at, if at all, if one were to take the 230 architects and engineers whose salaries were previously paid by the Department of the Environment whose salaries are now being paid by the Department of Public Works, and treated those jobs as if they had been eliminated. They have not been.

The people concerned are in their same positions and doing the same things and providing the same services for the Department of the Environment. The only difference is that their salaries are being paid from a different source.

For the Right Hon. Member to get on his feet today and refer to those as cuts, or as jobs eliminated, is to indicate that this man is not competent enough to be Minister of the Environment, let alone Prime Minister of the country.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): The fact remains that there have been over 500 person-year jobs taken out of the Department, eliminated from the National Research Council, eliminated from the research divisions that are fighting PCBs and toxic chemicals in the Niagara, and the elimination of the Guelph-Toronto toxicology project. I note very carefully that the Minister did not deny the statement of his Director of Personnel, and another 361 jobs are now set to be eliminated in the next two years.

[*Translation*]

PERSONNEL CUTBACKS—GOVERNMENT POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, it seems there is enough money for nuclear submarines, for pre-election goodies across the country and for a penitentiary in Port-Cartier in the Prime Minister's riding, but cuts are still being made at the Department of the Environment.

Two weeks ago, the Prime Minister announced that the environment was this country's Number one priority. However, he has already fired 500 environmental experts and there are plans to fire another 361.

Mr. Speaker, the environment seems to be the new sacred trust of the Prime Minister and his Government.

My question is simply this: If the environment is a priority for the Prime Minister and his Government, why does the Government keep cutting the jobs of the people who protect Canada's environment?

• (1420)

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, it is obvious that the Leader of the Opposition prepared his second question and gave it by rote without any reference to my answer to his first question. I told him that he is basing his questions on false information, on newspaper reports that are misleading if not totally inaccurate.

For example, he just said that the projections for the next two fiscal years are that Environment Canada will lose up to 361 person-years, or jobs. That is not correct. The estimate for those two years, to the extent that we can project at all, and it is inadequate, totally ignores, for example, the person-years that have already been approved by Cabinet with respect to

South Moresby National Park Reserve, the person-years associated with Cabinet's approval of the clean-up of the St. Lawrence River, the person-years associated with the Canadian Environmental Protection Act.

I am told that five months into the current fiscal year my Department has already received upwards of 100 additional person-years which have not been taken into account in the calculations that the Leader of the Opposition puts on the floor of the House of Commons as though they were *ex cathedra*. They are not. They are wrong.

STATEMENT ATTRIBUTED TO DIRECTOR OF PERSONNEL

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, is the Minister categorically contradicting his Director of Personnel who made a clear statement as to what was in store for the employees in his Department over the next two years? Is he not denying that, in addition to the transfers to the other Departments, over 330 direct employment years in his Department have been let go in the last four years?

Just over the weekend the Ontario Government study revealed that there are dioxins in eggs, peaches, chicken, potatoes, hamburger, wheat, all of these foods eaten by Canadians. When the Prime Minister and his Minister eliminate toxic chemical research programs as they have done in this Department, they are eliminating the very experts, the very researchers who have been hired by the people of Canada to protect us against this type of problem. Is the Government not guilty of gross hypocrisy when we compare the Prime Minister's positive boasting against what has been happening in that Department?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, when it comes to gross hypocrisy, the Leader of the Opposition wrote the book. I am not taking issue with anybody in my Department; I am taking issue with the Leader of the Opposition and a press report on which he bases his question. That press report is factually incorrect.

For example, if one were to rely totally on Main Estimates as opposed to Main Estimates and Supplementary Estimates in a given fiscal year, one would come to the same kind of conclusion as the Leader of the Opposition has, that in 1986-87 the Department of the Environment would have lost 103 jobs. It did not. When the Supplementary Estimates were calculated into the equation, we gained 29, on a net basis, one of only three Departments to do so, reflecting the priority that the Prime Minister and the Cabinet attach to the environment.

PROJECTED STAFFING OF DEPARTMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is also directed to the Prime Minister or the Minister of the Environment. No matter how much the Minister of the Environment engages in a shell game, the fact is that his Director of Personnel announced on Friday, as confirmed by the Public Service Alliance, that there will be cuts in the next two years, beginning April 1, 1989, of 180 persons, followed by another cut of 181 persons beginning April 1, 1990.

In the name of consistency and decency, which may be words too hard for them to spell correctly, can they deny and reject these projections made by the personnel manager in the Department and by the Public Service Alliance? Can they dispel these fears that there will be reductions of 361 persons in the next two years in the Department of the Environment? Can they do that on the floor now?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Public Service Alliance of Canada does not make policy for the Government of Canada. I am saying to him that the Department of the Environment will not be losing 361 person-years. It will not be losing 200, anything of the kind that the Leader of the Opposition and the Member for Davenport have reported.

The statement by the relevant personnel person in my Department has been wildly taken out of context. It has been distorted and misreported by the Canadian Press. I am not taking issue with Canadian Press because I realize this is a complex business, too complex for the Leader of the Opposition to understand. But the Member for Davenport, who was a Minister of the Environment at one time, has no such excuse.

STATEMENT ATTRIBUTED TO DEPARTMENTAL OFFICIAL

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, do we understand the Minister to say that one of his employees, the Chief of Personnel, Mr. Marks, was wrong in saying last week that there will be a cut of 180 persons beginning April 1, 1989, followed by another cut of 181 persons beginning April 1, 1990? Is the Minister denying the correctness of the statement made by one of his employees? Is he giving Canadians the assurance that these two cuts will not take place? Will he say that in the House now?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I told the Member for Davenport that the so-called cut of 361 person-years in the coming two fiscal years cannot be grounded in fact. It takes into account neither the person-years approved by Cabinet for South Moresby nor the ones approved for the St. Lawrence River clean-up, or the ones associated with the Canadian Environmental Protection Act, not to mention the other initiatives that the Cabinet has already approved and those that the Cabinet is likely to approve in the next two fiscal years.

The story is not correct. The Member for Davenport is wrong. The Leader of the Opposition is even more wrong.

REQUEST FOR ASSURANCE ON FUTURE STAFFING

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I will allow the Minister to add to his list of all the people who are wrong.

As I always do when he cites statistics, I listened to the Minister with a great deal of care. However, I will quote not

the Leader of the Opposition, or the environmental critic for the Liberal Party, but what the Minister's Director of Personnel said with reference to cut-backs of 361 jobs. He said: "We cannot do anything else. We are committed to that reduction of 361". He went on to say: "Unless the powers that be give us relief from that, we are committed to proceed with that cut".

Those are Mr. Marks' words, not mine or any other opposition Member's. Are there cuts of that magnitude? Given what he said a few minutes ago about some additions elsewhere in his program, are there really just cuts of 261 as opposed to 361? In either case, if we are to believe what the Government has said about its commitment to the environment, why does it not give the unequivocal assurance that there will not be any cuts in the Department of the Environment this year or next year? Answer that.

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, every time the Leader of the New Democratic Party opens his mouth he adds to the length of the list of people who are wrong. He comes into the House with a prefabricated question, similar to that which was asked by the Leader of the Opposition. I told him, on the floor of the House of Commons, that the figure of 361 is wrong. I told him that the 511 figure for previous fiscal years was wrong. He is left naked in the wind with his questions.

I am quite prepared to send to the Leader of the NDP a complete breakdown of the person-years for Environment Canada for each of the last four fiscal years, and those that are projected in the years ahead with expenditures that have been approved by the Government of Canada in connection with which there are person-years.

Once he has had a chance to peruse that statement from me and my Department and the Government, I think he will find it is much more reliable than the press story on which he is basing his questions. The press story is wrong.

• (1430)

DEPARTMENT'S BUDGET

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the press story is much more reliable, I am sure, than the answers that we are getting in the House. If the Minister was calling into question the newspaper article, his own official's quotes, why did he not come into the House today and forthrightly and directly announce the number of cuts?

Will the Minister give assurances that those people who, according to his own officials, are going to be laid off, a number of whom officially would have to officially receive their notices by the end of this month, according to regulation, will not be given notice?

Second, considering that last week the Prime Minister stated in the House that the Government had increased the budget of the Department of the Environment since 1985 by some 13 per cent, will he now tell the House that the Prime Minister forgot to mention that, in the fall of 1984, there were massive cuts? If he had compared the record of his Government from the time that he was elected, not from 1985 to the present, there were actually—get this, and correct me if it is wrong—a 10 per cent net reduction in real dollars spent on the environment by the Government. Will the Minister admit that?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, how could I admit it when it is wrong? The budget of Environment Canada, and I am dealing with the Main Estimates only, forget about the Supplementary Estimates which will greatly add to those numbers, is now $796 million plus. In the last fiscal year for which the Liberals were responsible, the corresponding figure was $777 million. That is an increase of $20 million, even without the Supplementary Estimates.

If the Supplementary Estimates are added, plus all the expenditures, for example, from the Western Diversification Office for South Moresby, the Atlantic Canada Opportunities Agency for the Halifax Harbour clean-up, the Department of Regional Industrial Expansion for the St. Lawrence River clean-up, you will find, Sir, that we have not only kept up with inflation, but we have also exceeded it.

Mr. Broadbent: Mr. Speaker, we also want to see those figures. The Minister is now taking on every environmental group in the country, the opposition Parties, and his own officials. The only person who agrees with him is the Prime Minister. That should cause him some concern.

[*Translation*]

BUDGETARY CUTBACKS—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my last question is directed to the Prime Minister. Not long ago, the Prime Minister gave Quebecers and other Canadians the assurance that his Government had made a collective commitment to the environment. My question is simply this: Are these budget cuts of almost 400 per cent an essential part of his collective commitment to the environment?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Leader of the NDP states that nobody agrees with the Prime Minister and myself about the splendid record of the Government of Canada in the environmental field over the last four years.

May I put on the record a statement made in Toronto by the Prime Minister of Norway, Gro Brundtland, who headed the celebrated Brundtland Commission on Environment and Development. She stated: "I thank the Canadian people and institutions who supported us," the commissioners, through the United Nations. "I thank the Canadian Government, in particular Prime Minister Mulroney and Minister of the Environment McMillan, for their commitment and for the example they have been setting for other industrialized countries".

Some Hon. Members: Hear, hear!

[*Translation*]

REGIONAL INDUSTRIAL EXPANSION

MATANE PAPER MILL PROJECT—GOVERNMENT POSITION

Hon. André Ouellet (Papineau): Mr. Speaker, my question is directed to the Minister of Regional Industrial Expansion and Minister of State for Science and Technology. The people of Matane have heard it three times now. In 1984, the Prime Minister promised a paper mill. In 1987, the Minister himself said in the House that Matane was a priority for his Government. I think we all realize what the score is. A few days ago, in fact it was September 7, the Minister of State went empty-handed to a sod-turning ceremony. When will the Government keep its promises to the people of Matane and participate with the private sector and the Government of Quebec in the paper mill project? We are very close to an election. Will the people of Matane finally get their share of the Conservative pie?

Hon. Robert de Cotret (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, under the Liberal Government, Matane was promised any number of things for twenty years. There were promises galore, and nothing was ever done for Matane.

Some Hon. Members: Hear, hear.

Mr. de Cotret: In recent months we received a number of projects from developers who are interested in Matane. In one case, a formal offer was made. The project was changed, and now a new project is about to be finalized with the developers and the Province of Quebec. I can assure the Hon. Member for Papineau that everything is unfolding as it should, to the satisfaction of the developers I met last week.

REQUEST FOR MINISTERIAL COMMITMENT

Hon. André Ouellet (Papineau): Mr. Speaker, my question is very straightforward and is directed to the Minister responsible for this dossier. When will he make a clear commitment on behalf of the federal Government? The Prime Minister promised Matane a paper mill. Four years later, nothing has happened. The unemployment rate in this region is 20 per cent. If the Conservatives had been serious about what they said, the paper mill would already be a fact. They had four years to do it, and if they had, the unemployment rate would not be 20 per cent. When is he finally going to act responsibly and give the people of Matane what they have been waiting for all this time?

Hon. Robert de Cotret (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, the people of Matane have been waiting for 20 years. I can inform the House that there has been a major improvement in the Gaspé—Lower St. Lawrence since 1984, as far as unemployment is concerned. We have created 27,000 new jobs, which brought the unemployment rate down by 2 per cent. We are going to pursue our projects for Matane. We are going ahead. As I said earlier to the Hon. Member for Papineau, the project was changed several times. We now have the final version. We are working out the final details, and the people of Matane will be delighted to see that for the very first time a Government has kept its promises instead of making promises without end for 20 years without ever acting on them.

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[*English*]

ENVIRONMENTAL AFFAIRS

PROJECTED DEPARTMENTAL STAFFING

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would like to pursue the question of mathematics with the Minister of the Environment. He has been very careful in making his statements with respect to this news story. One thing the Minister has not yet denied is whether there will be cuts in the Ministry of the Environment. I want to ask the Minister specifically, will there in fact over the next two years be reductions in the person power which is there to administer the crucial new environmental concerns which people across the country are starting to feel? Will there be cuts, or will there not be?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I welcome the question. In effect, the Hon. Member asks: "Over the next two years, when I am Minister of the Environment, will there be cuts in my Department?" It implies that he expects the Conservatives to be in power over the next two years.

Of course I am not creating cuts. I am in the business of getting through Cabinet measures to protect the environment and to establish national parks. Almost in every case there are person-years associated with those initiatives.

I have told the Leader of the Hon. Member that, if one relied totally on the Main Estimates that are projected into the future, one will miss a very large part of the equation. On top of Estimates are Supplementary Estimates, and sometimes there are two or three sets. When all those Estimates are in, one will find that the budget for Environment Canada, supplemented by other Departments, has not only kept up with inflation but has exceeded it.

MINISTER'S POSITION ON STAFFING PROJECTIONS

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, once again the Minister has risen and done his little dance in the House and tried to avoid the question. I want to put the question directly to him once more. He has not been prepared to say to the House that the projections which presently exist do in fact protect people in his Department.

Therefore, do I take it that he is in fact admitting that there will be cuts taking place by the projections which the Government in fact has put into place? Are there cuts projected, or are there not? Answer the question.

• (1440)

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the answer to the three questions, which are essentially the same, is no. However, even if one could equate numbers with efficiency and productivity, which I think is a false assumption, let me draw to the Hon. Member's attention and that of the House the fact that my Department, under this Government, has received the highest award from the Society of Canadian Office Automation and Professionals for productivity. That reflects the fact that, through administrative efficiencies and economies, we have been able to do an awful lot more than any previous Government in the environmental field.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF UNITED KINGDOM COMMITTEE ON TELEVISING PARLIAMENTARY PROCEEDINGS

Mr. Speaker: I wish to draw to the attention of Members the presence in the gallery of the Select Committee on Televising of Proceedings—

Some Hon. Members: Oh, oh!

Mr. Speaker: —of the House of Commons of the United Kingdom, led by Mr. David Hunt, Member of Parliament.

Some Hon. Members: Hear, hear!

Some Hon. Members: Don't do it!

Mr. Gauthier: There has never been a Government re-elected since it was introduced.

Mr. Speaker: We welcome the visiting committee.

Some Hon. Members: Oh, oh!

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HOUSING

METROPOLITAN TORONTO—DOWNSVIEW HOUSING PROJECT

Mr. Sergio Marchi (York West): Mr. Speaker, my question is directed to the Minister of State for Housing. In his mad dash to make a pre-election housing announcement he failed to account for, or commit the federal Government to providing, an adequate sewer system to serve the new housing project on the Downsview airport lands. That prompted the Mayor of North York, where the lands are located, to conclude that "this housing project is fantasyland, an obvious election ploy that will never get off the ground".

CMHC officials knew very well that the site lacked any sewer capacity whatsoever. They also knew that storing the sewage waste in holding tanks was simply not a viable alternative. Given that, is the Minister prepared to commit the necessary funds to provide an adequate sewer infrastructure for this project so that it can proceed? Or, was the announcement on Friday simply a made-for-television fairy-tale production?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing): Mr. Speaker—

Some Hon. Members: Hear, hear!

Mr. McDermid: —I find it passing strange that the Hon. Member, who has been calling for the transfer of these lands to CMHC for housing development, is now standing up and criticizing it. To me that does not make sense.

On Thursday evening I spoke with Mayor Lastman about the development, informing him of the announcement. There will be meetings this week between him, his council and my officials to discuss the development. The lands are to provide affordable housing to people in Toronto who require it. I think it is a very worth-while project and the Hon. Member should be applauding it.

Mr. Marchi: Mr. Speaker, I spoke with the mayor as well and he informs me there is no commitment by the federal Government thus far to provide the necessary funding for the sewers which will make the project viable. Therefore, it is simply irresponsible for the Minister and the Government to pass on a cost which could be as high as $500 million to a municipality whose property taxes are at a sky-high level anyway.

FUNDING OF SEWER INFRASTRUCTURE—AFFORDABLE HOUSING UNITS

Mr. Sergio Marchi (York West): Mr. Speaker, no one is arguing about the viability of the project. However, is the Minister prepared today to commit the federal Government to providing the necessary funding for the sewer infrastructure?

As well, how can he call this an affordable housing scheme when 75 per cent of the homes will be built by private developers at the high Toronto market prices? Will he at least match provincial housing standards where 35 per cent of public housing projects and 25 per cent of private projects are set aside for affordable housing?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I think there were two questions there and I will handle the second one first. We said a minimum of 25 per cent will be affordable housing. I noticed the other day that the Hon. Members's friend, the Premier of the Province of Ontario,

came out in support of this land transfer and congratulated the federal Government in that regard. The same is true of the Ontario Minister of Housing.

As to the cost of sewage disposal and so on in this development, the only figure I have seen is the one that the Hon. Member has bandied about and the one that the mayor is reported to have given. We will be sitting down and discussing the development with Mayor Lastman this week. We will have a better idea of what his concerns are, and announcements will be made at the proper time.

DISPOSAL OF FEDERAL LANDS

Mr. Neil Young (Beaches): Mr. Speaker, I would like to direct my question to the same Minister. First, I want to offer my congratulations to him on his new appointment and to say also that I welcome his announcement about the release of those lands at the Downsview airport.

Some Hon. Members: Hear, hear!

Mr. Young: The announcement raised a number of questions. Number one, how are those lands going to be disposed of? Will they be put on the auction block to the highest bidder? How will the 25 per cent for affordable housing that the Minister spoke about be disposed of? Will it suit the demand in Toronto for affordable housing for a whole bunch of people who are denied access to that market now?

The problem in Toronto, as the Minister knows, is not one of increased housing starts. The question is affordability and whether or not this scheme will help.

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I thank the Hon. Member for his kind words. I appreciate them.

I mentioned on Friday when I made the announcement that the marketing of the housing development will be through public proposal calls to developers and non-profit groups who will be financing, designing, and constructing the housing. It is our feeling that a minimum, and I want to stress that, a minimum of 25 per cent would be geared toward affordable housing. I think the Hon. Member knows full well, and will agree, that you do not want to set the whole proposal as affordable housing because that it just not realistic. However, I think it goes a long way toward assisting those who need affordable housing in the Metropolitan Toronto area. I can tell the Hon. Member it is never enough, and he knows that. I would love it to be more.

AFFORDABLE HOUSING QUERY

Mr. Neil Young (Beaches): Mr. Speaker, both I and my Party agree that there is a place for a mix of affordable housing on that site. However, on Friday, in response to a question I asked of the Minister of Supply and Services, I was told: "We are moving in the direction of providing additional social housing for senior citizens, the disabled, and affordable housing for young couples starting out".

As the Minister knows, the average cost of a house in Metropolitan Toronto today is around $230,000. Does he consider those people primarily on fixed income can get into that market? If they cannot, what does the Minister define as affordable housing?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I am not going to be pinned down on defining affordable housing. The press tried that on Friday and it did not work. However, I can say to the Hon. Member that our priorities in the 25 per cent are for the handicapped and low-income people through the various programs available in conjunction with the Province of Ontario with which we are working to provide social housing.

I might point out that this Government's record on social housing has been very significant over the last four years. This is not something new. It has been going on for a considerable amount of time. As a matter of fact, 18 per cent of our social housing budget is spent in the Metropolitan Toronto area, a very significant amount, because that is a special area that needs help.

* * *

• (1450)

UNITED NATIONS

CANADIAN PARTICIPATION IN IRAN-IRAQ PEACEKEEPING FORCE

Mr. Alan Redway (York East): Mr. Speaker, my question is for the Minister of National Defence.

A few weeks ago there was an announcement that pleased Canadians very much to the effect that Canada would be participating in the UN peace-keeping force in Iran and Iraq. Recently rumours were swirling about that either some or all of our forces will be withdrawn from that peace-keeping force. Would the Minister please advise the House and Canadians what this is all about?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I am pleased to do that. As my hon. friend and as the House will know, all of the Canadian troops are now in place and our communications network has been set up. Our troops there are doing an outstanding job on behalf of Canada and on behalf of the United Nations.

At the time we announced that Canadian troops would be sent to Iran and Iraq, we indicated that our commitment to the United Nations was that the UN would replace our signallers as soon as possible with civilians working for the UN. I am pleased to confirm that good progress is being made. We expect to find the first of the civilian replacements going out

within the coming weeks. We hope to start bringing our signallers back as soon as possible and we hope that perhaps the bulk of them will be home before Christmas.

Our observers will remain there for the duration of the six-month commitment that we have at the present time, but we are looking forward to bringing the first of our signallers home just as soon as possible.

* * *

REGIONAL DEVELOPMENT

PROGRAM REQUESTED FOR ONTARIO AREAS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Minister of Regional Industrial Expansion and it concerns the lack of regional development programs in Ontario at the present time.

In 1984 the Government eliminated the Canadian Industrial Renewal Board, CIRB, on November 8. This program encouraged the establishment of certain industries in designated areas. In June, 1988, the IRDP Program was allowed to lapse and was not renewed. In December, 1984, the Canada-Ontario Development Agreement ended.

Given that the Government has stated it had a commitment toward regional development programs, when are we going to get a regional development program for areas of Ontario such as the riding I represent, Hawkesbury which still has a 14 per cent unemployment rate, for Renfrew, for parts of the Bruce Peninsula and other areas of Ontario which are not doing nearly as well as the rest of the province?

Hon. Robert de Cotret (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, as my hon. colleague well knows, we have been working very diligently in changing the whole dimension of our regional development programs throughout the country. We have announced WDO, and ACOA. In Ontario we have announced FEDNOR. We have announced a new

[*Translation*]

... federal-provincial agreement between Canada and Quebec.

[*English*]

We have announced special programs for eastern Montreal. I have also announced a special program in Ontario that is being negotiated with the provincial Government to help those regions that are not covered by these new programs, to allow them to be covered by a special program, once again to be administered by people within the regions rather than being administered by people in the centre who often are not are fully aware of the local conditions. That program will be forthcoming in the same way as all the other programs that have been put in place.

[*Translation*]

REQUEST THAT MINISTER GIVE COMMITMENT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I would like to direct a supplementary to the same Minister, and I may add that we are anxious to see these negotiations finalized, because the region I represent needs regional development.

I specifically wanted to ask the Minister whether he is aware of the case of Caron Fine Wood Products in Alexandria, an industry that was going to locate in our region and was turned down by his Department because of the free trade agreement, since recently, the Government's policy has been to stop giving grants to businesses in the lumber sector. Is the Minister prepared to review what his officials said and thus create at least fifty jobs in the riding of Glengarry—Prescott—Russell, or is he going to sacrifice Glengarry—Prescott—Russell to free trade?

Hon. Robert de Cotret (Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, I can give the Hon. Member the assurance that not a single industrial development project in this country has been turned down because of the free trade agreement. Certainly not. In fact, many projects have been submitted as a result of the new potential provided by free trade.

Mr. Speaker, to give a more tangible indication of our commitments to regional industrial development, I can inform the House that between 1984-85 and 1988-89, contributions and subsidies to enterprises increased by 104 per cent in my Department's budget and the budgets for the Western Economic Diversification Office and the Atlantic Canada Opportunities Agency. This is one of the Budget votes, if not the vote, that has increased the most in this country. Regional development and industrial development is very important to us and will remain so.

* * *

[*English*]

TRANSPORT

TRANSPORT ROUTE CANADA—SITUATION OF TRUCK OWNERS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is for the Deputy Prime Minister in his role as Minister in charge of privatization.

He will know that as a result of the sale by CN of a trucking company almost two years ago to private operators who operated the company as Route Canada, it went bankrupt about 10 days ago. This means that 350 truck owner operators classified by the Labour Board as employees or dependent owner operators who worked for Route Canada, who are being forced into bankruptcy, are owed from $5,000 to $20,000 for

work done, and find that they cannot use their own trucks because they were registered under the Route Canada name. They and the union representing the other employees have urged the Government and have asked the Minister to see that the agreement involving the sale by CN to these private owners will be tabled. Will the Minister now agree to table that agreement?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, as the Hon. Member knows, this trucking firm was losing something in the order of $70 million a year. What was done at the time when the company was sold was to preserve the jobs and try to make a viable operation out of this particular company.

The Minister of Transport has indicated in the House on several occasions that he is looking into the matter. The Minister of Labour has also indicated that he is looking into the matter to ensure that all points pertinent to the Canada Labour Code are being honoured. The Minister of Employment and Immigration has indicated that whatever steps can be taken to ensure that help can be provided to the affected parties will be taken.

I can assure the Hon. Member the matter is under active consideration. I hope he will understand that in 1986 the firm lost $71 million, in 1985 it lost $42.6 million, and in 1984 it lost $31.9 million. In any event, what was going to happen that this operation would be closed down, and the Hon. Member should recognize that.

REQUEST THAT CNR REPOSSESS COMPANY'S ASSETS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, if the operation had been closed down by the CNR in the regular way, workers and the truck owners would have been protected. That is why they are now beginning to deal with lawyers and the Minister knows what legal costs can be for these people. Will the Minister see that the agreement is made public?

I point out to him that 3,000 employees have neither been paid their most recent wages, their holiday pay, nor their severance pay, which were all part of the agreement they had with CN which Route Canada took over. As well, pension benefits have been reduced.

Will the Minister ask the CNR to repossess the assets of the company and recommence the operation so people can be dealt with fairly?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I think the Hon. Member was in the House when the Minister of Transport indicated that a lot of rumours were circulating about this particular issue and that he was attempting to ascertain all the facts. I can assume he is engaged in that process right now.

Mr. Benjamin: You were the one that privatized.

Mr. Mazankowski: No, I am not the guy that privatized it. It was CNR.

Mr. Benjamin: You ordered them to.

Mr. Mazankowski: It was a business decision which CNR undertook.

If the Hon. Member is suggesting that he would support a losing proposition of $71 million a year which would have an effect upon the whole operations of CNR, that is a convoluted way to run a business.

I can assure the Hon. Member that the Minister of Transport is actively pursuing this matter and I am sure he will get back to the House in due course.

* * *

ENVIRONMENTAL AFFAIRS

MUNICIPAL SEWAGE TREATMENT PLANTS

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is for the Prime Minister. In light of his recent commitment to the environment two weeks ago and the repeated requests of the Canadian Federation of Municipalities for the federal Government's share of sewage treatment and sewer separation costs, will the Government undertake today to assist municipalities with this program and help them to modernize and upgrade their projects at this time?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, this is a puzzling question coming from such a source because the hon. gentleman was a Liberal Member of Parliament when the Liberal Government of the day in the late 1970s, 1980 and 1981 cancelled the broadly based federal government program which supported the provinces and, through the provinces, the municipalities for this very purpose. In the absence of the program when we took office in September, 1984, we resorted to, I think, very creative devices to assist cities where the national interest was advanced. For example, in the case of Montreal, there was the clean-up of industrial wastes in the St. Lawrence River. In the case of Halifax, there was the clean-up of the Halifax Harbour. That is the sort of creative, innovative mechanism of federal-provincial co-operation that has served Canada and especially the country's environment.

• (1500)

REQUEST FOR FEDERAL FUNDING

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the question that begs to be asked is why be so selective? What about the national capital region? What about the Regional Municipality of Ottawa—Carleton which has repeatedly asked for assistance in modernizing and upgrading the installations in this community? Today the regional municipality wants to

make the quality of life in Ottawa better by dealing with how we dispose of waste water.

I say to the Minister, never mind what happened then. I was there in 1976. Yes, we needed a program then, but what about a program today, 1988, to help the municipalities deal with that very expensive program? How about your power to spend? Use it.

Some Hon. Members: Oh, oh!

An Hon. Member: That's the Liberal approach, spend, spend, spend.

Mr. Gauthier: Everybody else is getting it.

Mr. Speaker: The Hon. Minister.

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I can understand why the Hon. Member would want the country to ignore what the Liberal Party has done and said in the past in favour of what it is saying now. In any event, I mentioned the St. Lawrence River clean-up and the Halifax Harbour clean-up only as examples of the kind of major environmental undertakings the Government has launched. I could have mentioned, for example, the clean-up of the Hamilton Harbour through a federal-provincial mechanism that involved federal money being matched by provincial money for a very important anti-pollution control purpose. The national interest was served in that case and provincial jurisdiction was respected. Through federal-provincial harmony, "we did good", and I think we will do better.

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[*Translation*]

GOVERNMENT CONTRACTS

POINTE-À-CASCY DEVELOPMENT—GOVERNMENT POSITION

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, my question is directed to the Prime Minister and relates to patronage in the Pointe-à-Cascy development in the Vieux Port of Québec, a project on federal land which gave rise to strong opposition from the residents of Quebec.

Can the Prime Minister explain why the Government has asked the firm of Eastern Quebec Conservative organizer Marc Lefrançois to develop this site, in spite of the evidence of his latest project, the Terrasses du Vieux-Port, where he will allow the disintegration of a site which has been designated as world heritage by UNESCO?

Is the Government prepared to take into account the historic and heritage quality of this site by drafting a development plan in close consultation with local residents, or does the Government think it is more important to make a gift to a Conservative organizer and friend of the former Minister of Regional Industrial Expansion?

[*English*]

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, in view of the fact that the Minister of Public Works is not in the House today but will be later in the week, I will take that question as notice today.

REQUEST FOR APPOINTMENT OF COMMISSION

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, we do not know whether or not there will be a chance to ask a question later this week.

Some Hon. Members: Oh, oh!

Mr. Cassidy: Is the Minister aware, and if not, can he pass on to the Minister of Public Works, that some 500 citizens of Quebec met last week to voice their objections? They have asked for a moratorium on the development of the Vieux Port of Québec until there is a real consultation. They wonder why in Toronto there is a commission under Mr. David Crombie, former Secretary of State, to look into the Port of Toronto while there is not one in Quebec. Why can Quebec not have the same kind of consideration in developing its Vieux Port that Torontonians have for their port?

Hon. Otto Jelinek (Minister of Supply and Services): Mr. Speaker, as I pointed out, the Minister of Public Works will be able to answer this question in more detail, but the fact is that the Government has been proceeding and is very concerned with this issue. I can announce that—

Mr. Cassidy: Concerned with patronage.

Mr. Jelinek: No. If the Hon. Member would be willing to listen, nothing will proceed until an agreement is reached between the City of Québec and the developer, and this agreement insists on following those views. In fact, I believe that on this issue and on any other issue related to this, the Government is proceeding along the right track.

Mr. Speaker: This will be the last question of Question Period, a single question from the Hon. Member for Willowdale.

* * *

CANADA SCHOLARSHIPS

QUALIFICATION CRITERIA

Mr. John Oostrom (Willowdale): Mr. Speaker, my question is directed to the Minister of State for Science and Technology. The Minister set up a good program to allow Canadian students to compete for full four-year scholarships in the fields of science and engineering. However, I have been informed by a constituent of mine that the schools did not inform qualified students of this and that universities were given a set number of scholarships. As a consequence, students with high marks may not qualify while students with lower marks may get in.

Will the Minister investigate this and rectify the unfair occurrences?

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, I thank the Hon. Member for his interest in this matter. This gives me an opportunity, and I know all hon. colleagues would want to join me, to congratulate the first 2,500 of the 10,000 Canada Scholars who have received their first scholarships this year.

I would be disappointed if the message had not been properly communicated. On March 28 all of the schools were informed and 4,000 packages were delivered. The Prime Minister subsequently wrote a letter to every school pointing out, first, the need for the program and second, our intentions for it. Other efforts were made to get the message across as well.

Indeed, I can say that I am particularly proud that 53 per cent of the new scholars in the natural sciences and engineering programs are women, and we had excellent co-operation from the Canadian Association of Universities and Colleges. Of course, next year it is intended that the program will be subject to a national exam, and that would, I hope, eliminate any of the problems that may have been associated with the initial start-up of the program.

GOVERNMENT ORDERS

[*English*]

BROADCASTING ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication, as reported (with amendments) from a legislative committee.

The Acting Speaker (Mrs. Champagne): The House will now proceed to the next group of motions. They are Motions Nos. 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, and 43, and they are grouped for debate.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 32

That Bill C-136 be amended in Clause 3 by striking out line 39 at page 5 and substituting the following therefor:

"aboriginal cultures and representative native languages should be".

Motion No. 33

That Bill C-136 be amended in Clause 3 by striking out lines 9 to 25 at page 6.

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 34

That Bill C-136 be amended in Clause 3 by striking out lines 27 to 34 at page 6 and substituting the following therefor:

"undertakings should contribute significantly to the creation of programming that is distinctively Canadian in content and character; and".

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 35

That Bill C-136 be amended in Clause 3 by striking out lines 27 to 34 at page 6 and substituting the following therefor:

"undertakings shall provide programming that is predominantly Canadian, using predominantly Canadian creative and other resources in the creation and presentation of programming, unless the nature of the service provided by the undertaking, such as specialized content or format or use of languages other than French or English, renders that use impracticable, in which case the undertaking shall make the greatest practicable use of those resources; and".

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 36

That Bill C-136 be amended in Clause 3 by adding immediately after line 35 at page 6 the following:

"(i) should deliver only duly licensed services,".

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 37

That Bill C-136 be amended in Clause 3 by striking out lines 36 to 38 at page 6 and substituting the following therefor:

"(i) should accord priority to the carriage of Canadian programming services, in French and English, both public and private, with priority given to the Canadian public element programming services,

(ii) may carry foreign originated programming services only where the programming they provide is substantially different from that already offered by a licensed Canadian broadcasting undertaking or where those foreign programming services were already carried by distribution undertakings,

(iii) should be regulated in a manner that reflects a reasonable recognition of exclusive rights acquired by Canadian broadcasting undertakings,".

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 38

That Bill C-136 be amended in Clause 3 by striking out line 38 at page 6 and substituting the following therefor:

"vices and in particular accord priority to the carriage of radio and television services of the Corporation and other public broadcasting

Motion No. 39

That Bill C-136 be amended in Clause 3 by adding immediately after line 38 at page 6 the following:

"(ii) should ensure that foreign services, with the exception of conventional off-air broadcasters, are complementary to Canadian services,".

Motion No. 40

That Bill C-136 be amended in Clause 3 by striking out lines 3 to 8 at page 7 and substituting the following therefor:

"(iv) may, where appropriate, originate a community channel as defined by the Commission, under terms and conditions set out by the Commission."

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 41

That Bill C-136 be amended in Clause 3 by striking out line 4 at page 7 and substituting the following therefor:

"programming that is complementary to existing licensed programming services, including local program-".

Motion No. 43

That Bill C-136 be amended in Clause 3 by adding immediately after line 8 at page 7 the following:

"(v) shall not be permitted to have an ownership interest in, or be in common ownership with, a pay television, specialty or any other network programming service as defined by the Commission."

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, it is going to be very difficult to debate all these issues in such a short time. However, we will give it a good try.

• (1510)

Motion No. 32 is a recognition of aboriginal languages. In the Standing Committee on Communications and Culture we recommended, in our sixth report, that a new Broadcasting Act should make provision for service within the Canadian broadcasting system in aboriginal languages considered to be representative, where numbers warrant, and to the extent that public funds would permit. The Government has not included this particular aspect in its subclause 3(m) of the broadcast policy. I would suggest that this is vital to the National Aboriginal Communication Society which brought this to our attention once again and expressed its dismay at the Government's failure to act.

I can recall sitting on the Indian affairs committee and working very hard on the amendments and the concerns of the aboriginal peoples of Canada. I really care about this aspect of the Bill. I know that my colleague presented a somewhat similar concern earlier in the day and I hope that, in a reasoned way, the Minister will see fit to give consideration to this motion.

Motion No. 33 is a very serious matter and I would like to suggest to the Minister, through you, Madam Speaker, that this motion does not oppose the service of alternative broadcasting in any sense. I am convinced, as are many people who came before our committee, that it is defined much too broadly within the Act and that we really do not need this to allow us to move ahead in any kind of a new broadcasting venture. We have moved into specialty services and pay-TV, and we have not provided place in the Act to undertake these kinds of activities. I do not think it is necessary and it causes confusion to the CBC mandate.

I suggest that this amendment removes all references to alternative programming in legislation. It is not needed, in my view. The way the alternative services programming mandate is defined is so nearly identical to that of the CBC and its role in the Canadian broadcasting system that I think this only serves to undermine the CBC and marginalize high culture and multicultural concerns which should be contained within mainstream productions as well as within the confines of the CBC.

ACTRA brought its serious concerns to our attention when it said in its brief that the alternative program system would risk becoming a ghetto of programming appealing to very few people. In addition, because of this alternative programming services mandate in the Act, the other components of the system would be forgiven a requirement to participate in the production of minority or special interest programming and that would become the responsibility of the alternative programming service.

The standing committee, in its fifteenth report, in recommendation 100, recommended that the alternative television programming service to be created would be on a not for profit basis. This is not the approach the Minister has taken on page 35 in *Canadian Voices Canadian Choices* where she talks about a consortium approach for this service.

I would like to suggest to you that if, through consultation with the CRTC and interested parties, we do end up with the kind of Channel 4 format which you see in England, we might well be open and willing to having this kind of a program, but having this in the Act does not prevent that kind of thing. I suggest that this is premature. In fact, it is almost unnecessary. In the response that the Minister gave us the Government says that it is prepared to contribute substantially in these initiatives through new funding. I would like to recommend strongly to the Minister that if there is extra funding it should go to the CBC which has suffered some serious set-backs in its funding over the long term since 1984.

Motion No. 35 is divided into two parts. My amendment addresses both subclauses 3(q)(i) and 3(q)(ii). I believe the broadcasting law in Canada recognizes that the goal was to make programs that were made in Canada but also reflective of Canada. With regard to Clause 3(q)(i), my motion would require that broadcasting undertakings, that is network and programming undertakings, well, would require that programming be predominantly Canadian, as well as that there be predominant use of Canadian creative and other resources.

I know the Minister answered earlier, in response to subclause 3(1)(e), I believe it was, that it was so. I would like to remind her that if she looks at the amendment which I have proposed to that clause she will see that it keeps all the exceptions in place. It keeps the exceptions that we have all been very sensitive to such as Tele-latino and Chinavision, to use the Minister's own examples.

If you read Motion No. 35 you will see that I have indicated that private networks and program undertakings "shall provide programming that is predominantly Canadian, using predominantly Canadian creative and other resources in the creation and presentation of programming, unless the nature of the service provided by the undertaking, such as specialized content or format or use of languages other than English or French, renders that use impracticable, in which case the undertaking shall make the greatest practicable use of those resources".

I think that that would answer the concerns to which the Minister alluded earlier this morning, and I sincerely hope that for the sake of consistency and for the sake of the goals of the

Broadcasting Act the Minister will take serious interest in this particular amendment.

In subclause 3 (q)(ii) we refer to the private networks and the programming undertakings being responsive to the evolving demands of the public. I would like to point out to the Minister that not only have I shown some serious concern in this regard, but the CRTC brings the following observations. It says that the phrase "responsive to the evolving demands of the public" seems at first sight harmless enough. However, the specific object could have the effect of rendering the other general objects of Section 3 nullities. Would this specific object override the objects of high standards of programming, balance in programming, and programming for aboriginal peoples, for the disabled, et cetera? This section could cause needless litigation and may contradict an underlying principle of the regulation of the broadcasting industry, that is, that programming be of high standard and of quality.

I concur with the CRTC's view that we should amend this section. I suggest that private networks and programming undertakings should have the same responsibilities as those that are defined in subclause 3(1)(e) and that the Minister should put this clause in the Act to distinguish the role of the distribution undertakings, that particularly of private networks and specialty services or programming services, so that they have the obligation of Canadian programming along with the exceptions which I have just noted.

My amendment, in essence, is to bring consistency to the Act and to the possibility of the role of these undertakings. I suggest that the major objective is predominantly Canadian programming.

The next amendment, Motion No. 37, is a major area of concern with which I have had some ongoing problems. I would like to recommend to the Minister that the carriage regulations for cable are at least as important as the requirements for Canadian content quotas for broadcasting networks in maintaining any reasonable balance between Canadian and foreign programming in the system. I think that we must define cable and cable's role more clearly.

• (1520)

That is the ultimate goal of my Motion No. 37.

The standing committee felt very strongly about this aspect and there certainly has been no change in my view with respect to this particular motion. Motion No. 37 deals with the priority of carriage, with the complementary role that foreign services should play, and the exclusivity of the rights of those Canadian broadcasters who purchase programs and how they should be allowed to use them in the interest of the Canadian system.

The purpose of the Minister's focus, as I understand it, has been to bring the broadcasting system into a perspective that would develop the conditions whereby cultural sovereignty could be achieved. That was the goal of Mr. Bennett. It has been the goal of everyone who has been addressing this particular issue. I believe that goal is missing in this Bill.

I suggest that this motion is fundamental to the well-being of the broadcasting system and will ensure whether or not we have a Canadian broadcasting system or a North American system.

Mr. Ian Waddell (Vancouver—Kingsway): Madam Speaker, we are dealing with a number of amendments. I wonder if the Minister accepts any of these amendments, but she is indicating that she is not.

This is a key part of the Bill in terms of the North Americanization of Canadian television. I did not expect the Minister to accept this amendment because in doing so she would have to go against the whole thrust of the Government's free trade initiative and the North Americanization that that embodies. I will say more about that in my speech at third reading.

This is a key part of the Bill because television is the most important cultural medium we have. Canadians, especially English Canadians, do not realize how our culture is potentially threatened by completely opening television airwaves to American programming.

Something can be done about this without hurting the choice of Canadians in watching television. That is the purpose of these amendments. These amendments respond to important recommendations of the sixth report of the standing committee. Motion No. 36 reflects recommendation No. 17 of the sixth report of the standing committee. Motion No. 39 reflects quite precisely recommendation No. 58 of the sixth report of the standing committee, a recommendation that was reiterated by recommendation No. 69 of the fifteenth report of the standing committee, which is the Standing Committee on Communications and Culture that has a Conservative majority. In recommendation No. 58 that committee stated:

> The act should be drafted so as to define the essential role of distribution undertakings as that of distributing Canadian radio and television services in French and in English, both public and private, with first priority given to public-sector Canadian services, followed by private Canadian services. With the exception of the "three-plus-one" services already carried—

That is the American networks ABC, NBC, and CBS plus the American Public Broadcasting System. It continued:

> —the act should make provision for the carriage of foreign radio and television services only when the programming they provide is complementary to that available from licensed Canadian broadcasters and network operators.

"Complementary" means that they are showing different programs or adding something that we do not already have. If we have a Canadian news network, we do not bring in the American news network. If we have a Canadian arts and culture network, we do not bring in American ones.

We have to be able to say no to bringing in the superstation from the United States. That is absolutely fundamental because without this provision American channels like the ones we are getting now, such as Ted Turner's CNN news, will

come in. There are no similar Canadian programs. Once they are available, we must have the Canadian service.

The Conservative philosophy is simply to let them compete with Canadian programming. However, the Canadian market is too small and Canadians cannot compete. That is why the market theory falls apart. That is why, without these amendments, we could see the elimination of private broadcasters. That is why Global, CTV, and other broadcasters oppose this Bill. The Bill fails to implement those recommendations in the reports of the standing committee.

Motion No. 36 would ensure that all services operating in Canada, including U.S. satellite to cable services, are licensed. As the House knows, for example, the U.S. Arts and Entertainment Network is beamed into Canada by satellite and affiliates with cable companies that package and sell it to Canadian subscribers. It makes no contribution to Canadian programming and does not need to meet the requirements of the CRTC. In fact, it basically does not cost Arts and Entertainment anything to tap the Canadian market.

As the Association of Canadian Film and Television Producers said before our standing committee:

> It would be consistent with the government's stated policies for broadcasting in Canada to require all broadcast services available in Canada to be subject to CRTC regulation and approval. The CRTC has a demonstrated sensibility to the needs of broadcasters and the government's policy priorities. We should all be confident in the Commission's ability to develop a realistic licensing process for foreign satellite to cable services coming into Canada, given a solid legislative base.

This is what Motion No. 36 seeks to do.

More important than this is Motion No. 39. This motion would ensure that with the exception of "three-plus-one", as I explained earlier, and border stations, the carriage of foreign signals should only be provided by cable systems if the programming they provide is complementary to that available from licensed Canadian broadcasters and network operators.

I admit that this motion is, in part, a response to the continuing penetration into the Canadian cable market by U.S. services. In particular I am referring to the recent decision to license U.S. superstations that provide the unique service of *Beverly Hillbillies* reruns 12 hours a day in addition to Atlanta Braves, Mets, and other baseball games.

As the producers' groups rightly said when they came before the legislative committee, "this will have a highly negative effect on Canadian producers to maintain a distinct Canadian market".

To quote Sam Jephcott again:

> Canadian producers have relied on the "cordon sanitaire" that kept such channels out of Canada in the past, an advantage that allowed them to license original Canadian programming to Canadian broadcasters as well as American ones, without the diminution in value that inevitably occurs when market exclusivity is compromised by trans-border signal penetration.

That means that the American channels will come in and take over from our channels.

Just as important as the question of distinct Canadian production market is that of the viability of Canadian local stations, such as City TV in Toronto and specialty stations, in the face of competition from directly competing U.S. services.

• (1530)

As I noted earlier, this motion comes from a direct recommendation of the sixth report of the all-Party standing committee. Gerald Caplan and Florian Sauvageau warned against creating in effect a North American TV market, an idea which is embodied in this Bill. I quote: "If the rights to show American programs in Canada were retained and exploited by American broadcasters rather than being sold to Canadian broadcasters, it would be destructive to Canada's broadcasting system, particularly of private broadcasting. More importantly, it would create an even greater imbalance between foreign and Canadian programs, and reduce Canada's ability to produce such programs".

The Minister in her reply in debate said:

> The prohibition of foreign radio and television services other than those whose programming is complementary to that available from Canadian broadcasters has not been included in the legislation, since it would unduly restrict Canadians' access to a range of international broadcasting services.

The impact of the Minister's policy is something different. I think the Minister is wrong. Her policy would limit Canadian choices and the chance to watch Canadian broadcasting services. As the Friends of Canadian Broadcasting rightly put it:

> If this country had adopted such an approach 60 years ago this country would never have developed a separate Canadian broadcasting system except in the public sector.

I am not proposing to stop Canadians from getting complementary services. We just want Canadians to have the chance to provide them. The standing committee's sixth report, chaired by the Hon. Member for Edmonton South (Mr. Edwards) I believe, said:

> We note that even in the large U.S. market, where service is provided entirely in English, there is only one available service in most programming categories. In Canada it is beyond question that a Canadian service could not co-exist with a non-Canadian service, especially if the Canadian service is expected to provide a meaningful contribution to Canadian programming.

I know that I have to wind up. I wonder if the House would bear with me for about one more minute. This is the most important element in the Bill.

There is a Conservative majority in this committee. What has made the Conservatives change their minds on this? We have to look at a group called The Cultural Industries Alliance, made up of more than a dozen major cultural organizations, which said the following:

> We have already seen evidence of the effect of the trade agreement on existing policies and policy development. This includes the rejection of key recommendation for broadcast policy made by the House of Commons standing committee—

I think that this is the answer. The answer is that the Minister has no room to manoeuvre. She cannot manoeuvre

because of the trade deal and because of the Americanization of the North American market. That is why the standing committee reports were rejected, and that is why we are bringing forward these amendments.

If Canadian private broadcasting has to survive, I would hope that the Minister would accept it. If she wants it to survive in the future, in the face of this American competition, she should accept these amendments, at least the concept of complementary services.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Madam Speaker, I want to say a few words on Bill C-136, and in fact at the same time congratulate the Hon. Member for Mount Royal (Mrs. Finestone), from my own Party, who has been carrying the debate in committee and in the House of Commons so effectively.

Some Hon. Members: Hear, hear!

Mr. Hopkins: She has indeed pointed out the great amount of evidence that exists that there is a tremendous liability to Canadian broadcasters in the future if this Bill is passed.

She has also brought out, very plainly, the fact that Canadian broadcasters will be very much under fire financially from the major television broadcasters in the United States under the trade deal. It is another example of how the trade deal can attack Canadian culture and will attack Canadian culture.

There must be a long-term look at this Bill. When you really take that long-term look, you realize the liability that exists therein for Canadian broadcasters. This is very clearly brought out in an article by Peter Mortimer of the Association of Canadian Film and Television Producers, who heads his article "Broadcast bill's flaws need fixing". He says that the legislation just would not do unless it is amended.

I am sure that the Minister is quite familiar with the comments contained therein.

Miss MacDonald: You are out of date. He has written again since.

Mr. Hopkins: She is talking now. I do not know whether or not she is agreeing with me.

Miss MacDonald: I was agreeing with Peter Mortimer's latest letter, the endorsement.

Mr. Hopkins: As the standing committee observed in its report, since Canadians receive television programming primarily by cable, the proportion of Canadian programming that cable offers is at least as important as the proportion of the programming offered by off-air broadcasters. Of course, we only need to take a look at the areas of Canadian life which Canadian television touches today to realize the percentage of the Canadian public that actually watch programs via cable television companies.

It concluded that the carriage regulations for cable are at least as important as the requirement for individual broadcasters in maintaining any reasonable balance between Canadians and foreign programming in the system. The task force and standing committee both concluded that broadcasting legislation should clearly define cable's role and give policy guidance to the CRTC regarding which channels cable television could carry. The standing committee recommended the following. The Bill should be drafted so as to define the central role of distribution undertakings—the cable systems—as that of distributing Canadian radio and television services in French and English, both public and private, with first priority given to public sector Canadian services followed by private Canadian services.

With the exception of the "three-plus-one" services that are very common to us, ABC, CBS, the NBC, and PBS already carried the bill and should make provision for the carriage of foreign radio and television services only when the programming they provide is complementary to that available from licensed Canadian broadcasters. For Canadian broadcasters to succeed they must be able to schedule the best foreign TV programs as well as Canadian programs. To the extent that directly competing American TV services become North American services, Canadian broadcasters' ability to buy attractive U.S. shows is eroded. If this happens, the value of rights that they manage to buy will be eroded by the lack of exclusivity. The Canadian Cable Television Association stated that it agreed in principle with this recommendation.

We are dealing here with professional people who have been in the cablevision business and television business for years. I think that their views should be taken absolutely seriously. They obviously have a few members of the committee. They have not been by most of the committee, and they have not as yet been taken seriously by the Government.

The Canadian Cable Television Association went on to suggest, however, that at the very least a cable subscriber should expect to receive every signal available off-air. The CRTC also stated that it agrees generally with this recommendation. It raised the same concern about border signals available off-air from the United States, although it noted that "the commission would agree that the spread of these non-Canadian services by means of microwave or satellite services should be discouraged".

The Government responded to this recommendation in Bill C-136 by avoiding the issue. Instead of offering guidance on how the CRTC should treat the carriage of foreign services, the Bill simply states that distribution undertakings should accord priority to the carriage of Canadian programming services. That is contained in subclause 3(1)(q) (i). In other words, as long as licensed Canadian services are carried, all American stations and networks can also be carried.

• (1540)

By explicitly favouring the carriage of conventional pay and specialty American television services that compete directly with licensed Canadian services, the Government has hidden its head in the sand on the implications this policy has for the existence of a separate Canadian broadcasting market. To the extent that conventional U.S. stations and networks come in to Canada they erode the value of Canadian rights. One can readily see that because of the massive, unbalanced distribution of signals and television companies on each side of the border and the wealth contained therein.

In the case of the United States pay and specialty services, such rights will not be available to Canadian broadcasters at all. Having introduced legislation to ensure a separate distribution market in Canada for film and video products, the Government is clearly unwilling to see the erosion of the separate markets that have traditionally existed for broadcasting programs.

Having addressed that in general terms, I would now like to move an amendments:

> That Motion No. 37 be amended by adding at the end of subparagraph (ii) and subparagraph (iii) the words:
>
> "under terms and conditions set out by the Commission",

These words would simply be added on to Motion No. 37 after subparagraphs (ii) and (iii). The motion is seconded by the Hon. Member for Hull—Aylmer (Mr. Isabelle).

The Acting Speaker (Mrs. Champagne): The Chair would like to reserve on the amendment for the time being. I am sure the Hon. Member will understand that the Chair needs a little time to ensure that the amendment to the amendment is in order. Resuming debate with the Hon. Member for Winnipeg North.

Mr. David Orlikow (Winnipeg North): Madam Speaker, I want to support the amendment contained in Motion No. 40. I do so because, putting it politely, I am puzzled at why the Government's Bill gives the cable companies almost everything they want. Cable companies seem to have tremendous political influence with the Conservative Government. As far as expanding the rights of cable companies is concerned, what is contained in the Bill is in direct contradiction to the recommendations of the Caplan-Sauvageau report, and also the report of the all-Party standing committee.

I wish to put on the record a partial list of the organizations which, like us, oppose the Government's move. For example, ACTRA—

Miss MacDonald: That's wrong. It has reversed that position.

Mr. Orlikow: Madam Speaker, the Minister has every right to put on the record anything that I say that she claims is wrong.

ACTRA, the Canadian Film and Television Association, the Association of Canadian Film and Television Producers, Des Producteur de films et de vidéos du Québec, the Friends of Canadian Broadcasting, the Canadian Association of Broadcasters, the private networks First Choice, the CUPE Broadcast group, NABET, and the Public Interest Advocacy Centre.

I wish to put on the record part of a statement made by Michelle D'Auray of the Canadian Conference of the Arts who said, in part:

> We do not believe a cable operator licensed as a carrier should be a programmer, doing content, because the concentration of ownership we already see elements of, would allow for too much control over the system for one company, one corporation.
>
> We also believe the system has been built on the distinction of carrier and content and should be maintained at that level.

Let me take a moment to advise the Minister how unhappy and angry are many of my constituents, and almost all the people living in that part of Winnipeg west of the Red River, about the recent decision of the CRTC to permit the cable company which services more than half of Winnipeg the right to add three new stations to the stations carried—

Miss MacDonald: I agree. Tell the CRTC.

Mr. Orlikow: Well, it is the CRTC. However, sometimes the CRTC can be wrong.

Miss MacDonald: Absolutely.

Mr. Orlikow: It allowed Videon Cable to offer three more choices on its channel. The customers who buy the services provided by Videon Cable were not asked if they wanted an increase in the number of channels to which they could tune in. They certainly were not asked if they wanted the three that were added. In fact, not a single person who has called me agrees with those three channels, and the monthly bill was increased by 91 cents. It is time to have a careful look at the whole situation of the cable companies.

Almost every person and every group involved in television has opposed the expansion of rights that the Government is giving to the cable companies in the Bill.

Miss MacDonald: That is the CRTC.

Mr. Orlikow: Our position is the position brought forward in the Caplan-Sauvageau report and in the task force report. I wish to quote a couple of sentences from the report of the House of Commons standing committee on this question. In indicating why it did not like this idea, it stated: "There would be incentives to market the vertically integrated service in competition or to the detriment of independently owned pay or specialty services, and will lead to a further fracturing of the market for existing companies".

Therefore our position is supported by the Caplan-Sauvageau Commission, the task report, and in the briefs presented to the legislative committee which argued that content should be kept separate from carriage. We see the cable industry as

being like Bell Canada in the transmission business. They should be subject, like Bell, to rate of return regulation. It has been suggested that one of the main reasons the cable industry wants to become involved in programming is to blur further its status as a carrier. If any Government were to come to them and attempt to make the cable industry subject to such regulation, we will have the CCTA come before us and say: "We are different from Bell and we are basically a programming undertaking", and so on.

We oppose the further expansion of the cable companies and the services they supply, and the ability it will give them to increase the rate of profits which, in our opinion, are already much too great for the cable companies.

• (1550)

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I would like to speak to the subamendment and say, first of all, that I would have no trouble voting in favour of this provision because I believe it would provide a firm direction for the main amendment, Motion No. 37 now before the House.

I may recall Motion No. 37 to amend Bill C-136 in Clause 3, which adds the following:

> "(i) should accord priority to the carriage of Canadian programming services, in French and English, both public and private, with priority given to the Canadian public element programming services,
>
> (ii) may carry foreign originated programming services only where the programming they provide is substantially different from that already offered by a licensed Canadian broadcasting undertaking or where those foreign programming services were already carried by distribution undertakings,
>
> (iii) should be regulated in a manner that reflects a reasonable recognition of exclusive rights acquired by Canadian broadcasting undertakings,".

[*English*]

In speaking to these three points under the subamendment, I would like to make it clear that in ten minutes one cannot do justice to all the thoughts and points one would like to raise. I would like to talk about the parliamentary network and the recent shuffling of the parliamentary channel on cable. In my riding, for example, and I know the Speaker has received lots of letters and will be receiving more on this subject, there is quite a bit of unease about the fact that some cable companies have "elevated" the parliamentary channel so that many people who were receiving it cannot receive it any more unless they have a special hook-up. That hook-up is costly, I think $100.

In an article written on the weekend by John Warren, there is reference to a 1986 survey by Environics Research which shows that 3 per cent of all Canadians tune in, almost daily, to the parliamentary channel. Another 10 per cent watch it at least once a week. The numbers are 750,000 people daily with an additional 2.5 million each week. If their situation is like that of people in my riding where Skyline has moved it from Channel 16 to Channel 50, they are just out of luck. They cannot hear me anymore because someone made a decision to put other stations ahead of the parliamentary channel. I find that a bit difficult to accept, and I would like to tell the CRTC that indeed I expect that if this amendment is approved they will accord priority to a channel of such importance as the parliamentary channel.

We had the pleasure today of welcoming the British select committee on televising proceedings of the House of Commons of the United Kingdom. Maybe they would like to hear from some of us about what we feel about this broadcasting. Maybe they would like to hear from Canadians about how they feel about receiving the signal. I know I was quite impressed with the decision when it was taken some 11 years ago in this House. I was not too sure it was going to be very well received, but I am amazed to see how many people in my riding of Ottawa—Vanier come up to me every week and say: "I saw you on TV this week". I say: "What was I saying?" "I don't know but I saw you on TV".

Miss MacDonald: Is that good or bad?

Mr. Gauthier: The fact that they see you there is very important to people. I hope they understand I am trying to fight to get this channel back into the basic service so that people at home can receive the parliamentary channel.

The second point I want to make concerning according priority to the carriage of Canadian programming services in French and English, both public and private, is the famous question I raised this morning about TV-5.

[*Translation*]

I would like to get back to that, Madam Speaker, because TV-5 is important to French-speaking Canadians. I would like to give an overview of the present situation since I said this morning that people living outside Quebec have to pay more to receive the TV-5 signal, and that is quite true. It costs almost $6 more to receive the TV5 signal if you live outside Quebec.

The *Association des câblodistributeurs du Québec* has signed an agreement with the Quebec-Canada television consortium under which cable distributors may transmit the signal to all subscribers to their basic service at a cost of, get this, $1.63 per month, which includes TV-5, Canal Famille, Météo Média, Musique Plus and YTV. YTV is an English station which I watched at home not long ago, and I thought their programs were quite interesting.

Unfortunately, in provinces outside Quebec, for instance here in Ontario, negotiations did not lead to this kind of agreement. Here in Ottawa, as I said this morning, subscribers to Skyline Cablevision can receive TV-5 and Canal Famille—two channels, which is half the number Quebec viewers can receive—and they have to pay $2 per month more, while it takes another $4 to rent the decoder to be able to receive the signal. So it costs them $6 to get half the services that are available to Quebecers for $1.63.

Madam Speaker, I find that hard to swallow. We are not any richer over here. We are not asking for more. We just want the same kind of deal they are getting in Quebec. Under the agreement between the *Association des câblodistributeurs du Québec* and the Quebec-Canada television consortium, cable distributors, get this, can buy the signal at a cost of 29 cents per subscriber for the first year. To these costs should, of course, be added the cost of equipment depreciation and administrative costs, all of which are included in the $1.63 charge to Quebec subscribers. As for cable distributors outside Quebec, everything depends on the agreements which, I hope, will be signed some day by TV-5 with each distibutor. As I see it, considering the national investment in setting up the TV-5 network, and the fact that as Canadians we have invested millions to make this programming available to Canadians as part of a cultural mission and a desire to achieve a linguistic balance, I think equity should be restored as soon as possible in this respect.

I would therefore ask the Government and the CRTC—because I think the Minister is well aware of the problem, and she let me know she would try to push the CRTC to make this a priority—to put before the Canadian public a list of criteria that cable distributors should meet. That is in fact the purpose, as I see it, of item 1, the purpose we are trying to explain to Canadians, which is to accord priority to the carriage of Canadian programming services, in French and English, both public and private, with priority given to the Canadian public element programming services. That is all we are trying to do, Madam Speaker, and I hope the amendment and subamendment will be accepted.

• (1600)

[*English*]

In item 2, and I want to read it, "may carry foreign ordinary programming services only when the program they provide is substantially different". We are trying to grandfather the existing 22 foreign services, if I may use those words. I guess I would have to say that American programming is actually in the basic service right now. In support of this amendment I quote the Association of Canadian Film and Television Producers that stated the following in a publication:

> With the exception of the "three-plus-one" services (ABC, CBS, NBC and PBS) already carried, the Act should make provision for the carriage of foreign radio and television services only when the programming they provide is complementary to that available from licensed Canadian broadcasters.

I see that I should wrap up my comments, Madam Speaker. I want to tell the House that what we are trying to do here is to strengthen the legislation, to make it a little more responsive, to get the CRTC to move, and to get the priorities set.

Mr. Ian Waddell (Vancouver—Kingsway): Madam Speaker, I believe I can speak again on the subamendment, the amendment to the amendment. The Hon. Member for Ottawa—Vanier (Mr. Gauthier) raised some very interesting points about which we sometimes lose track when we are debating technicalities.

Cable companies, however, have incredible power. Recently there has been a switch of channels and people are very upset. Not only are people facing increased prices for cable—

Miss MacDonald: It is the CRTC.

Mr. Waddell: I know the CRTC makes the rulings, but on the application of the cable companies.

If you give the cable companies, as this Bill is doing, the power to broadcast, to originate programming, if you like, other than local programming, regular programming—and they are the ones that carry the transmission—you have a potential conflict of interest, Madam Speaker. As someone pointed out, the potential for conflict is great as demonstrated when used to promote Canadian pay services taken over by cable's own Home Shopping Club Network.

In its sixth report the standing committee, chaired by a Conservative Member, gave the following examples of the danger of what it called vertical integration. Let me quote from it:

> —the allocation of revenue between the distribution undertaking and the network operator directly affects the capacity of the network operator to meet its Canadian content and other programming obligations.
>
> If distribution undertakings are permitted to own and operate such programming services, they would in effect be negotiating affiliation agreements with themselves, and would have an incentive to maximize the allocation of revenue to the distribution function. Moreover, there would be incentives to market the vertically integrated service in competition with or to the detriment of independently owned pay or specialty services.

The Hon. Member from Winnipeg suggested that a number of groups opposed this but the Minister said: "No, they do not any more". These groups have consistently opposed allowing cable to originate broadcasting. I do not know where cable got all this influence with the Government, but the cable companies are the big winners in this Bill, and there is a potential for conflict.

Here is what Gary Neil of ACTRA, the union, summarized when he appeared before the committee:

> There are two aspects to the production of programming by cable. At the moment they are involved to some extent through the community channel and we do not think it is inappropriate and would not be particularly concerned if this bill were recognizing that in law.

In other words, you recognize that they can program with the community channel. He continued:

> However when you get to a more general question of them originating programming, the difficulty with vertical integration is that the individuals making decisions about what will be available to Canadians would also have produced some of the material available for distribution.

Not all of the material, but some of it. He went on to say:

> Clearly there will be prejudice on their part to decide in favour of the materials they have produced. It is a conflict of interest.

Michelle D'Auray of the Canadian Conference of the Arts said:

> We do not believe a cable operator licensed as a carrier should be a programmer, doing content, because the concentration of ownership we already see elements of, would allow for too much control over the system for one company, one corporation. We also believe the system has been built on the distinction of carrier and content and should be maintained at that level.

[*Translation*]

The *Association des producteurs de films et de vidéos du Québec* said this: We see to our dismay that the legislator ignored the recommendation in the Sauvageau-Caplan Report and preferred to authorize distributors to be involved in programming for local or other needs.

[*English*]

Our position is that content should be kept separate from carriage. We see the cable industry as being like Bell Canada in the transmission business. It should be subject, like Bell, to a regulated rate of return. The cable industry is making a tremendous rate of return, some say over 50 per cent. We feel that one of the reasons the cable industry wants to get involved in programming is that it would blur its status as a carrier. If any future Government were to come to it and attempt to make the cable industry subject to such regulation, like Bell as a carrier, it would come before the Minister and say: "We are different from Bell because we program as well as carry." We think that is the inarticulated major premise why the cable industry wanted in this Bill as a programmer and is what it won from the Government. I do not know what the price the Conservatives will pay for it but they have certainly given a huge favour to the cable industry, the one group that always supported the Bill.

These amendments attempt to stop the Government from mixing content and carriage. Let me quote Mr. Andrew Roman of the Public Interest Advocacy Centre when he discussed that danger:

> —it will not be long before you are going to start to see the cable industry wanting to program channels and wanting to accept advertising, and seeking exemptions from certain classes of regulations from the CRTC or the Cabinet and going head to head with broadcasters.
>
> If they can do that, because of the inherent advantage they have with the technology because they control the delivery system for 60 per cent or 65 per cent of Canadian households, they can put every broadcaster today out of business if they want to, just by grabbing up their advertising revenues and by using the same program producers on a contract basis as virtually everybody else does.

Look out, here comes Ted Rogers and the rest of the cable people to take over the private broadcasting in the long run in Canada or at the minimum to avoid their huge profits from being regulated. That is what is behind this.

I invite the Hon. Member for Edmonton South (Mr. Edwards) to speak. As I understand his sixth committee report, it said that there should be a distinction between carriage and content. Is he still holding that position?

Mr. Edwards: Madam Speaker, I think that some of what we have been hearing in the debate today relates to ideology and not to principle. I challenge the Hon. Member to tell the House whether or not it is the official policy of the New Democratic Party that the Canadian cable television industry should be nationalized.

Mr. Waddell: Madam Speaker, I do not regard that as our policy. That is such a red herring.

The Acting Speaker (Mrs. Champagne): I thought the Hon. Member for Edmonton South was rising on debate and that is why he was recognized. There is no question or comment period at this time. Resuming debate with the Hon. Member for Mount Royal.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, the new Parliamentary Secretary is very able in slipping in a *bon mot*.

We are addressing a whole distribution system. Subclause 3(r) relates to distribution undertakings. We have to realize that we are facing a new structure, a new option or a new right, whichever way we put it, that the Government has accorded to the cable industry. I will not argue with the Government's right to make those decisions. It has decided that the distribution undertakings can be concerned with both content and carriage, but I would ask the Minister if she would please seriously consider this.

• (1610)

There already is serious fragmentation of the base and tremendous competitiveness in the broadcasting industry with the networks, the programming undertakings and the broadcast undertakings now having the right to be programmers. Perhaps the Minister would at least consider containing their rights in this particular area to programming that would be complementary. It is in that regard that I had moved Motion No. 41. I would be very pleased if she would look at that particular motion and give some serious consideration to it.

When local broadcasters will be in competition with local distribution undertakings, it will set up a very difficult situation. The viability of those individual broadcasters may well be challenged.

What I consider one of the most fundamental aspects of this Bill, and one of the most fundamental principles that needs to be integrated into this Bill so that the Broadcasting Act effectively responds to a Canadian system, is Canadian content and Canadian realities. I would plead with the Minister to look very carefully at Motion No. 37. I suggest to the Minister that it is consistent with the view of the Standing Committee on Communications and Culture. It was supported by the CRTC and, believe it or not, by the cable people.

The limiting of the carrying of foreign programming services is seen as detrimental to our system. I have, in my motion, grandfathered that which already exists. I feel strongly that we ought not add any additional American services until we have enabled our own Canadian services to grow and to reflect what we believe to be in the best interests of the Canadian broadcasting system.

The standing committee recommended the prohibition of further carriage of foreign programming in its fifteenth report, and this was made quite clear in recommendations 139, 140, 141, and 142. The Minister answered this by saying that the prohibition of foreign radio and television services other than those whose programming is complementary to that available from Canadian broadcasters has not been included in the legislation since it would unduly restrict the access of Canadians to a range of international broadcasting services.

I would suggest that we in Canada are far from being discriminated against. Certainly our access to foreign services is not restricted. I would remind the Minister that because of our good-neighbour policy and because of the airwaves that flow over the border, 71 per cent of all the television programs viewed by English-speaking Canadians are American. I would remind her that 80 per cent of our publishing industry is in foreign hands, 97 per cent of films shown in Canada are foreign, and 85 per cent of records and tapes sold in Canada are based on imported master tapes. The thrust is to change that reality and enable us to have our own industries.

I think it is important that Canadian broadcasters have some exclusivity of rights. One of the things my amendment does is provide that the Canadian broadcasting system be regulated in a manner that recognizes exclusive rights of broadcasters. It would also, I think, enable the essential role of the distribution undertakings, the distributing of Canadian radio and television services in English and in French, both public and private. The first priority would be given to the public sector. Canadian services including specialty services would be clearly defined so that the CRTC could not in any way avoid the responsibilities which we believe it should have. Only if it has a clear direction in the legislation can it then be held responsible if it does not follow the will expressed in the Bill.

The Standing Committee said that this was very important. It is just as appropriate and important to establish a basis for requiring the licensed broadcasters to give priority to carrying Canadian programs and it is at least as important to establish a legislative base that requires that distribution undertakings give priority to carrying Canadian undertakings.

I was glad my colleague from Vanier talked about the place of the House of Commons channel. It is disappearing very far up the dial. In fact, I just spoke to an elderly aunt of mine. She tells me that she cannot get it because she has an MATV system which does not bring it in. My mother-in-law cannot get it because she does not have a converter that goes that high. Perhaps they have been saved from this unbelievable debate. Nevertheless, if this priority carriage was there, public and private Canadian services could be on basic services and these people could get access to those services.

I would suggest that we must limit foreign programming. It is absolutely fundamental. Rather than allowing the Americans to invade, I would suggest we could occasionally learn some lessons from them.

It is interesting to note that on May 18, 1988, this year, the United States Federal Communications Commission decided to reimpose a requirement which it had removed in 1980, that cable systems in the United States not import a distant broadcasting signal—that is about 32 miles or something like that—even when done on a compulsory license basis, whenever a program contained in that signal has been acquired for exclusive use by a local broadcaster. This rule is one from which we could learn and it would help Canadian broadcasters to have Canadian rights that would not be diluted by having their programs shown on Sunday while the other programs are shown on Monday, Tuesday, and Wednesday without simultaneous substitution. It will enable them to have a decent financing base from the advertising revenue.

The last point is that in the limiting of foreign program carriage, I would suggest we would end up, as I have indicated in my amendments, grandfathering the 17 presently accepted American programs and the 5 new ones that have been accorded as a result of the November, 1987 hearings. Thus we would limit the damage being done by this overwhelming presence which is eroding the program rights and the revenue base of our own Canadian broadcasters. I would like to see them have the exclusive rights which they buy right across the system and let us separate out our markets so we know that we have a Canadian broadcasting system that reflects Canada.

Hon. Flora MacDonald (Minister of Communications): Madam Speaker, in this group of amendments, there are several subgroups that I would just like to comment on. The first is with regard to Motion No. 33 which deals with the proposals put forward in the legislation for an alternative programmer which the Hon. Member for Mount Royal (Mrs. Finestone) would take out.

We have heard a lot said in the House about Canadian content and and about the need for more Canadian content. Nothing will bring more variety of Canadian content whether from our multicultural communities or dealing with the regional nature of our country, the diversity of our country, or the arts and the culture of our country, than an alternative programming service. It has been argued for time and again by the Caplan-Sauvageau task force and by many, many others.

I would like to read an extract from a letter at which I had just been looking at as I was listening to the discussion. It is from the Dean of the Faculty of Fine Arts at the University of Calgary. He says:

> Needless to say I am absolutely delighted that there is provision in the proposed new broadcasting act for a new service that will pay attention not only to the multicultural realities of Canada but also to the vast storehouse of talent concerned with the arts. I believe unless the arts can find a place in the Canadian broadcasting system they are in danger of becoming irrelevant to succeeding generations of Canadians.

I mention that because this new service will offer, over and above what is now there, an additional outlet for our many Canadian creative talents: artists, composers, and so many people in that field. I would ask the Hon. Member to reconsider her position. The rules that would govern this are that the

CRTC would hold hearings and that there would be input from groups all across the country in order to construct the best possible alternative programming service that we could have. We have asked only that it be ready to go on air within two years' time. I think that can be met. There have been many expressions of interest already made to us by people who want to see that come about.

• (1620)

The second group of amendments to which I want to speak is this key one with regard to the licensing of U.S. services. I have heard what Members have to say about this. I want to state specifically why we have gone the route that we have, in fact giving the responsibility and the power to a Canadian regulatory body to determine what is accepted on cable and what is not.

In fact, the CRTC itself regulates the introduction of U.S. services by permitting only those services that are complementary to Canadian domestic services. The CRTC is the gatekeeper. I have heard arguments put forward saying that we should really license all of these, whether they are off-air or whether they are by cable. The Hon. Member for Mount Royal said that she would grandfather certain ones. Well, that really is not a logical position because if you are going to ask for the licensing of one service from the United States, surely you should be consistent and ask for the licensing of all services.

I just want to ask the Members who have put forward these proposals whether or not they have considered what this would mean. I am very concerned and very serious about this because it is true, I suppose, that we could ask, we could determine, we could demand, that every U.S. service coming into this country be licensed under Canadian regulations, whether it happens to be HBO or ABC.

One of the key criteria about Canadian licensing regulations is that the Canadian distribution service and the Canadian broadcaster be 80 per cent owned in this country. That being the case, how would you ask HBO, ABC, NBC, or anything else to be 80 per cent Canadian owned and controlled in order to have a Canadian licence? I suppose the only way you could do it is by weakening the content or the requirements under Canadian licensing, that is, to less than 80 per cent Canadian controlled. However, we are not prepared to do that with regard to those systems which are licensed in this country. They must remain Canadian owned and controlled.

Therefore we ask how we then guard against the proliferation of a great many services coming into this country from outside. We do it through the regulatory body that we have established in this country, the CRTC, and by requiring that the CRTC tell the cable distributors that they must ensure that only those services that are complementary to what is being offered here are carried. In that way you have some means of control, but if we lose that control anything could be acceptable.

That is an argument that I want opposition Members to think very carefully about because, while what they are suggesting may sound good in the heat of the moment, if they really examine where it would lead us, they will find that it is not where they really want to be.

I feel that the authority and the power should be given to a Canadian regulatory body to determine what comes into this country. Look at some of the things which, even under the existing Act—and under the new Act it will be stronger—have been licensed and some of the things which have not been licensed. For instance, our cable services carry First Choice but they do not carry HBO. They carry The Sports Network but not ESPN. They carry Much Music, not MTV.

The CRTC looks at this and sees what is complementary. It is for that reason that we will put the requirement on the CRTC to decide what services cable carries and what they do not, and why they must maintain a larger balance of Canadian services than American. That is what you will see if you look at the division even in the present set-up.

The third area I want to mention briefly is the comments that have been made with regard to the cable programming role and whether or not they should be into programming as well as into carriage. There has been a lot of discussion about this. I think it is important to note that cable is already into programming. There have been a lot of services through community channels and through the Youth Television Network which have already been authorized by the CRTC. It is not as if this was something new.

We have written into this Bill very strict requirements with regard to programming as undertaken by cable. Yes, going that route was a very conscious policy decision on the part of the Government, but we ensured that the possibility of a conflict of interest arising when distributors originate programming was addressed by putting in two sections, with which I am sure the cable industry is not very happy, to ensure that the programming is properly monitored and properly produced. I am referring, of course, to Subclauses 9(1)(h) and 10(1)(h) of the Bill. We have put in these controls so that the conflict of interest possibilities are lessened, indeed regulated.

It is for these reasons, Madam Speaker, that I wanted to interject in the debate at this point. I wanted to explain why we are doing the things we are doing. We think that in the long run they will be better. We think that having the CRTC as the gatekeeper for programming is better than even considering the possibility in any way of lessening the demands of Canadian ownership and control. We think that there is a role for cable.

The Hon. Member for Vancouver—Kingsway (Mr. Waddell) mentioned the moneys that cable companies earn. I want to see that money reinvested in Canadian programming. In the way in which the Bill is written, that requirement to meet Canadian content applies to cable companies ordistribution undertakings as it does on to programming of the CBC.

• (1630)

It has to apply to all sections of the broadcasting industry and not just to isolated parts of it, as it had in the past.

Mrs. Finestone: Madam Speaker, I rise on a point of order. I want to ask the Minister for clarification. In the set of motions we have been debating, Motions Nos. 32 to 43—

The Acting Speaker (Mrs. Champagne): The Hon. Member puts the Chair in a very difficult situation. There is no question and comment period following these interventions at report stage. It is not a point of order, but if the House gives unanimous consent for the Hon. Member to ask a question, the Chair is prepared to accept it. Is there unanimous consent?

Some Hon. Members: Agreed.

Mrs. Finestone: Thank you for your gracious approach to that, Madam Speaker. I was not sure whether the Minister was accepting, by omission, Motion No. 32 on aboriginal concerns, or does it mean that all Motions Nos. 32 through to 43 are not being accepted?

Miss MacDonald: Right.

Mrs. Finestone: Thank you.

The Acting Speaker (Mrs. Champagne): The graciousness was really on the part of the Minister. Does she wish to answer the question?

Mrs. Finestone: She did.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Champagne): The first question is on Motion No. 32, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 33, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 35, standing in the name of the Hon. Member for Mount Royal, which would dispose of Motion No. 34, standing in the name of the Hon. Member for Vancouver—Kingsway.

Mrs. Finestone, seconded by Mr. Gauthier, moved that Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto—

Some Hon. Members: Dispense.

Mr. Gauthier: Madam Speaker, I rise on a point of order. I just want to make it clear that when the House gives consent to dispense with your reading, I take it the House realizes that the amendment will be inserted in today's *Hansard* as read. In other words, it will be printed even though we dispense with you reading it. It is because we are co-operative and want to get through this Bill fast that we are doing this, not for any other reason.

The Acting Speaker (Mrs. Champagne): The Chair wishes to thank the Hon. Member for Ottawa—Vanier. The question is on Motion No. 35. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 36, standing in the name of the Hon. Member for Vancouver—Kingsway. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 14(11), the recorded division on the proposed motion stands deferred.

The next question is on the amendment to Motion No. 37, standing in the name of the Hon. Member for Renfrew—Nipissing—Pembroke. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Champagne): All those in favour of the amendment will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion, the nays have it.

Amendment (Mr. Hopkins) negatived.

The Acting Speaker (Mrs. Champagne): The question is on the Motion No. 37, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 38, standing in the name of the Hon. Member for Vancouver—Kingsway. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 39, standing in the name of the Hon. Member for Vancouver—Kingsway. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 41, standing in the name of the Hon. Member for Mount Royal.

An Hon. Member: What about Motion No. 40?

The Acting Speaker (Mrs. Champagne): The Speaker's ruling is that an affirmative vote on Motion No. 41 would obviate the need for a vote on Motion No. 40. The Chair cannot decide until Hon. Members have decided on Motion No. 41. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

• (1640)

The next question is on Motion No. 43, standing in the name of the the Hon. Member for Vancouver—Kingsway. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Champagne): All those in favour please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The House will now proceed to the next group of motions, Motions Nos. 44, 45, 46, 47, and 50, which will be grouped for debate and voted on separately.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 44

That Bill C-136 be amended in Clause 3 by adding immediately after line 8 at page 7 the following:

"(s) subject to priority being given to the other objectives of this subsection in the event of any conflict therewith, the Canadian broadcasting system should be regulated and supervised in a flexible manner that

(i) in respect to non-program services, does not inhibit the development of Canadian information technologies or the delivery of Canadian information services to Canadians, and

(ii) is sensitive to the administrative burden that may be imposed on persons carrying on broadasting undertakings."

Motion No. 45

That Bill C-136 be amended in Clause 4 by adding immediately after line 8 at lpage 8 the following:

"(5) For the purposes of 4(2), "carried on in whole or in part within Canada" includes the transmission of a broadcasting service, wherever it may be orgiginated, to a member of the public in Canada directly or indirectly, where such transmission involves a contractual relationship with a member of the public or with a distribution undertaking serving a member of the public"

Motion No. 46

That Bill C-136 be amended in Clause 5 in the English version by striking out line 18 at page 8 and substituting the following therefor:

"sion of the system."

Motion No. 47

That Bill C-136 be amended in Clause 5 by striking out lines 19 to 40 at page 8 and lines 1 to 10 at page 9.

Motion No. 50

That Bill C-136 be amended in Clause 7 by striking out lines 24 to 26 at page 9.

She said: Madam Speaker, we are talking in this group, first, about the definition of "network", which I would like to look at and discuss with the Minister. I proposed an amendment which I hoped she will find favour with. The second is a full amendment under Motion No. 47, which is a deletion of

Clause 5(2) of the cable regulations and supervision of the system, and the consequential amendments which would flow from that on Motions Nos. 44, 46, and 50. Actually, Motion No. 44 would add the place of the CRTC within the broadcasting system into Clause 3, which is the broadcastng policy.

I would just like to start by addressing the question of networks. We talked for a long time of services, which are available in an increasing number of Canadian households, that operate without a licence and earn revenue from Canada without any obligation to contribute to the Canadian programming system. It is of concern. It was an ongoing concern of the Standing Committee on Communications and Culture.

In the prior set of amendments we were addressing the 17 American networks or superstations which had been accorded access to Canada through Canadian cable regulations, in essence. This amendment which I am proposing would in a sense stop the Americanization of our television system and create a better playing field, if I may use that rather overused term.

I would like to suggest that in the course of the amendment which I am going to bring on networking, the licensed Canadian services operating on the same basis that they presently work must spend money on Canadian programs and offer a balance of Canadian and non-Canadian programs. Therefore we have a sense of double standards. We have loose ends out there. We have a direct broadcast satellite service that is not properly covered—its signals are not covered—and pay per view has a potential of coming in here. I am suggesting that rules should be the same for everyone, and that the definition of networks should apply to satellite and cable services.

I would like to remind the Minister that even the CCTA endorsed the concept in the July, 1987 brief, and I refer to page 10 of that brief.

I had some legal advice which I would like to share with the Minister. When we look at the purposes of Clause 5(2), where the Minister refers to the services that carry on in whole or in part within Canada, it includes the transmission of a broadcasting service wherever it may be originated to a member of the public in Canada, directly or indirectly, where such transmission involves a contractual relationship with a member of the public or with a distribution undertaking serving a member of the public.

In that amendment which I am proposing I would like to suggest to the Minister that it implements recommendation 17 of the sixth report of our standing committee. Although the Minister made certain responses about the fact that she cannot cover services that do not have a business presence in Canada and operate under American law, she considers that it is doubtful whether it would be legally possible to require these services to submit to licensing by the CRTC, because Canada—did I say something wrong; sorry—cannot extend its laws beyond its territory.

I would like to suggest to the Minister that this comment is based on a misconception of fact and on an error in law. The misconception is that the recommendation would apply to off-air U.S. border stations. These stations do not contract to deliver these services to members of the public in Canada, and it is not captured through the nature of the amendment which I am proposing.

The principal focus of the recommendation is on the U.S. speciality networks, like Arts and Entertainment, CNN, et cetera, which enter into contracts with Canadian cable systems in Canada to deliver their service to Canadian homes. This activity is clearly capable of falling under Canadian law if legislatures wish it to, and if this be the case.

The term "undertaking" does not require actual physical presence or physical assets to be present in Canada. A number of cases have held that the mere presence of a signal in Canada can give rise to tortious—a marvellous legal word. the Minister does not know that I looked up her definition too—or copyright liability. I would suggest that her staff refer to *Jenner v. Sun Oil (1952)*, or to *CAPAC v. International Good Music (1963)*.

The wording proposed would also cover pay per view and direct broadcast satellite operations, offering their services to Canadians, to the extent that the services delivered on a contracted basis. In practical terms this confines the ambit of the clause to incrypted signals, where the signal originator authorizes a Canadian home to decode the signal for a fee. The committee certainly heard about how this is often sold under the table and illegally.

The fact that the United States service may not have a business presence in Canada does not preclude the Government from taking steps against the marketers or distributors of the service who generally operate in Canada. Making the legislation effective raises the same practical problems as going after illegal lottery operators or boiler room operations, operating over the border by telephone. You prosecute any local intermediary, issue stop mail orders, or take other quasi-criminal steps available in Canada.

The proposed amendment does not actually prohibit U.S. services from operating in Canada. However, it would require them to obtain a CRTC licence for the first time.

In order to make room for complementary U.S. specialty services, it is expected that the direction on Canadian ownership would have to be amended to permit such services to qualify for licences. However, under Clause 9(2), that exemption could certainly take place, or under a broad policy directive. Such licences would presumably be issued for a transitional period only, so that would-be Canadian services in the same program category would not be foreclosed from applying or eventually operating in Canada with a Canadian version of the U.S. service, often even more interesting. We do not allow—and the Minister alluded to this a little earlier—HBO or ESPN, because we have First Choice and TSN.

I would suggest that this whole thought of complementary versus competition in access to Canadian networks, to the Canadian little box where you punch buttons and you get what you want to see, is very key to the effective operation of this Bill. As the presence in Canada of American exports expands, and they take more and more money out of our market, we must find ways to be concerned about Americanization and take some kind of control over what is going on.

• (1650)

There has been an all-Party agreement in committee. If the cable industry was not so concerned, and it agreed, I would like to know why the Minister cannot agree to this particular motion. I strongly ask the Minister to give it serious consideration.

With respect to Motion Nos. 44, 46, 47, and 50, one of the elements in this Bill is Clause 5(2) which sets forth a number of objectives for the regulation and supervision of the broadcasting system. These are intended to be distinct from the objectives of the broadcasting policy set forth in Clause 3(1). Clause 5(3) states that the objectives for the regulation and supervision of the system set out in subclause (2) rank lower in priority to any conflicting objections in Clause 3(1). I would like to suggest to the Minister that there needs to be degree of clarity here. I have made what I hope the Minister will find, upon consultation, an amendment which can be helpful.

A review of the objectives stipulated in subclause 5(2) shows that four out of the six subclauses are largely duplicative and are of concepts already recognized in Clause 3(1). In particular Clause 5(2)(a) is the same as Clause 3(1)(b). Clause 5(2)(b) is the same as Clause 3(1)(h)(ii). Clause 5(2)(c) is the same as Clause 3(1)(c)(iv), and Clause 5(2)(d) is a watered down version of Clause 3(1)(i). As a result, I believe that it will be confusing and it will be ill-fitting to reiterate those concepts (a) to (d) in Clause 5(2). Therefore, my Motion No. 47 flows from that thought. It deletes the articles in Clause 2. It would leave only Clause 5(2)(e) and Clause 5(2)(f) unaccounted for, and they are genuinely important and represent new concepts in the Bill. I recommend that they be moved to Clause 3, which is the over-all broadcasting policy, and can effectively indicate the role, place, and importance of the CRTC in the over-all broadcasting policy for Canada. I have added only one word, which would be to add the "Canadian" dimension to the role to be played by the CRTC.

In summation, I suggest that Clauses 5(2)(e) and (f) would now be placed under general broadcast policy as a new Clause 3(1)(s) while at the same time adding that Canadian dimension. If all that is taken into consideration, I believe that we would avoid conflict between the objectives and the supervision of the system, and add a degree of clarity which I hope the Minister would find favourable. I would suggest that the CRTC also agrees with that perspective. I hope the Minister will see fit to give serious consideration to accepting the amendments.

Mr. Ian Waddell (Vancouver—Kingsway): Madam Speaker, on behalf of the NDP, it is true that many of the subclauses of Clause 5(2) are similar to Clause 3. We have taken a slightly different position than that taken by my colleague from the Liberal Party on this matter. We see Clause 5 as potentially serving a useful role. We have proposed some amendments which will be coming up in the next round of motions. If Clause 5(2) can be improved, we would probably support that clause.

We do support Motion No. 50 moved by the Hon. Member for Mount Royal. It is exactly the same as Motion No. 51 which I proposed. After a good deal of thought and discussion in the legislative committee, I have come to a position which is pretty close to that of the Minister with respect to the powers of the CRTC, as well as its decision-making process. Indeed, as I recall, the Minister accepted one of my amendments on this subject in committee. However, I believe that some refinements are still in order, and I believe that Motion No. 50 is one of them.

It would allow the broad power of policy direction to apply relative to Clause 3(1), the broadcasting policy for Canada. However, it would take away from the Government the power to make direction under Clause 5(2). I believe this would improve this section of the Bill by allowing the commission to act more independently, while at the same time maintaining the general power of policy direction by the Government. I urge the Minister to support Motion No. 50.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Champagne): The first question is on Motion No. 44, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 45, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 46, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

Broadcasting Act

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 47, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 50, standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the motion stands deferred.

[*Translation*]

It being five o'clock the House will now proceed with the consideration of Private Members' Business, as listed on today's Order Paper.

• (1700)

PRIVATE MEMBERS' BUSINESS--MOTIONS

[*English*]

Mr. Thacker: Madam Speaker, I rise to seek unanimous consent in order that Motion M-151 in my name may be transferred to the name of the Hon. Member for St. Catharines (Mr. Reid), seconded by the Hon. Member for Esquimalt—Saanich (Mr. Crofton). I would, of course, give the first speech. Members will be pleased to know that I will be limited to 10 minutes. That in itself might induce unanimous consent.

Mr. Gauthier: Madam Speaker, it is an unusual procedure but, for the sake of the debate, we do not have any objection to the Parliamentary Secretary transferring the sponsorship of the motion to his colleague. I do not know why he would restrict himself to 10 minutes because the first speaker has 20 minutes. Is he telling us that the mover of the motion would have 20 minutes? I am just trying to clarify how much time would be given to all of us.

Mr. Waddell: Madam Speaker, the NDP has no objection. As a matter of fact, given that the Government just gave $3 billion to upgraders and another $1 billion for Hibernia, we want to see the sleight of hand that will produce a resolution which says that deficits will be eliminated and budgets balanced. Not since the National Energy Program has there been such a massive infusion of funding for energy, and I find it very ironic. I am waiting to hear this because I recall our past debates.

The Acting Speaker (Mrs. Champagne): I understand there is unanimous consent.

Some Hon. Members: Agreed.

* * *

FINANCE

BALANCING OF BUDGET

Mr. Joe Reid (St. Catharines) moved:

That, in the opinion of this House, the government should consider the advisability of amending the Constitution of Canada so as to require the government to submit a balanced budget except:

(a) in times of a declared national emergency or disaster, or

(b) if the deficit receives parliamentary approval by a two-thirds majority.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Madam Speaker, it is an honour and privilege to rise on Motion M-151 to put to the House and Canadians an idea that I believe is essential to the future and the long-term stability of our country as a nation and as a society.

The basic principle of the motion requires a constitutional amendment that would require governments to balance the budgets we present here in Parliament. I have listed three exceptions. One is a declared national emergency. Another is a declared national disaster. The third is if this Parliament, by a vote of two-thirds of its Members, declares in favour of a deficit. I hasten to reassure Members that I am not wedded to the specific wording of the basic principle or the exceptions. There may well be other exceptions that Members come up with that we would all find acceptable. Perhaps a two-thirds majority is too high. However, it seems to me as parliamentarians our prime concern has to be for the long-term future and stability of our country.

We entrench in our Constitution our democratic rights because we know we cannot trust power solely to people. We also entrench human rights. I certainly would be prepared to work with other Members to work up a constitutional amendment that would protect future generations from environmental breaches. We need environmental protection in our Constitution for future generations. However, the purpose of this debate is constitutional protection for future generations on economic matters.

Why am I concerned? This year the deficit will be some $28 billion. Members know that a mere four years ago it was $38 billion. Certainly it is being reduced each year and that is a step in the right direction, but on April 1 of every year the deficit is moved over to the national debt. Members will remember that in 1968 the national debt was some $18 billion, even though we had built this country, fought two world wars, and endured 10 years of depression. However, since 1968, as a result of succeeding government budget deficits, the national debt has gone up to over $300 billion. The cost of servicing that debt is something like $31 billion or $32 billion. That is at current interest rates. We remember that three short years ago interest rates were 23 per cent. That would mean over $60 billion coming right off the top just to service the debt. I firmly believe that would lead to instability and rash action which could impair the future of our country. Certainly it would affect the well being of future generations.

As you well know, the national debt is simply excess spending on ourselves. Yet it has to be paid for by someone. If we do not, it will be put off into the future and our children and grandchildren will pay it. That will be done either through increased taxes or they will receive far fewer services. Or, some future Government will simply turn on the printing presses and we know what that does. We just need to look at all the Third World countries which have a small group of people who are fabulously rich and a mass of poor people. When you look at their economic history, every one has had a government which turned on the printing press and paid their national debt in that way. However, that leads to inflation, high interest rates and collapse. Surely none of us would individually impose that on our children or our grandchildren. Yet collectively since 1968 we have run our national debt from $18 billion to over $300 billion.

What I am saying, and I would like to hear other Members' views, is that it has got so bad that we now need a constitutional amendment that will protect our children and grandchildren from us. That is a terrible thing to say, but the fact is that representative parliamentary democracy has developed to the point in this country and others, particularly in the western world, where the interest groups are so powerful that they are able to convince Parliament to override the broad general interest of the country as a whole. We can all list examples of special interest groups which have received special concessions in this and past Parliaments. They were probably not in the national interest in the long-term, and if we had an entrenched constitutional amendment we would be protected from those types of pressures and powers.

Clearly, I want Canadians to appreciate the magnificent job done by the Minister of Finance (Mr. Wilson). Today we spend about $100 billion on programs such as health care and defence and we are taxing away from Canadians about $103 billion. Therefore, we have a surplus of some $3 billion, yet we have a deficit of $28 billion. The reason is that we have to take about $31 billion right off the top to pay to people who have lent money to the Government.

Who are those people? They have more money than they are using at the moment, so they lend it to the Government. If you had $1 million you would never go out and put it in the business. You would lend it to your own Government where it is absolutely guaranteed, particularly as interest rates go up. That is what happened during the late 1970s, and it is not good for the country or our children.

Just imagine if past Governments had done what the Minister of Finance is doing in producing a balanced budget or indeed a surplus. We would not have a national debt. Think of what we could do in health care. Think of what we could do in research and development at a time when the nation needs to have research and development. We are on the cutting edge in competition with other countries. Just think of what we would be able to do for young women who in our society today have to work and choose an abortion for economic reasons rather than keeping a child.

• (1710)

Because of interest on the national debt, we today are beginning to lose opportunities. I think that is very bad. I wish I could have a full 20 minutes because there are many other points I would like to make, but I am anxious to hear from my colleagues. I hope in due course, if not in this Parliament but perhaps as a result of the debate here today that we will be able to refine the motion and in the next Parliament it will be resubmitted by myself if I happen to be successful in the election or by some other Member, and over a period of years this idea will grow to fruition. I hope within my own lifetime it will lead to the entrenchment of economic protection for future generations against our excesses as a result of the state of our democracy today.

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I am always surprised to hear Tory Members discussing the deficit. In 1984 we on this side of the House, particularly myself, took a very firm position on that during the campaign. I must say that Tory Members also took a position on the deficit. I suggest it was a normal course of action, particularly after the economic crisis that we had here in Canada. The former Liberal Government had to do something to support the unemployed by developing special programs to create jobs, otherwise the rate of employment would have been larger and small business people would have lost a greater part of their market, resulting in more difficulties for Canadian workers.

After having heard speeches, particularly from the Prime Minister (Mr. Mulroney) and the Minister of Finance (Mr. Wilson), we expected something important from the Tory Government, but what we saw was in direct contradiction to what was said. Both the Prime Minister and the Minister of Finance said publicly, and repeated during the 1984 campaign, that they would cut the deficit but would never increase taxes. The Government has done exactly the opposite. The Government did not cut spending in terms of inflation, but has increased taxes to the tune of $26 billion. In the actual fiscal year that represents $11 billion, but if we take into account the positive effect of fiscal reform, it amounts to a net $9 billion in new taxes, not because of the growth in the economy but because of tax increases, sales tax, gasoline tax, personal income tax and so on.

I guess the Member is expressing the Tory point of view. He is coming back with the same rhetoric as before. In other words he is saying "we have to cut the deficit". He is proposing to put in the Canadian Constitution that, except in very difficult situations, we should not have a deficit at all.

It is very nice to hear those kinds of speeches a few weeks before the writ is dropped and before the election, but it is another thing to deliver the goods. After six years of economic recovery, where have the Tory Members been while we have had tax increases and big deficits year after year? That is two more years than the number of years the Tories have been in power. The recovery started two years before the Tory election in 1984. They voted for tax reform. When the Minister made his speech, they applauded him. Where were they when the deficit was still $28 billion or $29 billion after six years of economic recovery? They were no place at all. They did not raise any questions. After the damage has been done and after the Tory Government has added an almost 60 per cent increase to the national debt, we are presented with a motion for a change to the Canadian Constitution to eliminate the deficit. But where were they during that actual debate?

I read in the the *Toronto Star* about the series of promises which the Prime Minister and other Ministers have made. They add up to more than $14 billion. Where were you, Sir, when all those announcements were made?

Mr. Redway: Are you for or against it?

Mr. Garneau: These will increase the deficit. We hear the Prime Minister saying that the environment is becoming the main priority for the Tories in the coming election, but where are the Members? They probably discussed the matter in caucus because they will have to increase the environmental budget which was cut by the Tories themselves. I read in *The Globe and Mail* for September 19 that the Government is now reconsidering cutting environmental jobs after having cut the budget. Now on the eve of the election the Tories want to increase it. The only hope we have is that the Government will bring the budget back to the same level it was in 1984. At least it could do that. When I hear Tories talking about the deficit at this time in our electoral process, I cannot believe my ears. It seems that the Tories are good at rhetoric but they do not live up to promises.

In 1984 the Government promised a net increase of 6 per cent for defence.

Mr. Hopkins: A real increase.

Mr. Garneau: A real increase, yes, but when we look at it, not only was there not an increase of 6 per cent in real terms but there was a decrease in the budget in two of the three years for which the Government was responsible. Now the Tories are presenting a White Paper saying the Government will increase the budget by 2 per cent in the coming year. I think Canadians will understand that the Tory Party is good at rhetoric but very thin when it comes to delivering the goods.

[*Translation*]

Mr. Speaker, that is why I am surprised, in fact there is no word to describe how I feel. I had no intention of rising in this debate, but when again I hear the rhetoric of the Hon. Member who just spoke and who translates the rhetoric and speeches of Conservative Members, I simply do not understand! Perhaps I am naive, or would it be that I am not intelligent enough? What I cannot understand is that on the eve of an election campaign they keep telling us how important the deficit is, yet their Prime Minister is crisscrossing Canada and making promises right, left and centre. As I said earlier, the *Toronto Star* has put a price tag on all those promises—$14 billion!

How can we have the Prime Minister going around and making promises which will increase the deficit while at the same time his backbenchers stand up in the House and make speeches to show how deeply concerned they are over this issue.

Mr. Speaker, I would suggest these are crocodile tears and that we cannot give credence to these people who in 1984 promised to lower the deficit without raising taxes. Well, they did not accomplish much in terms of deficit reduction, but the taxes certainly went up! So now they are telling us they want to introduce a constitutional amendment outlawing deficits, yet their Prime Minister is travelling across Canada making million—and even billion-dollar promises which will totally defeat the purpose of the Hon. Member's constitutional amendment.

• (1720)

[*English*]

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, I am glad to participate in this debate this afternoon because it fulfils one of the objectives of private Members' hour, which is to bring before the House certain ideas that are not part of the agenda of a Government or of the opposition Parties but which nonetheless can be introduced into this forum by Members of the House so that we can exchange one with another.

I certainly cannot conceive of anything more pressing in its importance than the subject before us today. The sands of time are obviously running out for this Parliament, but I would hope that if this debate accomplishes nothing more, it will at least put not only on the record but into our minds the importance of addressing the issue of the deficit and the public debt with a sense of priority when the next Parliament resumes.

I think we can take as a satisfaction from this Parliament, which is coming to an end, the progress that has been achieved. We know that when this Parliament assembled, we faced the spectre of a runaway, uncontrollable deficit. We can say at the end of this Parliament that we have achieved control over it. We have arrested the growth of the deficit. Instead of its mounting up from the $38 billion with which we began, it is now $10 billion less. If that rate of progress were to continue, obviously in due course we would get it down to the zero mark, which is the hope of many Hon. Members.

I think we need to address this problem with a greater sense of urgency. We should address it without resorting to the magic wand that some Hon. Members will doubtless want a Government to wave and without berating the Government for not doing this or for doing too much of that. We should face up to the realities that will confront Parliament when it will want to achieve a realistic, practical, achievable elimination of the deficit. Let us look at the possibilities. One of them is to reduce spending.

We have had a measure of fiscal responsibility in this Parliament in so far as the rate of spending before we took office was growing at an annual rate of 14 per cent per year over the preceding four years, and it has been reduced by this Parliament to an average rate of 3.5 per cent, less than the rate of inflation. If we are to make progress in eliminating the deficit, we will have to cut spending still more. Here is where the difficulty arises.

It is all very well for opposition Members to tell the Government that it is making promises that mount up to $12 billion. Which of these commitments would the opposition Members or Members on the Government side of the House want to challenge? One of the recent commitments has been $10 million for a proposed conservation area in Scarborough's

Rouge Valley. Is the Liberal Party against that? Is the NDP against that? Will they criticize the Government for making that commitment?

How about a donation of 123 acres of Downsview Airport land as a site for possibly 5,000 new homes at an estimated value of $60 million? That is $60 million that could come into the public treasury. Certainly money will be spent achieving this development that will provide low-cost housing. Would any Member of any Party oppose that?

Almost every spending proposal that can be put before the House of Commons is one that commends itself to reason because it is filling some human need. It is extremely difficult, therefore, to talk about cutting spending. We face the same difficulty when we move in the other direction, which is to attempt a radical change in the tax system.

I have found over the years that it is usually people right of centre who want to cut spending and people left of centre who want to achieve the no-deficit ideal by changing the tax system, usually by imposing more taxes on someone who is supposed to be paying very little in taxes. The NDP spokesperson is here. I will remind him that years ago, we used to hear a lot about Inco, International Nickel, being the villain. We heard that if only Inco would pay all the tax it should, then we would have no deficit problems at all. We have not heard as much about that lately. I suppose it is because Inco has not been doing very well for several years.

We hear now about certain individuals who are getting away with murder because of the various tax loopholes that are supposed to have been opened. I think we should realize that no matter how we plug those loopholes, and tax reform is certainly heading in the right direction, the mass of taxation will be paid by the mass of people. We have to realize that the mass of people will do the mass of the spending, and they will put up most of the revenue. We have to get away from thinking about Government grants and Government awards and move toward realizing that we are talking about taxpayer grants and taxpayer payments.

The real challenge to us in this debate is to recognize the enormity of the public debt. Every year, we have a deficit we add to the public debt, which has now grown to a size that a few years ago would have seemed beyond comprehension. When we add to that the public debt of the provinces and the municipalities, we begin then to take fright.

While most of the federal debt is owed within Canada, a very large portion of the provincial and municipal debt is owed offshore. Consequently, I believe that one of the challenges that cannot be ignored is the challenge of deficit budgeting and the increase of public debt. We will have to address this, and what I will suggest to address it is a scheduled plan.

It is not possible to eliminate the debt simply by legislation. It is not possible to eliminate it simply by a stroke of the pen. If we were to cut the deficit down to zero in one fell swoop, we would cause such a disruption in the economy that the result would be worse than the solution. The cure would be worse than the disease. However, it is conceivable, and I put this before the House as a concept to be taken seriously, that we could attempt a schedule of deficit elimination. We could attempt to bring it down by a certain number of percentage points year by year until we reach a balanced budget. That would be done by eliminating certain expenditures and by further tax reform and adjustment, but the real possibility of achieving this is by something which has begun in this Parliament and is due greatly to the economic policies of this Government, and that is by maintaining a buoyant economy.

If we want to eliminate the deficit without removing vital, essential public services, we will have to do it by increasing the revenue possibilities of our economy. We have done a great deal of that in the past four years. The number of people working and thus becoming income tax payers has increased by 1,300,000. We have had a growth of revenue not simply because of increased taxes but primarily because of more taxpayers and because of people earning bigger incomes and thus paying more individually in income tax or in consumer tax and the like. That is the real secret to it, being careful managers of the public purse in the kinds of expenditures that we authorize; being fair, just, and reasonable in a tax system that will eliminate all possibilities of a free ride at the taxpayers' expense and, most of all, carrying out those economic and trade policies which will bring to this country ongoing prosperity and bring to the Government the kind of revenue that makes possible the programs that meet the approval of our people.

• (1730)

Mr. Les Benjamin (Regina West): Mr. Speaker, I am delighted to speak on this kind of motion for the umpteenth time in my years here. I have listened to a number of people at various times talking about the deficit and the national debt. What I find most ironic about it is that it was not socialists who rang this up. It was always private enterprise Parties. They have never been to able to explain, or have never even tried to explain, why.

In fact, the socialist Governments of Tommy Douglas, Allan Blakeney, and Woodrow Lloyd, had balanced budgets in a total of 26 of 31 years. I would like to find another political Party of the private enterprise bent somewhere in this country that could claim that kind of a record. So it was not any kind of a socialist ideology that brought about these national debts and deficits.

I am glad that my hon. friend from Lethbridge—Foothills is here to hear my remarks. I read his motion with great interest this morning. One of the myths that he and people like him like to peddle is that governments, like any individual or corporation, have to live within their means. Well, there is one fundamental difference between individuals and corporations on the one hand and Governments on the other. The difference is that the individual or the corporation cannot tax the people

that they owe the money to, but Governments can, Governments do, and Governments will. That sort of mythology which is peddled by some of these outfits and their spokesmen in their places completely overlooks that basic difference between individuals and corporations living within their means and Governments doing so.

I am surprised that my good friend and colleague on the Transport Committee would move a motion like this, unless it is to pacify the Lethbridge Chamber of Commerce, because it is mindless and simplistic. It is a repetition of Reaganomics. It is the Proposition 13 syndrome imported from California.

What I find amusing about this is that the hon. gentleman is challenging his Government. I would be tempted to vote for this stupid motion if it would have the effect that I would like to see. He is challenging his Government to bring in a balanced Budget starting tomorrow, which would mean an increase in taxes of at least 50 per cent. It would mean a chopping of at least $10 billion or $15 billion off present expenditures. I could just see the Prime Minister (Mr. Mulroney) jumping up and down with joy about that idea when he is on the verge of calling an election. He might be ignorant but he ain't stupid. However, that is what the Hon. Member for Lethbridge—Foothills (Mr. Thacker) wants him to be.

I would like to remind my hon. friend that during World War II Canada ran up a national debt and annual deficits that were mind boggling in those days. If fact, if you translated those into 1988 dollars, the national debt and the deficit for every damn year during the war, and the national debt at the end of 1945, was greater than it is now per capita and in total.

I invite my friends to read a book called, I think, *The Unnecessary Evil*, by Professor Bellam from the University of Manitoba. He throws all these wild eyed, right wing, mindless, simplistic Tory theories about deficits and national debts into a cocked hat.

What happened at the end of the war, Madam Speaker? During the war we turned the entire productive capacity of this nation to work. We had full employment. We did not have enough people to work. I remember working in the shipyards as a 17-year-old and seeing 15-year-old girls catching hot rivets for the war effort. We did it. When the war ended we had this huge national debt and deficit facing us. I will give credit to Mackenzie King, Louis St. Laurent, John Deifenbaker, and Lester Pearson, who had smarter people around them than present leaders have, except for the NDP.

We had to rebuild most of our industrial infrastructure and capacity. We had to reorder the whole thing from a wartime to a peacetime production. We built up to a half a million homes per year. We are building half that many now and we have waiting lists as long as your arm in every city in this country. But at that time, in the late forties and all during the fifties, we had relatively full employment and we acquired that war debt.

By the way, that debt was wiped out without one nickel of foreign investment. We raised the money ourselves. Yes, our taxes went up. We had to buy war savings certificates and victory bonds through payroll deductions. Everybody did, the nation pitched in. During the late forties and all during the fifties the nation pitched in and we wiped out that debt in something like eight or nine years following World War II, and we had relatively full employment.

If we can do that with a declaration of war, we can do it with a declaration of peace, and we challenge our whole nation to do the kinds of things now that we did then. Madam Speaker, I want to say to my hon. friend, as the gentleman whose book I read said, if you were to reduce unemployment from the present 9 per cent down to 5 or 6 per cent over the next one or two years, you will have wiped out the deficit in three years.

• (1740)

It is not as though nothing needs to be done. We can put a quarter million people to work cleaning up our air and water. That will require billions of dollars that we will have to borrow. All those people are put to work, they pay taxes and that pays for the borrowing. I am an innocent stubble jumping prairie boy, but that has always worked before. It seems to make sense.

I talked about the requirement for places for people to live. Every city in this country has a list as long as one's arm for chronic care beds, hospital beds, low income housing and public housing. That would require the construction industry to go to work like it did during wartime. We could cut the national debt in half if those guys over there had something more than the imagination of a doorknob and did not rely on the theories of the 17th and 18th centuries, let alone the 19th century. It is outmoded thinking. It does not work. It never has and never will. It only appeals to the mindless selfish greed of those who ask: "What is in it for me and to hell with everybody else". Again, that is imported from south of the 49th parallel.

Canada is something more and better than that. I do not want to hear any more silly motions. What if there was a national emergency, a natural disaster which required the federal Government to spend $10 billion?

Mr. Thacker: Read the motion.

Mr. Benjamin: What would happen to the balanced budget? I expected more from the Hon. Member for Lethbridge—Foothills than what I see in this motion. This motion should get the contempt it deserves. Perhaps we should pass it to see what the Minister of Finance (Mr. Wilson) has to say about it.

Mr. Alan Redway (York East): Madam Speaker, I appreciate the opportunity to say a few words on the motion brought forward by my friend, the Hon. Member for Lethbridge—Foothills (Mr. Thacker). The motion states:

That, in the opinion of this House, the government should consider the advisability of amending the Constitution of Canada so as to require the government to submit a balanced budget except:—

Of course, the Hon. Member for Regina West (Mr. Benjamin) did not bother reading "except", which states:

(a) in times of a declared national emergency or disaster, or

(b) if the deficit receives parliamentary approval by a two-thirds majority.

I have great respect for the Hon. Member for Lethbridge—Foothills. I have served in the House with him since 1984, and have learned to listen to him carefully. I certainly have a great deal of respect for the things he says, the ideas he puts forward, and the actions and initiatives he takes.

The motion which he has put forward today is one in which I can share in a sympathetic way many of his feelings. We have an enormous deficit today and have had for a number of years. The Hon. Member's point of view is one that is shared not only by Members on the Government side of the House but by many Canadians.

I was knocking on doors yesterday and a number of people confronted me on the deficit issue. They were very concerned about the deficit situation and the actions the Government had or had not taken with respect to it during the last four years.

As one who served in municipal government for many years, like the Hon. Member for Hamilton Mountain (Ms. Dewar), I am certainly most sympathetic with the concept put forward because municipal governments must balance their budgets by law. They are required not to spend any more money than they raise for current expenditures. This is a concept which certainly raises a lot of sympathy in my soul.

However, I must depart from the position taken by my hon. friend, the Member for Lethbridge—Foothills. During the last two centuries, until the Great Depression of the 1930's, it was traditional economic thinking, traditional government thinking and traditional business thinking that we should have balanced budgets and no Government should spend more than it takes in. It was traditional thinking that we should always make sure that we either raise enough money to pay or cut our cloth according to the money we raise so that there will be a balanced budget.

That concept had some problems in the 1930's, with the Great Depression. The enormous economic difficulties we suffered at that time caused people to begin re-examining that issue and determine whether or not it made sense in all circumstances to have a balanced budget. The Hon. Member for Regina West has raised this in a practical sense, but in a theoretic sense, prior to the 1930's an economist named John Maynard Keynes wrote a book entitled "*The General Theory of Employment, Interest and Money*". He really turned the world of economics and the world of government financing upside down.

That book and the propositions that were put forward by John Maynard Keynes, later Lord Keynes, advocated what has become known as counter cyclical fiscal policy on the part of government. According to that policy, when a country is faced with hard economic times, it should be offset with expenditures to try to raise the level of demand in the country in order to encourage people to start businesses, to spend money and to put people back to work.

It may not be as well known that Lord Keynes had another part to his theory. It was not just to spend money and have deficit financing if there were hard times. He advocated that one in fact run a surplus, perhaps not enormous, but a surplus in good times. When people were working and the economy was booming and there were inflationary pressures, he suggested that we should not be running a deficit but should be running a surplus and trying to tax away some of that excess of spending power in order to keep inflation under control at the same time as running full employment.

The Keynes theory as set out in his book of general theory, employment, interest and money back in the 1920's was an anti-cylical policy. It was to run a deficit in bad times and run a surplus in good times. He advocated that policy very strongly through the 1930s and the times of depression. Some politicians and government leaders listened to his proposals, but even the ones who listened had some difficulty because it was certainly revolutionary in the sense of the then accepted economic theory. People said that this was really extreme leftism, communism, and would destroy capitalism. In fact, the theories of John Maynard Keynes, when put into practice, actually supported the capitalist process and made sure it worked.

Some people tried to put his theories into effect. Here in North America, Franklin Delano Roosevelt made some effort to put that into effect. In Canada, R. B. Bennett, the Prime Minister of Canada in the middle 1930s, made some effort to put it into effect. They did not go quite far enough to make it work. As my friend from Regina has pointed out, it took the Second World War to really force us into expenditures of the size that were necessary to bring us out of that enormous depression of the 1930s, to right the situation again. It was because of those expenditures and, quite frankly, the deficits that were run at that time that we did come out of the Great Depression of the 1930s.

• (1750)

It was during the closing years of the Second World War when people finally began to realize what Lord Keynes had put before them. They saw a method of maintaining full employment, keeping inflation at a reasonable rate, merely by fiscal policy, not by running up the Bank of Canada rate to enormous rates like they did a few years ago in the 1980s, but by controlling inflation with fiscal policy, not monetary policy, and taxing away those inflationary pressures.

Immediately after the Second World War, that is the sort of policy that the federal Government in Canada put into effect. I have to give an enormous amount of credit—I am not sure if the Prime Minister of the day deserves that credit, but his

Finance Ministers certainly do; Mr. Ilsley and Mr. Abbott. Mr. Abbott passed away a short time ago. I am a great admirer of those two gentlemen because I think they truly put into effect the other side of Keynes' policies, the side where you actually ran surpluses in good times. But the problem was that that was not politically acceptable. Unfortunately, it is not very nice for politicians to go out and tell the public that they are going to raise taxes to run on a surplus. The public, understandably, does not want to pay higher taxes and, as a result, that sort of a policy became very unpopular. I am one who thinks that it was one of the main reasons why, in 1957, the Government of Prime Minister St. Laurent lost the election to Prime Minister Diefenbaker. The Government of the day, in good times, was running a surplus and keeping taxes at a rate to actually run a surplus on its current account.

You know where we have gone from there. The Government decided that since that was not politically popular, from then on it was going to make sure that it ran the country in a politically popular way. Finance Minister after Finance Minister has been afraid to raise taxes and to run that surplus in good times. As a result of that we have worked ourselves deeper and deeper into the debt that we have. It is only in the last four years that the Minister of Finance (Mr. Wilson) has tried to address it. He has not tried to address it all at once, but has tried to address the problem slowly but surely.

With the greatest of respect to my hon. friend from Lethbridge—and I know my time has come to an end—I would like to say that while I have great sympathy for his proposition, I think if we practised a little Keynesian economics in this country and if Governments had the intestinal fortitude to do that, we would not have any problems with deficits or inflation or full employment. We would have the kind of economy that we all want in Canada; full employment with reasonable crisis under control at all times.

Ms. Marion Dewar (Hamilton Mountain): Madam Speaker, I rise to speak to this because I certainly agree with a lot that the previous speaker has said. I am glad to see that some members of the Conservative caucus are taking on some of our program of full employment and responsible fiscal management, because they certainly have not done that in the last four years.

I see the Government going out and buying its way through every vote, taking a populace kind of approach to policy rather than looking at some good-management, long-term planning.

I recommend that Members look at the management of the Government of Al Blakeney in Saskatchewan. He had three surplus Budgets in the last three Budgets and he was not afraid to say to the people of Saskatchewan that this is how we are managing. It has been downhill ever since the Conservatives took over in that province. That gives you a sense of what fiscal management is all about.

However, my approach to this would be a little different than what we have heard today. I have great concerns about using our Constitution to contravene the political will of the country. If we want to build a strengthened democracy in this country, we have to put forward political platforms, let the people know how we feel about them, and let the people vote one way or another.

We have to be very careful about how we are using our Constitution. It is a simplistic approach to suggest that we can just make a constitutional amendment on things and then let the courts look after it. As responsible human beings who are democratically elected, it is up to us to put in place the kind of policies that we think are responsible and accountable. Bringing forward something like this to amend the Constitution is a lack of faith and trust in the democratic process and in the people who electus. I have great respect for those people. I do not always agree with them, but I have great respect for those who elect us. I think that they have the right to forge the avenue that we are to take.

After the next election I think that many members of the Conservative caucus are going to see that they did not forge that road when they had such a huge majority. They could have had their full employment and a real tax reform. They could have been able to say to the people of Canada that they do not have to have just a small group of rich people getting richer.

If we look at the tax system, we recognize that there is about $29 billion in tax expenditures. Loopholes could be closed. With one stroke, it almost starts to look at dealing with the carrying of that deficit that is about $32 billion.

Those are the kinds of things that you have to look at and say to the Canadian people that it is not as simple as raising taxes or not raising taxes and this kind of thing. It is looking at good management and accountable fiscal policies that give you some long-term planning where you cannot be responsible.

Sometimes people have suggested that municipalities legislatively cannot accumulate debt. That, too, is a bit of smoke and mirrors. Municipalities have the ability of launching debentures. Some of those debentures can be very much an encumbrance on their assets.

In municipal government we adopted a policy that was called "pay as you go". Instead of increasing the debenture, we paid for the things in the good times so that we would have the infrastructure there and they would not fall apart. Proposition 13 did the opposite. It was a legislative proposition. The infrastructures in the cities of California fell apart. The kind of terrible disparities that came into that municipal legislation was really tragic. It showed that you cannot approach government in the simplistic way. I think it is six o'clock.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The period provided for consideration of Private Members' Business has now expired.

Pursuant to Standing Order 36(2), the order shall be dropped to the bottom of the order of precedence on the Order Paper.

GOVERNMENT ORDERS

[*Translation*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, as reported (with amendments) from a legislative committee.

The Acting Speaker (Mrs. Champagne): It being 6 p.m., pursuant to Standing Order 13(4)(a) the House will now proceed to the deferred recorded division on the report stage of Bill C-144, An Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof.

Call in the Members.

• (1810)

[*English*]

And the division bells having rung:

The Acting Speaker (Mrs. Champagne): The first question is on Motion No. 4.

Ms. Mitchell moved:

Motion No. 4

That Bill C-144 be amended by adding immediately after line 24 at page 3 the following:

"3. It is hereby declared that the primary objective of the Canadian child care policy is to establish a national child care program which provides non-parental care for children who require it and which is consistently affordable, accessible, available and of assured quality across Canada, and which is provided by not-for-profit child care agencies."

The House divided on the motion (Ms. Mitchell), which was negatived on the following division:

(*Division No. 571*)

YEAS

Members

Benjamin	Garneau	Nicholson (Trinity)
Blackburn (Brant)	Gauthier	Nystrom
Boudria	Gray (Windsor West)	Riis
Cassidy	Hopkins	Young—18
Dewar	Jewett	
Finestone	MacLellan	
Fulton	Mitchell	

NAYS

Members

Andre	Hamilton	Nickerson
Beatty	Jelinek	Oostrom
Bernier	Johnson (Bonavista—Trinity—Conception)	Price
Bertrand	Kempling	Redway
Blais	Kilgour	Reid
Bosley	King	Ricard
Bourgault	Ladouceur	Scott (Hamilton—Wentworth)
Bradley	Lewis	Scowen
Brisco	Marin	Shields
Cadieux	Martin	Siddon
Cochrane	Mayer	Stackhouse
Crofton	Mazankowski	Taylor
de Cotret	McCain	Thacker
Desjardins	McDermid	Towers
Edwards	McKinnon	Turner (Ottawa—Carleton)
Epp (Provencher)	McMillan	Valcourt
Fennell	Merrithew	Winegard—57
Ferland	Minaker	
Forrestall	Nicholson (Niagara Falls)	
Friesen		
Grisé		

• (1820)

The Acting Speaker (Mrs. Champagne): I declare the Motion lost.

[*Translation*]

Mr. Gauthier: Madam Speaker, there have been discussions, and I think you will find that the House is agreeable to the results of the division that has just been held applying to motions numbered 21, 22 and 36, so as not to delay the proceedings of the House.

[*English*]

Mr. Riis: Madam Speaker, I agree that discussions have taken place and we support the proposal put forward by the Hon. Member for Ottawa—Vanier (Mr. Gauthier). May I further suggest that we reverse the voting pattern to apply to the concurrence motion.

The Acting Speaker (Mrs. Champagne): Is there unanimous consent for the proposal put forward by the Hon. Member for Ottawa—Vanier and for the proposal put forward by the Hon. Member for Kamloops—Shuswap?

Some Hon. Members: Agreed.

The Acting Speaker (Mrs. Champagne): The next vote is on Motion No. 21. Mrs. Pépin moved:

Motion No. 21

That Bill C-144 be amended in Clause 4 by adding immediately after line 38 at page 4 the following:

"(h) indicate the means by which the province will encourage the development of childcare spaces in the workplace;"

The House divided on the motion (Mrs. Pépin), which was negatived on the following division:

Canada Child Care Act

(Division No. 572)

YEAS

Members

Benjamin
Blackburn (Brant)
Boudria
Cassidy
Dewar
Finestone
Fulton
Garneau
Gauthier
Gray (Windsor West)
Hopkins
Jewett
MacLellan
Mitchell
Nicholson (Trinity)
Nystrom
Riis
Young—18

NAYS

Members

Andre
Beatty
Bernier
Bertrand
Blais
Bosley
Bourgault
Bradley
Brisco
Cadieux
Cochrane
Crofton
de Cotret
Desjardins
Edwards
Epp (Provencher)
Fennell
Ferland
Forrestall
Friesen
Grisé
Hamilton
Jelinek
Johnson (Bonavista—Trinity—Conception)
Kempling
Kilgour
King
Ladouceur
Lewis
Marin
Martin
Mayer
Mazankowski
McCain
McDermid
McKinnon
McMillan
Merrithew
Minaker
Nicholson (Niagara Falls)
Nickerson
Oostrom
Price
Redway
Reid
Ricard
Scott (Hamilton—Wentworth)
Scowen
Shields
Siddon
Stackhouse
Taylor
Thacker
Towers
Turner (Ottawa—Carleton)
Valcourt
Winegard—57

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on the amendment of Mr. Orlikow to Motion No. 22. Mr. Orlikow moved:

That the motion be amended by adding the following at the end thereof:

"(i) indicate the means by which the province will encourage the development of child care spaces to meet the needs of infants and toddlers under three years of age."

The House divided on the amendment which was negatived on the following division:

(Division No. 573)

YEAS

Members

Benjamin
Blackburn (Brant)
Boudria
Cassidy
Dewar
Finestone
Fulton
Garneau
Gauthier
Gray (Windsor West)
Hopkins
Jewett
MacLellan
Mitchell
Nicholson (Trinity)
Nystrom
Riis
Young—18

NAYS

Members

Andre
Beatty
Bernier
Bertrand
Blais
Bosley
Bourgault
Bradley
Brisco
Cadieux
Cochrane
Crofton
de Cotret
Desjardins
Edwards
Epp (Provencher)
Fennell
Ferland
Forrestall
Friesen
Grisé
Hamilton
Jelinek
Johnson (Bonavista—Trinity—Conception)
Kempling
Kilgour
King
Ladouceur
Lewis
Marin
Martin
Mayer
Mazankowski
McCain
McDermid
McKinnon
McMillan
Merrithew
Minaker
Nicholson (Niagara Falls)
Nickerson
Oostrom
Price
Redway
Reid
Ricard
Scott (Hamilton—Wentworth)
Scowen
Shields
Siddon
Stackhouse
Taylor
Thacker
Towers
Turner (Ottawa—Carleton)
Valcourt
Winegard—57

The Acting Speaker (Mrs. Champagne): I declare the amendment lost.

The next vote is on Motion No. 22. Mrs. Pepin moved:

Motion No. 22

That Bill C-144 be amended in Clause 4 by adding immediately after line 38 at page 4 the following:

"(h) indicate the means by which the province will encourage the development of childcare spaces in after school setting to meet the needs of children between the ages of 6 and 13;"

The House divided on the motion (Mrs. Pépin), which was negatived on the following division:

(Division No. 574)

YEAS

Members

Benjamin
Blackburn (Brant)
Boudria
Cassidy
Dewar
Finestone
Fulton
Garneau
Gauthier
Gray (Windsor West)
Hopkins
Jewett
MacLellan
Mitchell
Nicholson (Trinity)
Nystrom
Riis
Young—18

NAYS

Members

Andre
Beatty
Bernier
Bertrand
Blais
Bosley
Bourgault
Bradley
Brisco
Cadieux
Cochrane
Crofton
de Cotret
Desjardins
Edwards
Epp (Provencher)
Fennell
Ferland
Forrestall
Friesen
Grisé
Hamilton
Jelinek
Johnson (Bonavista—Trinity—Conception)
Kempling
Kilgour
King
Ladouceur
Lewis
Marin

Martin
Mayer
Mazankowski
McCain
McDermid
McKinnon
McMillan
Merrithew
Minaker
Nicholson
(Niagara Falls)
Nickerson
Oostrom
Price
Redway
Reid
Ricard
Scott
(Hamilton—Wentworth)
Scowen
Shields
Siddon
Stackhouse
Taylor
Thacker
Towers
Turner
(Ottawa—Carleton)
Valcourt
Winegard—57

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 36. Ms. Mitchell moved:

Motion No. 36

That Bill C-144 be amended by deleting Clause 10.

The House divided on the motion (Ms. Mitchell), which was negatived on the following division:

(*Division No. 575*)

YEAS

Members

Benjamin
Blackburn
(Brant)
Boudria
Cassidy
Dewar
Finestone
Fulton
Garneau
Gauthier
Gray
(Windsor West)
Hopkins
Jewett
MacLellan
Mitchell
Nicholson
(Trinity)
Nystrom
Riis
Young—18

NAYS

Members

Andre
Beatty
Bernier
Bertrand
Blais
Bosley
Bourgault
Bradley
Brisco
Cadieux
Cochrane
Crofton
de Cotret
Desjardins
Edwards
Epp
(Provencher)
Fennell
Ferland
Forrestall
Friesen
Grisé
Hamilton
Jelinek
Johnson
(Bonavista—Trinity—
Conception)
Kempling
Kilgour
King
Ladouceur
Lewis
Marin
Martin
Mayer
Mazankowski
McCain
McDermid
McKinnon
McMillan
Merrithew
Minaker
Nicholson
(Niagara Falls)
Nickerson
Oostrom
Price
Redway
Reid
Ricard
Scott
(Hamilton—Wentworth)
Scowen
Shields
Siddon
Stackhouse
Taylor
Thacker
Towers
Turner
(Ottawa—Carleton)
Valcourt
Winegard—57

Hon. Jake Epp (Minister of National Health and Welfare) moved that Bill C-144, as amended, be concurred in.

The House divided on the motion which was agreed to on the following division:

(*Division No. 576*)

YEAS

Members

Andre
Beatty
Bernier
Bertrand
Blais
Bosley
Bourgault
Bradley
Brisco
Cadieux
Cochrane
Crofton
de Cotret
Desjardins
Edwards
Epp
(Provencher)
Fennell
Ferland
Forrestall
Friesen
Grisé
Hamilton
Jelinek
Johnson
(Bonavista—Trinity—
Conception)
Kempling
Kilgour
King
Ladouceur
Lewis
Marin
Martin
Mayer
Mazankowski
McCain
McDermid
McKinnon
McMillan
Merrithew
Minaker
Nicholson
(Niagara Falls)
Nickerson
Oostrom
Price
Redway
Reid
Ricard
Scott
(Hamilton—Wentworth)
Scowen
Shields
Siddon
Stackhouse
Taylor
Thacker
Towers
Turner
(Ottawa—Carleton)
Valcourt
Winegard—57

NAYS

Members

Benjamin
Blackburn
(Brant)
Boudria
Cassidy
Dewar
Finestone
Fulton
Garneau
Gauthier
Gray
(Windsor West)
Hopkins
Jewett
MacLellan
Mitchell
Nicholson
(Trinity)
Nystrom
Riis
Young—18

The Acting Speaker (Mrs. Champagne): I declare the motion carried.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being 6.27 p.m., the House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6.27 p.m.

HOUSE OF COMMONS

Tuesday, September 20, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

COMMUNICATIONS AND CULTURE

GOVERNMENT RESPONSE TO REPORT OF STANDING COMMITTEE

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, pursuant to Standing Order 99(2), I have the honour to table, in both official languages, the Government's response to the report of the Standing Committee on Communications and Culture entitled *Review of Taxation of Artists and the Arts.*

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour of tabling, in both official languages, the Government's response to six petitions numbered as follows: 332-5327, 332-5338 and 332-5343 to 332-5346, inclusive.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all remaining questions be allowed to stand.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

[*English*]

PRIVILEGE

ALLEGED COERCION TO FALSIFY TRAVEL CLAIMS

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I rise on a question of privilege. In an article in *The Ottawa Citizen* dated Tuesday, September 20, 1988, an ex-employee, Grace McCaffrey, alleges that she was coerced into falsifying travel claims.

Miss McCaffrey became seriously ill shortly after she became a permanent employee of my office. We held the job open for her while she recovered her health. Two months later she resigned.

Miss McCaffrey makes no direct charge as to who coerced or encouraged her to fabricate the "reason for travel". At no time during her employment in my office did she raise this issue with myself or Miss Janet Binks, my executive assistant. We are surprised that she would wait six months to raise such a serious charge.

I have asked my staff if there is any truth to this allegation. They have assured me that they have no knowledge of any threat, coercion, or encouragement in connection with travel claims, or any other matter. To the best of our knowledge, all travel claims before, during and after Miss McCaffrey's employment have been completed in accordance with the regulations. There is absolutely no truth to these allegations.

• (1110)

However, I have asked the Privy Council Office to oversee an investigation into these allegations, and the PCO has arranged with the Comptroller General to conduct an audit of the travel claims submitted during Miss McCaffrey's term of employment to ensure that they are in compliance with the regulations for travel by Ministers and their staff. The results of this audit will be made public as soon as they are made available.

Mr. Gauthier: Mr. Speaker, I just want to tell the Minister that we believe him. Indeed, we feel as he does, that these things have to be clarified. Miss McCaffrey's allegations raise certain questions in the public mind such as for whose purposes these travel claims were made, if any, and who signed them. I take it that when the Minister makes public the results of the investigation we will have answers to those questions because I understand only a Minister can sign such claims.

I take it we will get answers and I would like to join with other Members of Parliament in saying to the Minister that he has our support.

GOVERNMENT ORDERS

[*English*]

BROADCASTING ACT

MEASURE TO AMEND

The House resumed from Monday, September 19, consideration of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication, as reported (with amendments) from a legislative committee; and the amendment of Mrs. Finestone:

Motion No. 74

That Bill C-136 be amended in Clause 44 by striking out line 14 at page 28 and substituting the following therefor:

"contemplated by subclause 3(1) and in particular paragraphs 3(1)(j) and 3(1)(k),"

The Acting Speaker (Mrs. Champagne): Motions Nos. 49, 56, 67, and 68 are grouped for debate and will be voted on separately.

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 49

That Bill C-136 be amended in Clause 5 by striking out lines 32 and 33 at page 8 and substituting the following therefor:

"(d) facilitates the provision of Canadian programs to Canadians;"

Mr. Alan Redway (York East) moved:

Motion No. 56

That Bill C-136 be amended in Clause 10 by striking out line 35 at page 12 and substituting the following therefor:

"gramming undertakings in order to protect the financial viability of the programming undertaking or to assure the retransmission by distribution undertakings of programs produced in a language other than French or English;"

Motion No. 67

That Bill C-136 be amended in Clause 25 by adding immediately after line 36 at page 21 the following:

"(3.1) Where, under subsection (3), the Commission reconsiders a matter that relates to the conditions of a licence issued or to be issued to the Corporation, it shall not render its decision under that subsection before holding a public hearing on the matter, thereby giving the public an opportunity to make representations."

Motion No. 68

That Bill C-136 be amended in Clause 29 by adding immediately after line 23 at page 22 the following:

"29.(1) An order or a regulation that is proposed to be made under section 9 or 10 of this Act shall be laid before each House of Parliament at least thirty sitting days before the proposed effective date thereof.

(2) Where, within twenty-five sitting days after a proposed order or regulation is laid before either House of Parliament under subsection (1), a motion for the consideration of that House to the effect that the proposed regulation not be approved, signed by no fewer than eight Senators or fifteen Members of the House of Commons, as the case may be, is filed with the Speaker of the House of Commons, the Speaker shall, within five sitting days after the filing of the motion, without debate or amendment, put every question necessary for the disposition of the motion.

(3) Where a motion referred to in subsection (2) is adopted by both Houses of Parliament, the proposed order or regulation to which the motion relates may not be made.

(4) Where Parliament dissolves or prorogues earlier than twenty-five sitting days after a proposed order or regulation is laid before both Houses of Parliament under subsection (1) and a motion has not been disposed of under subsection (2) in relation to the proposed order or regulation in both Houses of Parliament, the proposed order or regulation may not be made.

(5) For the purposes of this section, "sitting day" means, in respect of either House of Parliament, a day on which that House sits."

Mr. Waddell: Madam Speaker, let me just quickly go through my amendment, Motion No. 49, and make a couple of comments about the amendments moved by the Hon. Member for York East (Mr. Redway). I keep telling this story, to the Hon. Member's consternation, but I want to warn him that there is an election coming. The House will recall Robert McGregor, who used to be the Member for York East for about 22 years. They called him Silent Bob McGregor because he did not speak for 22 years, then he made the mistake of getting up and moving a motion and was defeated in the next election.

One of our concerns in the NDP with Clause 5(2) as it stands is that it does not clearly indicate that the system should facilitate Canadian programming in particular. It must be made patently clear, we believe, to the CRTC, the regulatory body, that it should give priority to Canadian programming services over others. This has already been stated in Clause 3(1)(r) and should be reiterated here. I find it difficult to understand how the Minister can oppose this motion which I think is consistent with past reports and the history of broadcasting policy in Canada.

I want to make a few comments about Motions Nos. 56, 67 and 68 standing in the name of the Hon. Member for York East. I have no objection to Motion No. 56 which involves protection of non-English or French services in case of difficulties with the carriage arrangements with cable companies. It gives priority to program undertakings in such disputes. It was submitted, I believe, by the Ethnocultural Council and I could support that.

Motion No. 67 would permit a new public hearing on matters referred back to the CRTC by the Cabinet through its power of review. As the amendment explains, this is not a bad idea as it will permit the public to express itself at such hearings and perhaps open up the process a bit. That is supportable.

Motion No. 68 is where the Hon. Member's streak ends, as far as I am concerned. I find this an extraordinary amendment, perhaps because it is from an extraordinary Member. It says that any order or regulation made by the CRTC under Section 9 or Section 10 would be laid before Parliament for 30

days before it comes into effect. At least 15 MPs or 8 Senators, if they filed a motion that the proposed order or regulation not be put in place, could cause a vote on that motion. If the MPs win the vote, the CRTC regulation or order could not be carried out.

To put it mildly, I find this a recipe for regulatory and parliamentary chaos. It is also a recipe for massive political interference in the affairs of the CRTC. This is a little bit of back-bench dinosaur type of thinking of the Conservative Party. Perhaps my friend will explain it as opening up the process for participatory democracy or something like that, but I would like him to deal with the fact that it seems to me it will mean chaos. The CRTC is a quasi-judicial body, and what does he want to do? He wants us to review the decisions of that body after we have given it the power to make certain decisions. He wants to drag some controversial matters back into Parliament after the CRTC has dealt with them. Perhaps the Hon. Member can explain himself.

However, I can support his other motions and I hope he will support my Motion No. 49, as I would think the Minister would support it. Once again, it deals with strengthening Canadian programming and giving choices to Canadians so they can see good quality Canadian programming and we are not submerged in the North Americanization of the media that this Bill will bring in as well as the Government's free trade legislation.

Those are my amendments and my comments on the amendments of the Hon. Member for York East.

• (1120)

Mr. Redway: Madam Speaker, I appreciate the opportunity to speak to these three amendments that I have laid before the House, which deal with three different issues. I am not entirely sure why it was decided that they were to be grouped for debate, but let me say I want to deal very briefly with the first one, Motion No. 56, and then spend most of my time with Motion No. 68.

Motion No. 56, as the Hon. Member for Vancouver—Kingsway (Mr. Waddell) has pointed out, was originally suggested before the legislative committee by the Canadian Ethnocultural Council. It was one of its submissions. I put it forward also in light of concerns that had been raised with me by my own constituents and by ethnic broadcasters in Metropolitan Toronto. One of the great concerns, particularly with broadcasters who are involved with a closed-circuit FM broadcasting from cable television is that their existence, their career and livelihood are dependent upon the whims of cable companies. They can be cut off at a moment's notice. I refer specifically to Mr. Gus Agathos who broadcasts in this fashion in Metropolitan Toronto. He is a Greek broadcaster who has been on the air for years and years but is constantly under the threat of being cut off by the Rogers Cable Company. There is the possibility that all of his lifetime of work, the business he has built up with his listeners, can just be wiped out by some sort of arbitrary decision without some form of appeal. This motion would give at least some form of mediation to that process.

A second problem Mr. Agathos and others like him have is the lack of access to other cable companies within the Metropolitan Toronto area. Because of the monopolistic distribution of cable franchises, one part of Metropolitan Toronto has one cable company, another part has another cable company and still another part has another cable company. He can only broadcast by negotiating with one cable company. While his potential audience lives all over Metropolitan Toronto and beyond, he is limited by the geographic territorial limits of the cable company's franchise. This would hopefully give Mr. Agathos and people like him some opportunity to deal with the CRTC and the cable companies in a way that would give him at least a little more right than he has now.

Moving on to Motion No. 67, this is aimed at allowing for public participation in the process. Again this is a suggestion put forward by the Canadian Ethnocultural Council to the legislative committee, and one which I as a great supporter of the principle of democracy and public input wholeheartedly endorse.

Motion No. 68, as the Hon. Member for Vancouver—Kingsway (Mr. Waddell) pointed out, is somewhat unique, but not entirely unique in the annals of Parliament. If the Hon. Member had carefully been following what has been happening in this Parliament he would know that in Bill C-72, in amendments to the bilingual legislation, a provision of this kind was incorporated in the Bill as passed by Parliament. It was a provision agreed to by the Government in that piece of legislation and it is part of the law of Canada at the present time. I suggest that we incorporate a similar provision in this legislation.

I again go back to my concern relating to condominium owners. Here where a regulation comes down we have been assured by the Minister there will be exemption for condominiums broadcasting with satellite systems, but the Minister may not be around forever, as suggested by some. We would like to see her around forever but immortality has so far escaped the human soul.

Some Hon. Members: Oh, oh!

Mr. Redway: As a result of that, with another Minister, with another CRTC, even with the same CRTC, who knows what it may do with respect to the rights of condominium broadcasters with satellite systems? If the CRTC should by any chance bring down a regulation which would include a condominium satellite TV system as a cable company, this would give Parliament the right to deal with that sort of regulation and reject it. This would be protection for what the Minister is telling us will come to pass and will give Parliament that right as far as condominium ownership is concerned.

That raises the whole issue of the concerns of condominium owners. I agree with them that this legislation is discriminatory against them with respect to their position vis-à-vis a single

family detached dwelling owner. As far as condominium owners are concerned, if they are to be regulated as a cable company, that leaves them with no alternative reception, whereas a single family homeowner would have an alternative. If that single family homeowner did not want a cable company, the individual could always put a satellite receiver in his or her backyard and not be regulated. That is not the case under this legislation as far as a condominium owner is concerned. Condominium owners stand to be regulated under the legislation as it is now, apart from the assurances of the Minister, as if they were a cable company. There is no alternative to opting, as a single family home owner can.

In fact, as you know, Madam Speaker, systems that condominium corporations operate as far as satellite television reception are concerned are operated on a non-profit basis. They are not a commercial undertaking. They are operated basically by volunteers. If they are to be regulated, most of these volunteers have told me, and I am sure this will happen, they will just throw up their hands and walk away from the systems, leaving condominium owners no other alternative but to fall into the clutches, if you will, of a cable company. The cable company then will be the only one that can offer them television reception service.

The whole thrust of this motion is to protect condominium owners, to give Parliament the right to deal with that, and to make sure that what we are being told is that condominium systems will not be regulated.

The legislation as it now stands, we have been told in response to my specific questions at the legislative committee, not only will catch condominium satellite television systems but also satellite television systems that may be in a senior citizens' home. Senior citizens' homes in my riding such as True Davidson Acres, the Mennonite Home, the Canadian Macedonia Place and the Ina Grafton Gage Home stand to be caught and regulated by this legislation unlike a single family dwelling which will not be.

For all of these reasons it seems to me essential that if the Minister somehow or other leaves this post thousands of years down the line and we have another Minister, or if the CRTC changes its stripe or philosophy and suddenly comes up with a regulation that does catch condominiums and senior citizens' homes, under Motion No. 68 that regulation would come here to this House and if 15 Members of Parliament thought that was objectionable—surely there would be at least that number—we would then have an opportunity to deal with it. If we felt that it was improper to regulate condominium satellite television systems and systems going into poor, benighted senior citizens' homes, then we could deal with it here and reject it.

• (1130)

It is on that basis that I put forward this motion and I commend it to the Minister and the Government. I hope she and the Government will see fit to adopt not only Motion No. 68 but Motions Nos. 56 and 67 as well.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, Motion No. 56 relates to Clause 10 and indicates the Hon. Member's desire to have protection of distribution undertakings in order to protect the financial viability of programming undertakings or to ensure the retransmission by distribution undertakings of programs produced in a language other than English or French. Certainly if these programs have been licensed by the CRTC and have received the approval of those communities to which they relate, as is the case with Tele-Latino or Chinavision, et cetera, I think this is a very worthwhile amendment. If it does that, I would certainly support it.

I would like to support the motion of my colleague from Vancouver—Kingsway as well. I think it too is a very worthwhile amendment. The Hon. Member is saying that the Canadian broadcasting system should be regulated and supervised in a flexible manner, and with that I am totally in accord, and that in and during that regulatory process by the CRTC, the provisions of Canadian programs to Canadians should be facilitated. I think that is the fundamental issue facing us as Canadians and as legislators here in the House of Commons.

It is with somewhat of a sense of sadness that I have been watching the whole process unravel. This is a very important Bill for Canadians and for Canadian content. It is so technical that very few people who are watching this debate sense the real vitality and importance of the thrust of this whole Bill. I had hoped that the thrust would be the Canadianization of the Canadian broadcasting system.

Although the Minister has brought some substantive measures forward, she has also done a fair degree of tinkering. I do not see this as being a partisan issue. I think this is a fundamental issue, irrespective of which Government is in place. We are talking about policies that will endure much longer than any Minister or any Government.

The system will not be Canadian in many ways. It will be a North American system. The Bill really provides for the continentalization of our system. The Minister knows fundamentally that we are not dealing with satellite-to-cable networks which can limit the additional American programs that will have access to our system. She has not accepted constructive amendments which would ensure predominantly Canadian content, nor has she ensured carriage priorities on our cable system in law, issues which will also affect the advertising income of our own broadcasters and will have an impact on the business community.

When I spoke to the Minister about the importance of the amendments brought forward in Motion No. 45 and Motion No. 37, I felt that she was ignoring the fundamental direction of this whole Bill which is that it is a Canadian Bill. Broadcasters cannot even be assured of the exclusivity of Canadian rights. American majors, as she knows, including ABC, NBC

and CBS, are players in the field. They can bring programs into our market which carry non-simultaneous advertising because they are in a different time period.

I tried, through amendments, to grandfather every network that we already have in the system, the 17 that were there previously and the five new ones, the 22 stations. My motion provided that we could bring in other American programs as long as they are complementary services, not competitive services. I think I have made it very clear that my intention is not to block out what is new, exciting and dynamic but it is to ensure a Canadian broadcasting system. This, regretfully, the Minister has not seen fit to accept.

I talked about the importance of limiting foreign programming carriage, services that would change substantially what we have now, but complementary services are totally acceptable. In the opening clause of 3(1)(a), we say that the first obligation of the Canadian broadcasting system is to provide a public service essential to the maintenance and enhancement of national identity and cultural sovereignty.

I would suggest that the mechanisms for which we have asked have not been dealt with. Perhaps if we accept the amendment proposed to the CRTC's mandate that would provide that it knows what the Minister and the Government want, that they want a Canadian broadcasting system with Canadian programming, it may well facilitate that.

I sincerely hope that my sense of sadness will be alleviated by some changes that will be accepted by the Minister so we can see in the long run networks that are direct broadcast services and so we can see a diminishing access by new American services in the light in which I think many Canadians see it. They have access to American programming in many ways, and I think that enough is enough. Now let us promote Canadians and let the broadcasters find the financing mechanisms that they need. They need advertising revenue. They cannot sell their stuff if they cannot advertise because their audience is disappearing.

I would suggest to the Minister that she find some more constructive mechanisms, as she has tried to do to date, so that we can have the kind of Canadian broadcasting system that we want.

Mr. Nelson A. Riis (Kamloops—Shuswap): Madam Speaker, I am pleased to participate in the discussion on this motion. We are attempting to provide more Canadian programming for more Canadians and I do not expect that there would be a single Member of the House of Commons who would not support that principle. I do not think there would be a single Canadian who would not like to see more Canadian programming on television.

To make this case very clear, it is my privilege to present the following motion. I move: "That Motion No. 49 be amended to read as follows: That Bill C-136 be amended in Clause 5 by adding after line 33 on page 8 the following: Subsection (e), facilitates the provision of Canadian programs to Canadians."

The Acting Speaker (Mrs. Champagne): After reading the amendment to the motion which the Hon. Member for Kamloops—Shuswap has presented, the Chair will want to reserve, because at first reading, it seems that the Hon. Member may want to amend the Bill further and not actually the motion which is before the House. I will reserve on the motion and will study it further.

• (1140)

Hon. Flora MacDonald (Minister of Communications): Madam Speaker, I realize that you have reserved on this, but I think it is important to point out that what the original Motion No. 49 did, which the Member for Vancouver—Kingsway (Mr. Waddell) put forward and which the Member for Mount Royal (Mrs. Finestone) automatically adopted, not understanding what it would do to broadcasting in Canada. Unfortunately, it would have had the impact of reducing the extension of services of all broadcasting to those communities, those isolated areas, to which we are trying to direct the extension of services for all broadcasting. We intend to carry that out. We do not want to limit the extension of service.

What the proposed amendment to the amendment is seeking to undertake is to extend as well Canadian programming. It has been stated many times before in this Bill, and I have no difficulty in stating it again. It is somewhat redundant. It is the provision of Canadian programs to Canadians, but it must not interfere with the extension of all services across Canada to people who are not now able to receive them.

I would say, in looking at the proposal, even though you have not ruled on it as yet, that it does have my acquiescence.

With regard to the other matters, I would just say briefly to the Member for York East (Mr. Redway) that I want to assure him, with regard to his Amendment No. 56, that the Bill does cover all languages and not just English and French. Any kind of broadcasting that is done in other languages has to come under the rubric of the Broadcasting Act, and we have taken measures throughout to ensure that that will be both honoured and acknowledged. There is no question of trying to retain broadcasting only in the two official languages. As you know, we have many stations that do broadcast and program in other languages.

With regard to Motion No. 67, regarding hearings in relation to the CBC, the CRTC always holds public hearings in relation to the renewal of or the application for licences by the CBC. That is automatically done, and I want to leave it up to the CRTC to follow that practice, and not say that you must do this with one hearing and you must do that with another.

There is a final amendment that I would like to speak to. I have tried to direct my concern to the problems that the Member for York East sees with regard to condominiums. I am very conscious of it and I know that in the past, in the 1968 Bill, regulations did apply to cable, condominiums, and multi-unit dwellings. Exceptions were granted by the CRTC at that

time. I have said many times that I expect that to continue. There is no reason to believe that it will not continue.

While I understand the goal of this particular amendment, to try to get even greater certainty for that particular group of people, nevertheless the proposal here would be so onerous, both on Parliament and on people who are involved in the broadcasting industry, waiting for decisions, that I think it would in effect be somewhat of an overkill.

The CRTC in fact issues hundreds of regulations and decisions on issues all the time. To have all these coming before Parliament might very well block everything else that Parliament is able to accomplish. We do not get through very much here as it is.

I want to assure him once again that I have his concerns in mind. I will continue to stress them and I will make a point of conveying that to the CRTC.

The Acting Speaker (Mrs. Champagne): On a point of order, the Hon. Member for Mount Royal.

Mrs. Finestone: Madam Speaker, I would like further clarification on the amendment to Motion No. 49. The Minister has indicated her interest. I certainly support that amendment. Could you indicate to me when we intend to deal with that? I would like to speak to it, if possible.

The Acting Speaker (Mrs. Champagne): I thank the Hon. Member for Mount Royal for her patience. I was just about to deal with it. The amendment has been ruled acceptable, and it will read as follows: Mr. Riis, seconded by Mrs. Finestone, moves:

> That Motion No. 49 be amended by deleting all the words after the words "Clause 5" and adding the words "by adding immediately after line 33 at page 8 the following
>
> "(e) facilitates the provision of Canadian programs to Canadians;".

Resuming debate on the amendment. The Hon. Member for Mount Royal.

Mrs. Finestone: Madam Speaker, I would just like to support the amendment and to recognize the Minister's concern which was brought to our attention. I think it is a valid concern. We have never underestimated the power of good American programming. We have never said that good American programming is not welcome on our airwaves.

I would certainly understand that people in small and isolated communities would like to have the ongoing access, particularly to three plus one. I would suggest that this amendment is a very good one. It would enable, I hope, at least the CRTC to ensure Canadian programming for Canadians and at the same time allow what we presently have of the American system access to our airwaves, but then limit any additional access unless it is complementary.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Agreed.

The Acting Speaker (Mrs. Champagne): The first question is on the amendment to the amendment in Motion No. 49, in the name of Mr. Riis. Is it the pleasure of the House to adopt the amendment.

Some Hon. Members: Agreed.

Amendment (Mr. Riis) agreed to.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 49, as amended. Is it the pleasure of the House to adopt the motion as amended?

Some Hon. Members: Agreed.

Motion No. 49 (Mr. Waddell), as amended, agreed to.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 56. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

Some Hon. Members: On division.

The Acting Speaker (Mrs. Champagne): The motion is negatived on division.

The Acting Speaker (Mrs. Champagne): The next question is on Motion 67 in the name of Mr. Redway.

Motion No. 56 (Mr. Redway) negatived. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

Motion No. 67 (Mr. Redway) negatived.

• (1150)

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 68 standing in the name of the Hon. Member for York East (Mr. Redway). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

Mr. Gauthier: On division.

Motion No. 68 (Mr. Redway) negatived.

The Acting Speaker (Mrs. Champagne): The next group of motions includes Motions Nos. 49A and 57A standing in the name of the Minister of Communications (Miss MacDonald).

Hon. Flora MacDonald (Minister of Communications) moved:

Motion No. 49A

That Bill C-136 be amended in Clause 5 in the French version by striking out line 32 at page 8 and substituting the following therefor:

"ques d'information et leur application ainsi que".

Motion No. 57A

That Bill C-136 be amended in Clause 12 in the French version by striking out line 1 at page 15 and substituting the following therefor:

"être annulées ou modifiées par le Conseil, après".

She said: Madam Speaker, these are two very minor technical amendments to ensure concordance between the English and French languages in the text.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I find the motions perfectly in order and would certainly be pleased to support them.

[*Translation*]

Mr. Waddell: Thank you, Madam Speaker. We in the New Democratic Party also agree with these amendments.

[*English*]

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Champagne): The first question is on Motion No. 49A, standing in the name of the Minister of Communications (Miss MacDonald). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion No. 49A (Miss MacDonald) agreed to.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 57A standing in the name of the Minister of Communications (Miss MacDonald). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion No. 57A (Miss MacDonald) agreed to.

The Acting Speaker (Mrs. Champagne): We will now proceed with Motions Nos. 53, 54, 58, 59, 60 and 69. They are grouped for debate and will be voted on separately.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 53

That Bill C-136 be amended in Clause 8 by striking out lines 27 to 29 at page 10 and substituting the following therefor:

"by making an order under section 7."

Motion No. 54

That Bill C-136 be amended in Clause 8 by adding immediately after line 33 at page 10 the following:

"(5) The Commission shall hold a public hearing, unless such committee of either House of Parliament has held public hearings pursuant to subsection 8(2), in connection with a proposed order by the Governor in Council, after the order is published in the Canada Gazette in accordance with subsection 8(1), or unless the Commission is satisfied that such a hearing is not in the public interest."

Motion No. 58

That Bill C-136 be amended by deleting Clause 12.

Motion No. 59

That Bill C-136 be amended in Clause 13

(a) by striking out lines 6 and 7 at page 15 and substituting the following therefor:

"13.(1) Any decision or order made by the Commission may be made an order of the Federal".

(b) by striking out lines 11 and 12 at page 15 and substituting the following therefor:

"(2) To make a decision or order an order of a court, the usual practice".

Motion No. 60

That Bill C-136 be amended in Clause 17 by striking out lines 19 and 20 at page 16.

Motion No. 69

That Bill C-136 be amended by deleting Clause 32.

She said: Madam Speaker, Motions Nos. 53 and 54 go together. Motions Nos. 59, 60, and 69 are consequential amendments to Motion No. 58. Motions Nos. 53 and 54 deal with a procedural matter which is far more procedural than it would seem on the surface. This motion would delete the words "either in the form proposed or revised in such manner as the Governor in Council deems advisable".

The present wording would allow the Cabinet to alter directions to the CRTC that may be fundamentally different from what was originally laid before the Houses of Parliament. This would result in no opportunity for public hearings on the revised direction. We have said time and time again that in the field of broadcasting there is to be no Governor in Council intervention. It is to be an open process and what takes place must be known by the general public.

The purpose of the motion is to remove the possibility of unwarranted pressures on a Minister and interference in the very sensitive broadcasting area. If anyone should know about the sensitivity of broadcasting and the impact it has on the country it is Members of Parliament whose interpretations are out there for the public to see and who count on the broadcasting media to get their message out.

Whatever the issue—today the truckers, yesterday free trade, tomorrow the taxation Bill—this is a very sensitive industry and it must be treated by Government in the most arm's length fashion in order that we cannot be perceived to be interfering. Unfortunately we are now getting to the point again where the length of one's arm is to the shoulder, and I do not think that that ensures an open process.

I recognize that the Bill cannot direct a House committee on how it should deal with proposed broad policy directions. One can hope it would deal with it, or even expect that it would deal with it, but we cannot direct it to deal with it.

The standing committee made it very clear, first, that it felt that broad policy directives should be tied directly to broadcasting policy as outlined in Clause 3, which the Government has not done directly and, second, that the broad policy directive be heard. Therefore I have proposed in Motion No. 54 that we agree to a process of developing a broad public direction which should be held and involved in a public hearing.

So Bill C-136, while containing provisions for referring directions to committees, is unable to require that a committee hold such hearings. It is for this reason that I bring this amendment forward. I hope that the Minister will be receptive of this amendment because it is asking the commission, in the case of the absence of action on a broad policy directive by the House, or by either part of the House, to hold such a hearing. I believe that this would open up the process.

In Motion No. 54 I have recommended the addition of Clause 5 which would state:

> The Commission shall hold a public hearing, unless such committee of either House of Parliament has held public hearings pursuant to subsection 8(2), in connection with a proposed order by the Governor in Council, after the order is published in the Canada Gazette in accordance with subsection 8(1), or unless the Commission is satisfied that such a hearing is not in the public interest.

I think that leaves the commission, the Minister, the Governor in Council, and everyone else with enough latitude.

I would like to deal with the last of the series of my amendments in this particular block of motions. Here I am addressing fundamental and basic procedural fairness in the rule of law. I suggest, through you, Madam Speaker, to the Minister that through Clause 12 we have made the makers of rules, regulations, and orders judges in their own case. This is totally out of Canadian and democratic concepts of fairness in law.

I am sure the Minister received, as did I, a brief from the Canadian Bar Association. They make the observation that Bill C-136 substantially increases the powers of the CRTC over the broadcasting industry. They point out that any person involved in the broadcasting industry may be subjected to several different sanctions for failing to comply with a regulation, license condition, decision, or order of the CRTC. In creating duplicate offences and multiple sanctions, in their view, the Act places licensees in double jeopardy without sufficient protection. The problem is compounded by the fact that a licensee may be subjected to different orders or decisions issued by one or more panels of the CRTC or even by the full commission itself.

The Minister knows there was a lot of discussion and that there is some disagreement and some serious concern about the use of panels on the "he who hears decides" concept. I think the Minister may be right, but we have to test that out. However, we certainly must be very careful about procedural fairness, and that is what the Canadian Bar Association is talking about.

Through the different powers granted to the CRTC by this Bill it becomes the lawmaker, the law interpreter, and the law enforcer at the same time. The Bar Association says that while this position is not uncommon in the administrative law field, it does give rise to concern that duplicate offences or penalties should be reduced to a minimum.

• (1200)

The purpose of my Motions Nos. 58, 59, 60 and 69, is that the courts would decide upon breaches of orders and regulations and the CRTC would decide upon breaches of conditions of licence. The reason I leave breaches of conditions of licences with the CRTC is that the conditions which we now put as a punishable offence on summary conviction are frequently very elaborate in detail and could easily be subject to a subjective interpretation.

I believe the CBC supported me in this respect, that conditions are not solid grounds for prosecution in the criminal courts. Furthermore, since there are tailored conditions of licence by the commission, I think that is the best place to deal with it.

Therefore, I suggest that the Minister reconsider these particular clauses. She should review Clauses 12 and 13, then bring in the appropriate motions I have made and be supportive of the fact that we talked about fairness in rule of law.

You cannot be judged in your own case. That is not the Canadian way. I ask the Minister to give that very serious consideration.

Mr. Ian Waddell (Vancouver—Kingsway): Madam Speaker, I can support Motions Nos. 53 and 54 brought forward by the Hon. Member because I believe they would lead to a more open public process. I believe that the Member has already cited the relevant testimony we received in committee from such groups as the Canadian Ethnocultural Council among others.

Motion No. 58 is more difficult. The CBC objected to this. I suppose it depends on one's assessment of what is an unreasonable power that the CRTC would have. I believe that it is not an unreasonable power. Accordingly, I would not support that motion.

Motion No. 59 simply adds the word "decision" to this section, meaning that the CRTC decisions as well as mandatory orders may be made orders of the Federal Court. Again, that sounds like a reasonable amendment.

Motion No. 69 deletes the clause that makes the breach of a licence condition. If you breach a licence condition set down by the regulatory body of the CRTC, you can be guilty of an offence punishable by summary conviction. The CBC and others feel that the conditions of a licence are by nature not grounds for prosecution in the criminal courts.

I took the opposite view in committee and said that, in fact, there are two different penalties set down in the Act. If you breach a regulation you get some sort of penalty. If you breach an order you get another sort of penalty. I thought that was inconsistent.

I draw the Minister's attention to the hearings of the legislative committee as reported at page 10:143 to 10:146, where I deal with the Minister and Mr. Kinsman, her official, and some other people on this issue.

I oppose the amendment by the Member for Mount Royal (Mrs. Finestone), but I believe that there are some inconsistencies in the Bill as it is set out. I do not think it is a major matter, but there are inconsistencies. That is the position of our Party on this particular group of amendments.

Hon. Flora MacDonald (Minister of Communications): Madam Speaker, with respect to policy directions to the CRTC it is important to recognize what is being proposed in this legislation in the way of hearings, consultations and so on.

The Minister must consult with the CRTC on a policy directive. Bringing in this new power of policy direction lays certain requirements on the Governor in Council and on the Minister. The Minister must consult with the CRTC about any policy directive. It is then published in the *Canada Gazette* with calls for comments. Third, it is tabled in the House of Commons and referred to committee for 40 days for consideration and response. Fourth, there is a second consultation with the CRTC. Finally, the CRTC can then decide whether or not to hold public hearings on general criteria and processes of implementation.

What we have is a very lengthy consultation process on any new policy directive. I think that indeed enhances the process and gives a great deal of latitude for public input and for parliamentary consideration.

With regard to mandatory orders, I think it is very important to recognize that this is indeed an important new power and something which I think will enhance the work of the CRTC. I know that the former Chairman of the CRTC felt, having worked with the existing powers either to revoke a licence or to administer a slap on the wrist to someone, that neither one was effective. This new power to issue mandatory orders is an important new power and one that I think should be welcomed.

Finally, I just want to say that on the question of legal remedies for a breach of condition of licence, there may well be some argument about this. I want it to be noted that the route we have taken in leaving it with the CRTC was a recommendation of Caplan-Sauvageau, who were in favour of this route, as was the standing committee.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Champagne): The question is on Motion No. 53 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

Some Hon. Members: On division.

Motion No. 53 (Mrs. Finestone) negatived.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 54 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 58 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

Some Hon. Members: On division.

Motion No. 58 (Mrs. Finestone) negatived.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 59 standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

Some Hon. Members: On division.

Motion No. 59 (Mrs. Finestone) negatived.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 60 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

Some Hon. Members: On division.

Motion No. 60 (Mrs. Finestone) negatived.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 69 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

Some Hon. Members: On division.

Motion No. 69 (Mrs. Finestone) negatived.

• (1210)

The Acting Speaker (Mrs. Champagne): The next group consists of Motions Nos. 57 and 61.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 57

That Bill C-136 be amended in Clause 10 by striking out line 4 at page 13 and substituting the following therefor:

"of one or more classes, or to any persons or class of persons who are exempted from the requirement to hold a licence by subsection 9(2) or section 25."

Motion No. 61

That Bill C-136 be amended in Clause 17 by adding immediately after line 20 at page 16 the following:

"(d) the making of an order under subsection 9(2)".

She said: Madam Speaker, Motion No. 57 is an amendment to Clause 10(2), which in a sense I am hopeful will allow for a level playing field for all distribution systems and which looks at regulations for exempted persons.

Motion No. 61 will ensure public hearings if an exemption takes place. That is found in Clause 17.

Motion No. 57 enlarges the list of regulations that are possible by the CRTC under the general powers of the commission as set out on page 13 of the Bill. It would define and enlarge the places in which licences could be applicable, or the classes of licence that could be applicable. It would be applicable to one or more classes, or to any persons or class of persons who are exempted from the requirement to hold a licence by subsection 9(2) or Section 25. In essence, what the Hon. Member for York East (Mr. Redway) has been talking about, in a sense, would make the process a little more open and a little more fair, I would hope.

The Canadian Bar Association addressed this issue in its brief to the legislative committee. It said, and I quote, "In order to have a level playing ground MATV systems should be governed by the same rules as those applicabale to cable television systems or other distribution systems. Under the proposed Act, these rules could be applied directly through regulations or licence conditions, or indirectly by the terms of exemption orders under Subclause 9(2)".

The purpose of my suggestion is so that where the MATV and the SMATV systems want to bring in and have Canadian content and follow the local rules they will also have the right to get pay-TV, and the kinds of things which they are having a great deal of difficulty doing.

There is one omission in the Act, I believe. It is the fact that the regulations enacted by the commission under Clause 10 of Bill C-136 cannot be made applicable to exempted persons. Clause 10(2) states that the regulations are only applicable to persons holding licences.

This is contrary to recommendation 14 of the Standing Committee on Communications and Culture, a recommendation which is contained in our sixth report. I would like to remind the Minister about what we had to say, as well as what First Choice, Canadian Communications Corporation, recommended in support of the type of amendment I have brought forward.

First, the standing committee said in recommendation 14 that the power to exempt undertakings from the requirement to obtain a licence should be subject to the right to impose terms and conditions, and regulations applicable to licensees should also be able to be applied to exempted persons. This would permit the CRTC, for example, while exempting MATV systems to require such systems to meet the same obligations or requirements related to the carriage of services, or any other matters as would apply to cable television systems or other comparable licensed undertakings. If they are using our airwaves, and we have said they are to be exempted, then let us find a way to make it a legal exemption.

As well, First Choice, Canadian Communications Corporation, said that there is one omission in the Act, that is, the regulations to be enacted by the commission under Clause 10. Clause 10(2) states that regulations can only be applied to persons holding licences. I bring that to the attention of the Minister.

To implement this I have presented Motion No. 61 to the Minister. I am not quite sure if the wording of it might well raise some concerns with respect to its being too broad a net. I

have made the recommendation that the making of an order under subsection 9(2) would allow for this exemption clause to be a more open situation. Maybe it should state "substantial order". Maybe it should read "significant order." Perhaps it needs some kind of refinement, although I personally feel that it is broad enough to allow for the kind of approach that I have been talking about.

With respect to Motion No. 61, the goal is that subsection 9(2) would allow the CRTC the discretion to exempt persons who carry on broadcasting undertakings of any class from licensing and regulations. This is an expansion of Section 17(1)(e) of the 1968 Broadcasting Act that only permitted exemptions of broadcasting receiving undertakings from licensing. This is a good power. It is a great power. But because of the broadness of this expanded power there needs to be a public process to provide fairness for all the players in the Canadian broadcasting system. They should really know why *x*, *y* and *z* were exempted. The Canadian Cable Television Association has said, "The unilateral power to exempt is a very powerful mechanism. The language of this section is very broad, offering no checks or balances on the exercise of power to exempt".

Since the goal of the broadcast policy is the degree of fairness for all players, the rules of the game should be clear, understood and well-defined, and they go through open public process, through the CRTC, through hearings or through procedures. I would like to recommend that the Minister give serious consideration to accepting the amendments which I have proposed under Motion No. 61.

Mr. Ian Waddell (Vancouver—Kingsway): Madam Speaker, both the amendments of the Hon. Member for Mount Royal (Mrs. Finestone) are acceptable to us. I think she has outlined the reasons for that.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Champagne): The first question is on Motion No. 57. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(1), the recorded division on the motion stands deferred.

The next question is on Motion No. 61. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five members having risen.

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(1), the recorded division on the motion stands deferred.

The next group is Motions Nos. 54A, 63, 64 and 66. They are grouped for debate and will be voted on separately.

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 54A

That Bill C-136 be amended in Clause 9 by adding immediately after line 34 at page 11 the following:

"(i) determine whether the rates charged by distribution undertakings are at all times just and reasonable, and if they are not, may revise them accordingly."

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 63

That Bill C-136 be amended in Clause 19 by striking out line 25 at page 17 and substituting the following therefor:

"casting policy set out in subsection 3() and Commission regulations and orders as provided for in sections 10 and 11."

Motion No. 64

That Bill C-136 be amended in Clause 25 by striking out lines 23 to 28 at page 20.

Motion No. 66

That Bill C-136 be amended in Clause 25 by adding immediately after line 46 at page 20 the following:

"(4) The Minister shall consult with the Commission before the Governor in Council makes an order under subsections (1) and (2)."

The Acting Speaker (Mrs. Champagne): On a point of order, the Hon. Minister of Communications.

• (1220)

Miss MacDonald: On this grouping I am prepared to accept Motion No. 63. I understand there has been some discussion with regard to Motion No. 66, and a possible change to the wording of it. If that wording is worked out then I would be prepared to accept Motion No. 66.

The Acting Speaker (Mrs. Champagne): On debate the Hon. Member for Vancouver—Kingsway.

Mr. Waddell: Madam Speaker, I appreciate the Minister accepting those amendments. That leaves Motion No. 54A and Motion No. 64. Motion 64 is the amendment of my colleague, the Hon. Member for Mount Royal (Mrs. Finestone). It is identical to my Motion No. 65 which was ruled out of order, because it was identical. I would, of course, support Motion No. 64.

I want to speak on Motion 54A. This is a very important motion. It states:

> That Bill C-136 be amended in Clause 9 by adding immediately after line 34 at page 11 the following:
>
> "(i) determine whether the rates charged by distribution undertakings are at all times just and reasonable, and if they are not, may revise them accordingly."

This amendment reflects the belief of the NDP that cable companies should be regulated by rate of return legislation, and as a result the prices charged to ordinary Canadian subscribers should, like telephone rates, be more closely linked to profits. This has enormous implications, and is extremely important to the average Canadian. It is a necessary protection for consumers who increasingly, especially in urban areas, but also to a great extent in rural areas, view cable as an essential service. Everybody wants cable today.

This is a particularly important amendment at this time because many Canadians are now faced with very substantial increases in cable fees. In the lower mainland of British Columbia, where I am from, whether it is in Port Moody, Belcarra, Coquitlam, Ioco, Port Coquitlam, or Burnaby, those areas are served by Rogers Cablevision which has a territorial monopoly on cable services. That means that my constituents, if they are unhappy with Rogers' prices or services, cannot move to another company. There is only one cable company, and they are stuck with it. I might add that this is a very lucrative area for Rogers as 95 per cent of the households are cabled.

A great deal of concern has been expressed about that part of the recent price increase which is paid to subsidize the addition of four new services: YTV, Vision TV, Weather Now, and Much Music. They have been added to the basic services in my area of British Columbia. The Sports network will be added next year. There is a lot of controversy about who does and who does not want those services.

The Minister will say that this is a matter for the CRTC. I can hear her argument now. However, as the Minister knows, the Cabinet has power of review over the CRTC decisions. The Minister should know this, because it is part of the same decision that brought those services into the basic service. The CRTC gave the licence for an all-news network to the CBC. Of course, at that time that was not acceptable to this present Cabinet. This was the only part of the decision on which the Minister decided to intervene. The Minister did intervene in this matter because of the pressures from her friends in Alberta. She has delayed and perhaps sabotaged the All-News Network plan. The others, however, which in some cases add very little to the Canadian character of the system, she said nothing about. As one of her colleagues stated four years ago: "But, Sir, you had an option". The Minister did not exercise her option.

Miss MacDonald: You did not want a French-language service.

Mr. Waddell: What is less well understood is that 73 cents of the increase will go straight to the cable company, in this case, Rogers. Even if there had been no new specialty services added to the basic service, Rogers would have received a 60-cent per month increase.

Canadians who are watching this debate on cable may be interested in knowing how their cable fees are set. The cable industry is the only territorial monopoly in Canada whose profits are unregulated. The industry is certainly regulated in general terms, but it is still a special case in terms of profits. What is the result of this situation? As Andrew Roman of the Public Interest Advocacy Centre rightly notes:

> As a result of this regulatory vacuum, Canadian households pay far more than they should for cable television services. The proprietors of cable licences have been given what has been called "a licence to print money" and, when they wish to get out of the business, to sell their share at a price at which they earn a profit on the sale of the printing press itself.

Cable prices are regulated somewhat by the CRTC. The rates are set by the commission on the basis of a number of variables. The Caplan-Sauvageau report listed those as "the quality of service provided by the operator, additional service proposed, the difference between the projected rate and the rates charged by other operators in the region, the intent of the operator to share the cost involved in providing the service, and financial need." It should be noted that the economic profile of the cable industry prepared for the Caplan-Sauvageau task force by Moss, Roberts and Associates noted the "lack of any formalized, explicit policy for rate setting."

As the Public Interest Advocacy Centre pointed out in practice, "The main criterion is how much other cable companies charge in the same area". The centre also stated: "It . . . means that the greediest or least efficient cable operator will apply first for a rate increase and the others will follow shortly to preserve consistency in the area whether they need the higher rates or not. Over time, the rates tend to reflect the needs of the least efficient system, which provides

service to a majority of customers to earn very handsome returns indeed. In effect these small systems are used by the larger ones as an excuse to overcharge the majority of Canadian subscribers". Think about that, Madam Speaker, to overcharge the majority of Canadian subscribers.

We in the NDP believe that cable companies deserve to earn a fair rate of return. However, Canadian consumers will pay approximately $1 billion for cable services this year, and they deserve to know that they are not being overcharged for those services. Cable, like the local telephone company, has a monopoly. One cannot change companies. Consumers deserve fairness. The amendment that we have proposed goes a fair distance to ensuring for Canadians just that fairness.

It should be noted that the cable industry is, on the whole, enormously profitable. This is particularly true in large metropolitan areas, although some small companies are less profitable. It was Canadian cable subscribers who, in large part, underwrote Ted Rogers' billion dollar American empire from the money that he made in Canada.

If one looks at the financial projections for cable over the next 15 years, as assessed by the broadcasting task force, one can see how profitable it is. If it is assumed that cable fees rise with the rate of inflation, the average return on equity would be some 25.7 per cent. This is almost double the rate of return on equity that Bell Canada is permitted, which is also a carrier and regulated.

We can well inflate the figures for the biggest cable companies. As stated earlier, the result is that consumers are and will be paying far too much to the cable monopolies. The proper criterion is NEED. Andrew Roman has stated: "The correct criterion for determining need is to allow the shareholders a return on their investments of similar risk.

This amendment picks up some of the language regulating Bell Canada in the Railway Act. We believe that it will provide the appropriate basis for setting cable rates in the future, in order that the consumer, as well as cable shareholders, are protected. It is a significant amendment for average Canadians who have cable and have to pay cable fees.

Mrs. Finestone: Madam Speaker, first I want to thank the Minister for indicating that she is prepared to accept Motion No. 63 and an amended Motion No. 66. I understand and appreciate the nature of the amendment. The Minister is perfectly right that we make that move and we will do so in due course.

• (1230)

Speaking to Motion 54A, moved by my friend from Vancouver—Kingsway (Mr. Waddell), I think what he is asking makes good, solid sense. He is saying the CRTC already does this so why not put it into law?

The determination of rates outside of the cost of living adjustment I do not happen to agree with. In this case I think it should be part and parcel of the rate hearing. If there is one thing I have had more complaints about in the last three months, this is it. I am sure the Minister has had the same thing in her riding, although perhaps my riding is somewhat different as it has a very large English and French division. Some of the decisions of the CRTC now being implemented, on the French side by Videotron which has the responsibility to implement them, and on the English side by CF Cable, which has the option to implement them, have created some very serious concerns for both anglophone and francophone viewers in my riding. The cost increases in particular for programs which they do not want have created a lot of concern. We have even had a city council pass a motion expressing its disappointment and concern over the cost and content of the carriage in the system that they are hearing about from their constituents. Therefore, I certainly will support Motion No. 54A because I think it would perhaps settle some of the problems.

The Minister has addressed the panel and its obligation to consult. The Minister has not addressed the last one in this series, the deletion under Motion No. 64. This was brought to our attention by the Agency for TeleEducation in Canada. They felt very strongly that "another area which gives us cause is the cabinet authority in Clause 25(1)(d). This new power appears to allow the Governor in Council to prescribe the terms under which licences can be issued to otherwise ineligible groups". Perhaps the Minister would care to respond to that. If she is refusing to allow that amendment, it would be only fair to advise the people concerned why she finds it not in the interests of the Canadian broadcasting system and where it might interfere with provincial jurisdiction.

I went to outside legal counsel and they suggest that Cabinet could direct the CRTC to prescribe conditions for provincial educational broadcasters. It strikes them that specific directions on educational programming issues challenge provincial jurisdiction over education. This appears inappropriate unless we are to reach new agreements through federal-provincial communications meetings or appeal to the courts.

The Ontario Ministry of Culture and Communications took the view that the power in Clause 25(1)(d) was too detailed and could lead to interference with the CRTC's normal regulatory and licensing process. The Minister must make a decision and let the community up there know why she is either rejecting or accepting this power which is seen as prescribing conditions for the issuance of licences to provinces. It is seen by others as diluting the federal powers in broadcasting as outlined in 3(h)(3) which I addressed in Motion No. 22.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I just want to put to the House a proposition concerning Motion No. 66. I cannot move this because I seconded the motion, but I understand there is a disposition by other Members to do so. What we are trying to do here, with the Minister's concurrence, of course, is to remove the obligation under Clause 25(2) for the Minister to consult. She would then accept, I think, the amendment of the Hon. Member for Mount Royal (Mrs. Finestone) which says that the Minister

shall consult with the commission before the Governor in Council makes an order in subsection (1). We are removing the "s" from "subsections" and removing the "and 2". I understand another Member of this House is ready to move that amendment and I just wanted to explain that what we are doing is removing the consultation obligation in Clause 25(2).

Mr. Nelson A. Riis (Kamloops—Shuswap): Madam Speaker, before I move the appropriate amendment I want to add my comments to those of my colleague from Vancouver—Kingsway (Mr. Waddell) who suggested in Motion No. 54A that we add immediately after line 34 at page 11 the following:

> "(a) determine whether the rates charged by distribution undertakings are at all times just and reasonable, and if they are not, may revise them accordingly."

We all know that the CRTC regulates cable companies and to a certain extent the fees they charge. It is appropriate, when you consider the role cable has come to play in the lives of ordinary Canadians, that we be somewhat more vigilant in determining what they charge to individual subscribers. I know in my constituency that people who have the opportunity to watch the proceedings of this House do so only if they are hooked up to a cable system. If for no other reason, we ought to be more sensitive to the role cable companies play in influencing the awareness of issues by Canadians.

Consider for a moment that cable companies have a monopoly in providing a community service, yet to a certain extent they are unregulated when it comes to the fees they charge. I know that as a Member of Parliament I have received correspondence on a number of occasions from people who feel that certain cable companies have been charging excessively for the services they provide. We have all heard that, at least in certain instances, owning a cable company or being a major shareholder in a cable company is akin to being able to print your own money. It is extremely lucrative. I would emphasize that is true in certain cases. I would not want to suggest that every cable company is a major money-maker because I am aware of some that are not, and which for a variety of reasons have got into some financial difficulty.

However, this very reasoned amendment from my colleague is simply saying that the rates charged to subscribers be just, reasonable and fair. I do not suppose anyone would suggest that rates charged should be anything other than that. We all recognize that as only appropriate. If rates became excessive for whatever reason, this motion would enable an intervention and revision of those rates.

I think we all recognize that at times having an outside organization keeping an eye on the goings on of a cable company with respect to their fees would be appropriate. I know the Minister feels this way herself because of the issue raised by my friend regarding the All-News network. All of us who have been supporters of the CBC over the years recognize the quality service that it has provided and the role it has played in the development of the Canadian ethic. I think the proposal for an All News network was a good one.

• (1240)

Miss MacDonald: You didn't want a French-language one.

Mr. Riis: Yet the Government, I hate to say in its wisdom because I do not think it was wisdom, because of political pressure decided not to approve the license and enable the All News network to proceed, much to the disappointment and chagrin of all progressive Canadians. Setting that aside, I think this motion put forward by my colleague is again a motion that is simply asking us to be just and reasonable. I cannot imagine anybody not supporting this.

To go on to the point made by the Hon. Member for Ottawa—Vanier (Mr. Gauthier) regarding a small change to Motion No. 66, which I understand now has the approval of all Parties involved and makes a good deal of sense, I would like to take this occasion to move an amendment to Motion No. 66. I move:

> That the motion be amended in the last line by deleting the words:
>
> "and 2", and removing the "s" from "subsections".

Hon. Flora MacDonald (Minister of Communications): Madam Speaker, I think it is very important for those who have not completely read the Bill to take a good look at it with regard to Motion No. 54A. I want to point out that Clause 3.(1)(r) states:

> Distribution undertakings . . . provide efficient delivery of programming at affordable rates . . .

Then Clause 5.(1) requires the commission to implement the policy found in Section 3.(1). Clause 5.(2) requires the broadcasting system to be regulated in a manner that facilitates the provision of broadcasting to Canadians. Furthermore, Clause 9.(1)(b) permits the commission to impose conditions of license to implement the policy in Clause 3.(1). Clause 10.(1)(k) allows it to make regulations to do the same thing. In other words, Madam Speaker, this issue has been addressed in the Bill. Obviously we understand the reason and the necessity for affordable rates of television throughout the country.

One other comment I would like to make is with regard to Motion No. 64. The question was raised by the Hon. Member for Mount Royal (Mrs. Finestone) whether or not this applied beyond the scope of municipal cable companies. This clause was put into the Bill in the first place to rectify a problem that was raised by the Standing Joint Committee on Regulatory Instruments which found that the 1968 Bill did not meet this requirement. It applies solely to municipal cable companies in a way that they exist, say, in isolated communities on the Prairies or in any province. It has nothing whatsoever to do with educational broadcasters, which are independent of the province and have to come to the CRTC for their license.

Mr. Ian Waddell (Vancouver—Kingsway): Madam Speaker, there being an amendment, that allows me to speak again. I think it is a very specious argument that there are affordable rates buried in the Bill in these clauses.

Miss MacDonald: It is right up front in the major section.

Mr. Waddell: I think you have to look at them very closely and put that together. I do not think for a moment the Bill tackles the problem of excessive cable fees. If you double my phone bill, for example, you could still call it an affordable rate and I could still pay it. But the phone company is regulated as such. It looks at the rate of return—

Mr. Gauthier: You get some value.

Mr. Waddell: —what kind of rate of return it is getting here compared to other businesses, the service that is provided, et cetera. This amendment attempts to deal with the real issue. It talks about the rates, making sure at all times that they are just and reasonable and they can be revised accordingly. This really sets it down. I do not know what the cable companies have on this Government or this Government has with the cable companies. They seem to be kissing cousins. They are more than kissing cousins in this one.

In this Bill the cable companies are the big winners. They get to broadcast as well as just transmit. As I said before, it will make it really difficult to regulate their rate of return in the future because of that. If the Minister would just listen, what is it that these cable companies have with the Government? They are immensely profitable. I cited all the reports. Canadians are complaining. We have complaints about the increases. Why is the Government not tackling that? Why will it not meet the demands of the ordinary Canadian here and not accept a clause like this which gives the CRTC some real power, some real terms, not just previous terms that were in the Bill, and some real criteria with which to regulate those rates so that average Canadians and their families can pay a fair rate of return for their cable, which is an essential service.

Let me conclude by saying something to the people in British Columbia who will be watching this at a time three hours earlier than where we are here. Many people in B.C. think that provincial politics are the really important politics and that federal politics are just out there and not that important. I say to them, and I hope they will consider this, that their telephone rates are regulated federally, cable rates could be regulated partly federally, and their income taxes are regulated federally and so on. So many of the day-to-day issues are regulated by the federal Government. British Columbians should take interest in the upcoming federal election and look at what Party is prepared to deal with fairness for average Canadians and their families. This is the perfect issue here with cable rates. This Government is very cozy with its big, rich friends in the industry, ignoring the interests of average Canadians. This is why it is rejecting this amendment today. Make no mistake about it, Madam Speaker.

Mr. John R. Rodriguez (Nickel Belt): Madam Speaker, I was listening to my colleague, the Hon. Member for Vancouver—Kingsway (Mr. Waddell). I think his amendment put forward here is an appropriate one. It states:

> That Clause 9 be amended by adding immediately after line 34:
>
> "Determine whether the rates charged by distribution, undertakings are at all times just and reasonable and if they are not, may revise them accordingly."

I cannot get together in the Nickel Belt area with a couple of people and start a cable company because Northern Cable Services has the monopoly. It has been given the license to provide the cable services in the Nickel Belt area which is made up of the City of Sudbury and a large rural community.

We are told that the CRTC regulates the cable companies. One of the things not effectively regulated by the CRTC is the question of the rates. People in the Nickel Belt area know that, for example, Bell Canada, which has been given a charter to provide telephone service in the Province of Ontario, when it wants a rate increase has to go before the CRTC to justify it. The CRTC looked at the profitability, at all the funny little games that Bell Canada used to play in the past with its subsidiaries. Northern Telecom used to charge Bell Telephone an arm and a leg for the little piece of telephone equipment that was required, so Bell Canada was always showing that it was not making money when it fact it was its subsidiaries that were doing this. After a long process, Bell Canada had to justify this. Oftentimes, the CRTC would not approve the increases. In fact in some cases, Bell Canada was forced to reduce its rates retroactively.

• (1250)

The same is not so with the cable companies. The CRTC has no power to determine whether in fact requested rate increases are fair, justifiable and reasonable. This amendment attempts to deal with that. It attempts to provide the CRTC with the ability to see whether those rates are fair and reasonable. I think that is what the consumers want.

Many of the consumers of cable services in my riding are retired folk, older Canadians, and television has become a very big part of their lives in retirement. We can almost call it an essential service for that element of society, yet they are captive to the rates being charged.

I think the Hon. Member for Vancouver—Kingsway (Mr. Waddell) has put forward a very thoughtful amendment, and I would urge Hon. Members to support it. I think it is essential, in a regulated monopoly, that the regulating body have the power to determine whether the rates charged are reasonable and fair, not just in comparison with what other cable companies in the region are charging. That ought not to be the main factor in determining the rates. It ought to be the profitability of the company, what is fair and what the market in the local area will bear.

I have not seen any of these cable companies going out of business. The Hon. Member referred to the relationship between the Tories and the cable companies. I would like to know about the election contributions of the cable companies to the Conservative Party. I wish the Minister would show as

much spunk with respect to the CRTC and the cable companies as she showed when she interviewed on the all-news channel. I would like to see some spunk here as well.

I ask Hon. Members to support this amendment. It is fair and reasonable and I think it should be supported.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Champagne): The first question is on Motion No. 54A standing in the name of the Hon. Member for Vancouver—Kingsway (Mr. Waddell). Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 63 standing in the name of the Hon. Member for Mount Royal (Mr. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion No. 63 (Mrs. Finestone) agreed to.

The Acting Speaker (Mrs. Champagne): The next question is on Motion No. 64 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on the amendment to Motion No. 66 standing in the name of the Hon. Member for Kamloops—Shuswap (Mr. Riis). Is it the pleasure of the House to adopt the amendment to the motion?

Some Hon. Members: Agreed.

Amendment (Mr. Riis) agreed to.

The Acting Speaker (Mrs. Champagne): The final question is on Motion No. 66, as amended, standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion as amended?

Some Hon. Members: Agreed.

Motion No. 66 (Mrs. Finestone), as amended, agreed to.

The Acting Speaker (Mrs. Champagne): The next group consists of Motion Nos. 71, 73 and 76. They are grouped for debate. Motion No. 71 will be voted on separately. A vote on Motion No. 73 will apply to Motion No. 76.

[*Translation*]

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 71

That Bill C-136 be amended in Clause 34 by adding immediately after line 29 at page 24 the following:

"(3) The Minister shall consult with the Chairman before the Governor in Council makes an appointment to the Board."

Motion No. 73

That Bill C-136 be amended in Clause 39 by striking out line 14 at page 26 and substituting the following therefor:

"hold office for a term not exceeding seven".

Motion No. 76

That Bill C-136 be amended in Clause 74 by striking out line 20 at page 45 and substituting the following therefor:

"behaviour for a term not exceeding seven".

She said: Madam Speaker, the purpose of this amendment is to have the Minister consult on appointments to the Board of Directors of the Canadian Broadcasting Corporation. We find some very specific criteria in Clause 35 which defines the essential qualifications for such appointments. A person is not eligible to be appointed or to continue as a director if the person is not a Canadian citizen ordinarily resident in Canada or if, directly or indirectly, as owner, shareholder, director, officer or partner or otherwise, the person is engaged in the operation of a broadcasting undertaking; has any pecuniary or proprietary interest in a broadcasting undertaking; or is

principally engaged in the production or distribution of program material suitable for use by a broadcasting undertaking. It is a matter of amounts or percentages when we are talking about "principally engaged in the production", etc.

I submitted for consideration the fact that Clause 36 provides that a person who is engaged in the production or distribution of program material suitable for use by a broadcasting undertaking may be appointed a director of the Canadian Broadcasting Corporation, provided it is not his principal activity. The Board of Directors believes that before the person is appointed a director of the Canadian Broadcasting Corporation, there should be consultation between the Chairman of the Board and the Minister. We make this suggestion in view of the very real possibility of a conflict of interest being created by such appointments, and that is why I moved this amendment and this motion.

Mr. Grisé: Madam Speaker, on a point of order.

The Acting Speaker (Mrs. Champagne): The Parliamentary Secretary, on a point of order.

• (1300)

Mr. Grisé: Madam Speaker, I am sorry to interrupt the Hon. Member for Mount Royal (Mrs. Finestone), but I believe that you will find unanimous consent in the House to continue the debate after one o'clock.

[*English*]

Mr. Riis: Madam Speaker, we are quite prepared to complete report stage debate on this today, with the clear understanding that the vote on the amendment will occur at three o'clock.

Mr. Gauthier: I concur that we could finish report stage, but I have not been consulted nor have I been given a chance to state my views as to whether the vote should be held at three o'clock or later on today. I would like to reserve on that. I agree that we would finish with report stage and the vote would be deferred by the Whips as usual at the time of the Whips' judgment call.

[*Translation*]

Mr. Grisé: Madam Speaker, I thank the two Opposition parties for agreeing to continue the debate, but as for the time of the vote, obviously, there will be discussions in the next few minutes.

[*English*]

Mr. Riis: I want to make it very clear that consultations are taking place at this moment. We are agreeing to complete the report stage debate right now, to facilitate this particular stage of the Bill, with the clear understanding that the vote would be taken immediately after three o'clock on the amendments. If that is not understood, then I am afraid it is one o'clock.

[*Translation*]

Mr. Grisé: Madam Speaker, I think that it is very clear that these discussions are taking place immediately, that is, I cannot discuss this while I am here—but I can agree in principle that the vote be held at three o'clock, as the Hon. Member for Kamloops—Shuswap (Mr. Riis) has just suggested.

[*English*]

Mr. Waddell: I understand that my colleague has a holiday this afternoon. I know it will be difficult for him. Why don't we just call it one o'clock now, and we can finish this off some other day?

Miss MacDonald: We will finish it this afternoon.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It seems extremely difficult for the Chair to decide at this time, because there is no unanimity on the whole subject of consideration of the motions and amendments and the time of the vote. I must therefore say that it being one o'clock, I do now leave the Chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

ENVIRONMENTAL AFFAIRS

DEPARTMENT'S STAFFING POLICY

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, despite the denials of the Minister of the Environment (Mr. McMillan), the truth about his plans to cut further the number of his employees is emerging. A top official says that senior staff were told last Friday to put off cuts for the time being but were not told of changes to the policy of cutting 361 jobs over the next two years.

The Public Service Alliance has a document prepared by Environment Canada setting out a timetable for cutting 742 jobs over the next five years. Since Friday last the Director of Personnel Policies in Environment Canada has been muzzled after confirming the proposed cuts.

All of this is familiar. Be it toxic chemicals in the St. Clair River, PCBs, or departmental budget figures, when the story told by Environment Canada staff conflicts with that of the Minister we see desperate denials and muzzling of staff.

S. O. 21

We hope Mr. Marks, Director of Personnel Policies, will not end up herding muskox in Ellesmere Island National Park as a reward for speaking the truth.

* * *

[*Translation*]

THE LATE JACQUES BEAUCHAMP

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, last Saturday, the great family of sports fans in Quebec lost a friend, a giant of the sporting world and one of its most distinguished ambassadors, Jacques Beauchamp.

Jacques Beauchamp was a man loved and respected by all, for his simplicity, his honesty, his frankness, his big heart and his devotion. The Abitibi-Témiscamingue region will keep a cherished memory of this man who did not hesitate to put his trust in one of our local people, Ghislain Luneau, also a sports journalist, who died in a tragic car accident.

Jacques Beauchamp came to our region several times and in his daily column, he regularly kept his readers informed of the people and the sports events in our area.

Mr. Speaker, on behalf of my fellow citizens and on my own behalf, I would like to extend my sincerest condolences to his wife and family as well as his co-workers.

* * *

[*English*]

ABORIGINAL PEOPLES

HOUSING REQUIREMENTS

Mr. Jim Fulton (Skeena): Mr. Speaker, the Conservative Government, under the pen of Erik Nielsen and the leadership of the Prime Minister (Mr. Mulroney), produced a document known as the "Buffalo Jump of the 1980s". Similar to the Liberal White Paper of Jean Chrétien of the early 1970s, it proposed assimilation of Canada's aboriginal people and extinguishment of their rights.

The implementation of this plan is now in full flight. Bands presently require over 10,000 homes. These are desperately required by families presently sharing accommodations or living in substandard dwellings.

Earlier this month the Minister of Indian Affairs and Northern Development (Mr. McKnight) admitted to me:

> Following discussions with Treasury Board, CMHC made slight cuts this year in its social housing program.

Over the past decade 4,295 units lapsed from CMHC programs due to poor management by the Minister and his Department, a figure not disputed by the Minister. The same Minister has identified needs for 21,000 new units but has yet even to approach Treasury Board with a submission.

Without adequate housing or jobs there is little choice for most first citizens but to move. This, of course, is precisely what the Conservatives planned and anticipate. By adding to this, cuts in administrative budgets, economic development, and education, and refusing to settle comprehensive and specific claims, the Conservative plans for assimilation and extinguishment gain momentum.

* * *

SPORTS

OLYMPIC GAMES—STATUS OF UKRAINE AND THREE BALTIC STATES

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, close to 100 Ukrainian athletes are participating in the Olympic Games being held in Seoul, Korea. They are the pride of their homeland, yet none of them will be carrying the flag of Ukraine. Estonia, Latvia, and Lithuania were once members of the Olympic movement. Yet they, too, have been denied independent participation by Moscow.

The Soviet Government claims that these countries cannot participate independently because it would violate the Olympic Charter. Yet the President of the IOC has contradicted this claim and the Charter itself states that any nation or dependency which forms its own national olympic committee may join.

We share in the pride of our own Canadian olympians and this only serves to underscore the injustice to the fine young athletes who have been denied, by Moscow, the opportunity to represent their homeland.

I call on the Government of Canada to issue a formal protest to Soviet officials against this flagrant violation of the Olympic Charter and fundamental human rights, and to demand that Lithuania, Latvia, Estonia, and Ukraine take their rightful place with the Olympic family.

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CAPE BRETON DEVELOPMENT CORPORATION

EFFECT OF GOVERNMENT POLICIES

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I have some very serious concerns that the Government has a hidden agenda with respect to the Cape Breton Development Corporation. I believe that the Government intends to privatize this Crown corporation.

Legislation has been passed to drop the Industrial Development Division from the Cape Breton Development Corporation. Second, the Government is supporting a new coal mine in

Pictou County which will impact negatively, both on the future and the present operations of the Cape Breton Development Corporation.

There is a clear lack of progress with regard to the Lingan Mine in New Waterford. This lack of progress at Lingan Mine will cause 100 workers to be dropped from the payroll by April 1, 1989. I realize that senior members of the United Mine Workers of America are trying to consummate an agreement with the Cape Breton Development Corporation to ensure that this does not take place.

The real problem with the Cape Breton Development Corporation is here in Ottawa with the Conservative policies that relate to coal development in eastern Nova Scotia.

In addition, no effort has been exerted by the Government with regard to the Donkin Coal Mine. Here we have a coal mine ready to go into production but the Conservative Government of Canada provides monies to a new company to open a new coal mine in Pictou County.

I find this appalling in view of the tremendous history of commitment been made by previous Governments to the miners of Cape Breton.

* * *

HEALTH

AIDS DISEASE—PROPOSED FREE HYPODERMIC NEEDLES FOR DRUG ADDICTS

Mr. John Oostrom (Willowdale): Mr. Speaker, the Ottawa-Carleton Health Department has joined Toronto and Montreal in considering giving free hypodermic needles to drug addicts to help combat the spread of AIDS. I find this type of initiative disgusting. We should be finding ways of curtailing drug use, not looking for ways to continue it.

Consider this. No diabetics receive free hypodermic needles to inject insulin each day in order to live. Diabetics did not choose to contract the disease. Drug addicts, on the other hands, chose to use drugs and they have the option to curtail their use. Diabetics have no such options. They have to inject insulin for the rest of their lives.

If any free needles are to be given, it should be to those who medically need them. In fact, these three boards of health should concentrate on helping individuals who truly require assistance rather than indirectly condoning drug use.

S. O. 21

UNITED NATIONS

INTERNATIONAL DAY OF PEACE

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, today is the United Nations International Day of Peace. In calling the attention of the House to this particular day I have a couple of points which I would like to make.

First, with respect to a lot of the optimism which surrounded the INF agreement and what one might almost call a dangerously relaxed view of the world now toward the issue of nuclear disarmament, we need to remember that the INF was only a beginning and that the Canadian Government and others should be very careful that it not simply become the end of one era and the beginning of a new era of modernization of nuclear weapons through sea-launched and air-launched Cruise missiles, et cetera. It is very important that that be seen.

Second, when we talk about peace we should be careful that we do not commit the sin of the false prophets who cry "peace, peace" when there is no peace.

We should remember always those people whose oppression sometimes dwells in obscurity. I think of the Kurds of Iraq, the people who were recently massacred in Burundi, and the people of East Timor who have been oppressed by the Indonesian majority. These people do not make the headlines but are nonetheless human beings and part of our common humanity. We should be paying more attention to them when we talk about peace. There can be no peace without justice.

* * *

STATUS OF WOMEN

PERSONS AWARD RECIPIENT NELLIE CARLSON

Mr. William G. Lesick (Edmonton East): Mr. Speaker, Albertans are pleased to learn that Nellie Mildred Carlson of Edmonton is a 1988 Persons Award recipient, one of only five across Canada.

The Persons Award recognizes outstanding contributions toward improving the status of women in Canada by celebrating the efforts of five well-known Alberta women pioneers; Emily Murphy, Louise McKinney, Nellie McClung, Irene Parlley, and Henrietta Muir Edwards. These five outstanding pioneer Alberta women were instrumental in petitioning constitutional amendments in 1929 to allow women to be appointed to the Senate.

Nellie Carlson has been a dedicated promoter of native women's rights in Alberta. Albertans are justly proud of the historical contributions Alberta women have made to Canadian society.

S. O. 21

[*Translation*]

CANADA POST CORPORATION

PRESIDENT'S REMUNERATION

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker,

> The Cabinet announced yesterday that it was giving a salary increase to Mr. Donald Lander, President of the
>
> . . . Canada . . .
>
> . . . Post Corporation, but refused to specify the amount.
>
> What is known is that the salary for Mr. Lander's position was between $175,000 and $205,000. It is now between $189,000 and $221,400.

Furthermore, over the summer, the President of Canada Post was to receive 25 per cent in bonuses. On a salary of $205,000, Mr. Speaker, that makes $51,250. Adding the two increases together gives a total of $67,500, or a 33 per cent increase, Mr. Speaker; 33 per cent for the President of Canada Post and 3 per cent for the employees. That is a Conservative Government for you, Mr. Speaker: the rich get richer and the poor are always poorer.

* * *

• (1410)

FREE TRADE

QUEBEC'S PERSPECTIVE

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, 57 per cent of Quebecers questioned on free trade believe that it will be beneficial. The Government of Quebec has made its position on free trade official and its manifesto analyzing free trade from the Quebec point of view comes out in favour of free trade.

The Leader of the Opposition in Quebec, Jacques Parizeau, has made the Parti Québécois's position official in a preface to Bernard Landry's book *Commerce sans frontières* ("Trade Without Boundaries"). Quebecers want free trade, which has been good for auto workers in Ontario for 23 years, to apply to all workers in Canada and to every Canadian province.

That is the message they will give in the coming elections.

* * *

[*English*]

CANADIAN HERITAGE

PRESERVATION OF RAILWAY STATIONS—SENATE DELAY IN PASSAGE OF BILL

Mr. Les Benjamin (Regina West): Mr. Speaker, the CPR still haunts the Canadian people through its former president who is now a Liberal Senator.

Bill C-205 is a Private Members' Bill proposed by the Hon. Member for Bow River (Mr. Taylor) which would help Canada keep part of its heritage by allowing us to preserve our historic railway stations. We had all-Party agreement in the House of Commons and the House of Commons committee, but preserving our heritage does not seem to matter much in the infernal other place. They have stalled Bill C-205 by having it sent to a committee for study.

The former CPR president, now a Liberal hack in the Senate, is telling this country that, after all the people of Canada have done to support and build the CPR and CNR for a hundred years, with land grants, cash grants, loans and tax breaks, it is just not important to them to preserve the physical reminders of our railroad history. This is the thanks we get as taxpayers from the CNR and CPR for ensuring their viability.

This insulting arrogance on the part of railroads continues. The latest example is the unconscionable behaviour of the Government and the CNR in the treatment of employees and independent truckers by Route Canada. It is a swindle of the taxpayers, the employees, and the contracted independent truckers.

It is with great sadness that I must report to you and the Canadian people that both the Tories and the Liberals, as well as the railroads, today stand convicted of arrogance and callous insensitivity to the needs, hopes, and history of our country.

* * *

NATIONAL CAPITAL COMMISSION

GATINEAU PARK—THREATENED BAN ON DOWNHILL SKIING

Mr. David Daubney (Ottawa West): Mr. Speaker, I was disturbed to read in the *Ottawa Citizen* today that consultants are suggesting that the National Capital Commission ban downhill skiing at Camp Fortune in the Gatineau Hills.

This apparently is one of the dozens of suggestions in four plans for the redevelopment of Gatineau Park over the next five years.

I consider myself to be an environmentalist. I have spoken many times in this place on environmental issues. I strongly support greater conservation measures at all national parks, but we must strike a reasonable balance between conservation and recreation.

One of the many wonderful features of life in the nation's capital is easy access to excellent recreational and skiing facilities. To ban skiing at Camp Fortune totally, allegedly in the name of conservation, would be sheer idiocy.

[*Translation*]

THE LATE JACQUES BEAUCHAMP

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, "Monsieur Jacques", as Pierre Péladeau called him so well, has passed away. Jacques Beauchamp, whom I had the pleasure to know, was a builder, a communicator, a man loved by all sports fans.

As kind and generous a man as could be, he made his mark on hundreds of journalists whom he helped and inspired and on Quebecers, man and women alike. He was a father to so many people in the trade that I cannot name them in the time available to us.

A hard worker, he was a great inspiration to all around him in journalism. An innovator, he helped set up the widely read newspaper *Le Journal de Montréal.*

To his family, I extend my sincerest condolences and those of my Party. To all his friends, and especially to Pierre Péladeau and Maurice T. Custeau, I want to say that I share their sorrow.

* * *

[*English*]

FUR TRAPPING INDUSTRY

EUROPEAN PARLIAMENT'S ADOPTION OF FUR LABELLING RESOLUTION

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, earlier this year Parliament successfully came to the defence of our trappers and our fur industry over the British fur labelling issue. However, we must not become complacent.

Goaded by a combination of animal rights activists and former British Labour Party MP's such as Barbara Castle and Clinton Davis, the European Parliament has adopted an anti-Canadian fur labelling resolution.

The Government of Canada must redouble its efforts to protect the livelihood of Canadian trappers.

* * *

CANADA POST CORPORATION

SUPERMAILBOXES—OPPOSITION TO INSTALLATION

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, postal rates are going up again but some residents who pay those same rates do not get equal service. I rise on behalf of the residents of Port Moody, Port Coquitlam, and Coquitlam, British Columbia, who have written to me protesting the installation of supermailboxes in their community.

Mr. John Collins writes: "We are both senior citizens and I am in a wheelchair. No consideration or thought went into allotting our postal superbox. Our's is the second row from the top and hard for me to reach from my wheelchair".

Beth Christianson writes: "Collecting mail from a superbox is a hardship not only for seniors and the disabled, but also for mothers at home with very young children".

Are these mothers or fathers, as the case may be, supposed to hire a babysitter every time they have to pick up their mail?

Let us get rid of these Mulroney superboxes and give our seniors, our handicapped, and the Canadian public in general the door-to-door service of mail they deserve and have paid for.

ORAL QUESTION PERIOD

[*English*]

TRANSPORT

ROUTE CANADA CLOSURE—EFFECT ON TRUCKERS AND EMPLOYEES

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, my question is directed to the Deputy Prime Minister. Because the Government appears to be in such obscene haste to privatize everything that moves, the Conservative Government is directly responsible for crushing and destroying the livelihood of thousands of employees of Route Canada.

Over 2,000 men and women with families to support have no severance pay, no pension benefits, and now no jobs. Three hundred truckers are out of pocket an average of $13,000 each. Thanks to the Government's policy of privatization, and the privatization of the trucking arm of CN, a couple of people now have real estate worth tens of millions of dollars, and thousands of people are out on the street and out of work.

Why has the Government, which is responsible for this privatization, not already arranged for some interim support for the employees who are out of a job as a result of this privatization, and for the 300 truckers who now have no contract, are carrying their machines under debt and are in an impossible position? Why has the Government not given some interim help until they can get back on their feet?

[*Translation*]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, on several occasions, the Minister of Labour, the Minister responsible for financial institutions and myself have explained in the House that in 1986, because Canadian National was losing $70 million, it could either shut down Route Canada or sell it—which it did—to the private sector, which meant that 2,700 workers, less the 600 for which it would become responsible later on, were able to keep their jobs. Mr. Speaker, there were two options. One was to shut down the company, while the other was, basically, to sell to the private sector and thus guarantee these workers a job. That is

what CN did, and, Mr. Speaker, until further notice, if the Leader of the Opposition can show us the papers, fine! However, we have yet to see any notice of bankruptcy or other paper that would lead us to believe that the company has not only stopped operating but has gone bankrupt. If the Leader of the Opposition has such evidence, perhaps he will be so kind as to send us a copy.

REQUEST FOR INDEPENDENT PUBLIC INQUIRY

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the Minister of Transport is not responsible for privatization.

Every day of unemployment worsens the situation for these truckers. They need an operating licence and immediate assistance to compensate for the losses they have incurred.

When drought wiped out the harvest of Western farmers, the Canadian Government quite rightly offered several million dollars in assistance. Today, as a direct consequence of this Government's privatization policy, these truckers are suffering incredible losses, and the Government won't help them. They are deprived of their means of making a living because of this Government's brutal policy.

Mr. Speaker, we know from experience that we cannot count on this Government to investigate its own actions and shortcomings. Will the Government hold an independent public inquiry to determine why the Government acted this stupid and brutal fashion toward these truckers and employees?

• (1420)

[*English*]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I am very happy to hear what the Leader of the Opposition has said. He should know that Route Canada is a private company.

Some Hon. Members: Oh, oh!

Mr. Bouchard (Roberval): I am very happy to know—and I want Canadians to know this—every time a private sector company faces difficulties the Leader of the Opposition wants to inject money. In regard to this private company, which three years ago was the property of CN but which for two years has been a private company, the Leader of the Opposition wants us to inject money.

I want to repeat something which I said in French. There is no document at the present time which declares officially that Route Canada is bankrupt. The right hon. gentleman wants us to give it money and yet it has not declared bankruptcy.

SITUATION OF TRUCKERS

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, I wish to turn back to the Deputy Prime Minister who is in charge of privatization and who once had responsibility for transport.

This is a direct result of the privatization of Route Canada. This type of political fraud and Tory economics ruins any faith in our system in Canada.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): Mr. Speaker, I had trouble getting on the Hill today but I finally had an opportunity to meet with demonstrators. I understand their anger.

I wish to ask the Deputy Prime Minister a question, and I hope he responds. When the Prime Minister returns to the capital—and I understand he is on government business today—will the Deputy Prime Minister remind him that during the last election, and since, the Prime Minister boasted that he was once a trucker? Let him have some sympathy with the truckers who are now in an impossible position as a result of the politics of the Government.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): The Prime Minister ordered this privatization. CN privatized its trucking system. The company is nearly belly-up. A few Canadians have ended up with millions of dollars of real estate. Some 300 truckers are out on the dole, 2,000 other employees are out. For God's sake, give us an answer that makes sense.

Some Hon. Members: Hear, hear!

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I would like to understand the Liberal policy but I cannot.

There was nothing to do with privatization in this case.

Some Hon. Members: Oh, oh!

Mr. Bouchard (Roberval): In 1986, CN lost $70 million. It has lost money for 10 consecutive years since 1978. Yet the Liberal Government which was in power during that time was never bothered by this question—absolutely not. When $100 million was lost the Liberal Government was not worried. Today, in 1988, CN is not losing that money.

The type of policy that the hon. gentleman proposes to Canadians is that if it is a private company which is losing money then it should receive money from the Government. It was such actions which resulted in the type of deficit created by the Liberal Government in the 20 years it was in power before we took office.

Some Hon. Members: Hear, hear!

DISPOSAL OF COMPANY ASSETS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question likewise is directed to the Minister of Transport. The Government has taken a Crown corporation,

CN Route, sold it, and the private sector buyers split it into two companies. One was for the trucking assets, and the other was for the property. The private owners then took mortgages on the real estate, along with moneys they saved by not paying their bills for supplies such as tires and gasoline, bought Holmes Transportation, a trucking company in the United States with 30 terminals, and then closed the private company in Canada, throwing almost 3,000 Canadians out of work.

Why did the Government finance and allow this private sector company to bleed the assets of a former Crown corporation, buy a company in the United States, and close the company in Canada throwing 3,000 Canadians out of work?

Some Hon. Members: Hear, hear!

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I think that the Hon. Member is a trustworthy Member. However, the story that he has just related is not true. There is no document to support what he has said.

He talked about real estate. He talked about the operations of the company. What document does he have to substantiate what he has said?

Mr. Gauthier: What about the facts?

Mr. Bouchard (Roberval): Once again, in 1986 there were two options. The Liberals did not deal with the second one. What they would want to do if CN lost $70 million is they would like to close the shop. It would be because a company with a $70 million deficit could not operate.

MORTGAGES ISSUED ON COMPANY PROPERTY

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, last week the Minister of State for Transport said that his officials assessed the land value of Route Canada Real Estate Incorporated at $34 million. Why is it then that on this sheet of paper that I have in my hand it shows that Royal Trust has given $80 million in mortgage funding to Route Canada Real Estate Incorporated? Is the Government saying that Royal Trust overvalued the property by $46 million? Or is the Government saying it undervalued the property by $51 million? Is the Minister saying that the trust company is stupid? Let us find out. Tell us. Canadians want to know.

Some Hon. Members: Hear, hear!

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I will be very short. I will ask my hon. friend to table the document to which he refers. We will then see if it is true.

Mr. Gauthier: That is a phoney request.

CN ROUTE—AUTHORIZATION FOR PRIVATIZATION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have a question on the same subject to address to the Deputy Prime Minister who responded yesterday in a way that misled the House—

Mr. Shields: Come on!

Some Hon. Members: Oh, oh!

Mr. Broadbent: If he could control the yappers behind him—I am sure the Deputy Prime Minister did so inadvertently. However, I want to give him a chance to clarify the record.

We now know this. Two years ago in this privatization move the company, which at that time was CN, was obligated to keep its trucking operations going for three years. It has not done so. It is a company about which there have been serious questions raised concerning the value of the real estate. Some 300 truckers and their families have been seriously affected, as well as others. These factors were all part of the deal.

With reference to the claim that the Government was responsible the Minister stated in the House yesterday in reply to my colleague: "No, I am not the guy that privatized it. It was CNR." My colleague stated: "You ordered them to." The Deputy Prime Minister said: "It was a business decision which CNR undertook."

I have a copy in my hand of an Order in Council decision from the fall of 1986 that authorized the privatization of this enterprise by CN, without which decision it could not have taken place.

• (1430)

Will the Deputy Prime Minister admit that it was the Cabinet that made a decision that authorized this privatization and, if so, is the Cabinet not obligated to make sure the obligations undertaken at that time were lived up to?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the Hon. Leader of the New Democratic Party is deliberating with more precision today than he normally does.

The fact of the matter is that this clearly was an initiative by the CN which was approved by the Government of Canada.

REQUEST THAT GOVERNMENT ACT ON ISSUE

Hon. Edward Broadbent (Oshawa): Mr. Speaker, yesterday the Government said it was not responsible for it being privatized. Today it was an initiative taken by CN, but approved by the Government. The Deputy Prime Minister has just acknowledged that the Conservative Government is responsible for this decision. That is what he has done.

If we have now got the Minister to tell the whole truth today, which he did not do yesterday, and since there are more than 300 truckers' families directly affected to the tune of thousands of dollars each, and a few thousand other employees who have their pension plans and health benefits skewered by the company, will the Government live up to its moral obligations and do something about rectifying this situation for the Canadians affected?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I not only try to live up to the truth, I like to conduct myself in a manner that would be perceived as living up to the truth.

I suspect that under the terms and conditions of the Financial Administration Act, or the Crown Corporations Act, because it is a Crown corporation it would ultimately have to have that approval.

REQUEST FOR MEETING WITH WORKERS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, at the time of the privatization CN issued a press statement that said, among other things, that it took a lower price than otherwise would have been the case because it wanted to keep the trucking business in business; second, that it would do so for three years, not two years.

Since there have been serious questions raised about pension benefits for workers, and perhaps a totally inaccurate value given to the real estate transactions, will the Deputy Prime Minister now undertake to do three things: meet with the workers who are in town today who would like a meeting to have their concerns addressed; second, undertake an immediate inquiry into that decision and its consequences; and third, do something about redressing the serious, unfair injury that has been done to many Canadian workers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I can only conclude from the comments of the Leader of the NDP that he would much rather have seen CN shut the operation down completely at that time.

Mr. Broadbent: Come on!

Mr. Mazankowski: That was an option that could have been considered—

Mr. Riis: An unacceptable option.

Mr. Mazankowski: As the Minister of Transport indicated, and has reminded the House on many occasions, this firm was losing some $71 million in 1986, and it lost money consistently for ten years.

Mr. Blaikie: Will you meet with them?

Mr. Mazankowski: CN management and the operation wanted to redress that.

Mr. Blaikie: Will you meet with them?

Mr. Mazankowski: I am not aware whether we have been invited to meet with them.

Mr. Boudria: Everybody else is aware except you.

Mr. Mazankowski: If the Hon. Member wishes to ask a question, I am sure Mr. Speaker will allow him to do so.

Mr. Boudria: I will.

Mr. Mazankowski: I can assure the Hon. Member in the New Democratic Party that I may not be able to meet with them personally, but I am sure that the Minister of Transport would be glad to meet with the representatives.

[*Translation*]

TRANSPORT ROUTE CANADA INC.—REQUEST THAT MINISTER HELP INDEPENDENT TRUCKERS

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the Minister of Transport who, like Pontius Pilate, preferred to wash his hands, saying it was a private company.

What I want to know is not whether the Minister of Transport has the documents. We are talking about human beings who have specific problems, who have monthly payments to meet, and the Minister of Transport seems to have forgotten the harsh facts of life that face Canadians who are laid off.

My question to the Minister fo Transport is simply this: The independent truckers are entitled to about $13,000 and they need that to make their monthly payments. The bank is not going to wait until the Minister has his documents and the findings of his investigations.

Is the Minister prepared to take some concrete action to provide financial assistance for those affected by the savage shutdown of this company? Will he help the independent truckers? Yes or no?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, once again, the Hon. Member for Shefford can argue as much as he wants, but after four years, this is not going to impress very many people in this country, especially in Quebec.

I may remind the Hon. Member once more: We know the Liberal Party's policy and we don't need to be reminded of what it was like. We may do some reminding ourselves if we have to. Mr. Speaker, the issue is simply this: In 1986, 2,700 workers were going to lose their jobs because CN had to close down. It had annnual deficit of $70 million. There was an offer to sell, and there were thirty bids. It was sold to a company that maintained the jobs of 2,700 employees less the 600 that received severance pay from CN, and today, I repeat, there has been no official notice. If you want to invoke any evidence, we will see what it's worth later on.

In any case, right now there has been no notice of bankruptcy or official liquidation notice. An application for bankruptcy was filed in the province of Quebec. The application has been postponed until October 4.

So before playing on the emotions of Quebecers, I think the Hon. Member should start by looking at the procedure that is customary in such cases.

REQUEST THAT MINISTER INTERVENE

Hon. Jean Lapierre (Shefford): Mr. Speaker, the Minister of Transport is completely out of touch with ordinary people and their day-to-day problems. The 2,300 people who lost their jobs are waiting for severance pay, holiday cheques, money owed to them. They are not waiting for documents. The only documents they need are cheques to meet their end-of-the-month payments and lay-off papers—that kind of practical documents. Has the Minister forgotten the realities of living out there just because he made it to Cabinet?

Here is my question to the Minister: Is he prepared to do something for the laid-off workers and for the operators who lost their contracts? What concrete measure is he prepared to take instead of simply waiting for court documents and what else? The court will go after these people if they fail to make their monthly payments.

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, if there were official lay-off notices, and if on the part of . . .

Mr. Lapierre: There were no lay-off notices!

Mr. Bouchard (Roberval): Well yes, but my colleague says there were no lay-off notices. Of course, Mr. Speaker, as the Liberals are wont to do, they say anything without checking the facts. We know what happened after the Liberals intervened in 1982 when they gave Maislin $34 million. A year later the company closed shop, so the Government must have lost the $34 million. Is that what you want?

[*English*]

EMPLOYEES' PENSION FUND

Mr. David Orlikow (Winnipeg North): Mr. Speaker, last week in answers given by the Minister of State for Finance about the losses alleged by some of the people working for this company in respect to their pension benefits, the Minister stated that the company had paid the money which it was obligated to pay into the pension fund.

We were told today that a cheque for $600,000 to cover its obligations that was sent to the Ontario Teamsters' Pension Fund by Route Canada bounced.

I want to ask the Minister what he is prepared to do to see that the pension money, which these employees paid into their pension fund, will in fact be protected.

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, in answer to that question, and also in answer to the question put by the Hon. Member for Oshawa who mentioned that the pensions may be, to use his word, "skewered", whatever that means—

Mr. Broadbent: I will send you a dictionary.

Mr. Hockin: No. I will be happy to tell the Hon. Member what the situation is, because he is asking for the answer, and it is very important that we know where everybody's situation is with regard to pensions, and that is what the question was.

The payments for pension arrears up to the end of July have been submitted by the employer via the Royal Bank, and 90 per cent of the cheques have cleared. The contributions for August have to be in by the end of September. Therefore, there are a few days yet to know what the contributions will be for August. However, 90 per cent of the contributions have been made for July.

Mr. Benjamin: Better check that.

Mr. Hockin: I might take this opportunity to tell the Hon. Member that, with regard to payroll, and that is a very great concern for Route Canada, it is in place up to September 24. The bank that is handling this matter will clear the payroll to ensure that those employees are paid. That has been cleared with the creditors as well as Revenue Canada.

COSTS INCURRED BY TRUCK OWNERS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the information given by the Minister does not square with the information that we were given this morning. I can assure the Minister that we will check into it.

Mr. Shields: You can't always rely on Shirley Carr.

Mr. Nystrom: Shut up, Jack.

Mr. Riis: Give Jack another hand-out for the oil companies.

Mr. Speaker: The Hon. Member for Winnipeg North.

Mr. Orlikow: Mr. Speaker, I want to ask the Minister a question about insurance. The truckers were obligated by the company to pay 4.8 cents a mile to cover insurance on their trucks. The company decided that it would carry the insurance itself. Now many of the truckers whose trucks are in service stations and garages being overhauled or tuned up find that they cannot get their trucks because the company will not pay the bills. The Superintendent of Insurance says the plan Route Canada had is not covered by our insurance laws and regulations.

• (1440)

Will the Minister look into what has happened and see what can be done to let these people get their trucks so they can begin earning a living?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, the Hon. Member should be reminded that the trucking company is in receivership and the Receiver is dealing with that and all other matters.

SALE PRICE OF CN ROUTE

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, the House is witnessing an incredible spectacle today. We have 2,300 Route Canada employees out of work. We have

300 truckers who no longer have running rights even if they were able to work. We have $3 million worth of trucking equipment here today as part of a protest. People have come here at their own expense to make a point. We have an application for bankruptcy before a Quebec court. Then we have a Minister who says: "Where is the evidence of a problem?"

I want to ask the Minister a question he has so far not answered. How is it that the Cabinet, according to the Deputy Prime Minister a moment ago, approved the sale of Route Canada, or CN Route as it was then called, for $29 million, when I have in my hand a certificate of title which shows that the new owners of Route Canada in the fall of 1987 raised some $80 million through a mortgage on the assets of that company?

I repeat the question. Is the Minister telling the House that the banks overvalued the assets by $50 million? Or is he admitting for the first time that the Government undervalued the assets by $50 million in selling that company, fully aware that the intention was to split off the real estate and abandon the 2,300 Canadian employees?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I will be very short because the answer will interest everyone here. We would like to save 2,700 jobs.

REQUEST THAT MINISTER MEET TRUCKERS' REPRESENTATIVES

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, one cannot help but come to the conclusion that the Government knew these 2,300 people would be out of work but the game plan was to have these people laid off not by a Crown corporation but by a private sector corporation. Hopefully it would be after an election, but unfortunately it happened before. The reward for doing the dirty work was a $50 million windfall. That is what happened here.

The truckers are here today. They are in our gallery. They have questions to which they have not got answers. They want to know that someone cares and is willing to listen. Will the Minister commit himself right now to meeting the truckers and their representatives immediately after Question Period this day and answer their questions so he can find out, yes, there is a human face called misery and there is a problem?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, the Deputy Prime Minister said I will be available to meet those workers just after Question Period and I will.

I will just remind the House of the consistency of the policy of the Liberal Party. In 1986 they proposed that we could close the shop. We could lose 2,700 jobs. Look at the policy of the Liberal Party. In 1986 they wanted CN to close the shop. They had two options. One was to close the shop, or sell the company to Route Canada.

I said before in French that is the same kind of policy they used in 1982 with Maislin. They put $34 million into that company to save jobs. One year afterwards everything was in bankruptcy and the Government lost $34 million.

REQUEST THAT WORKERS HAVE FIRST CALL ON COMPANY ASSETS

Mr. Les Benjamin (Regina West): Mr. Speaker, my leader made available the Order in Council passed by Cabinet in which the Government gave its blessing, authorization and, I suspect, orders to CNR to get rid of CN Route. It seems to me there is some responsibility on the part of the Deputy Prime Minister in charge of privatization. Will he assure this House that the employees and the for-hire truckers working for CN Route, subsequently Route Canada, will have first call on all the assets and/or cash, if any, until they have been paid what is owing to them?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I wish the Hon. Member had been listening to my answer to the question from his colleague. The fact is the payroll will be met up until September 24. I am very pleased to confirm that has been arranged with the creditors and the Department of National Revenue. It is not being responsible to raise doubts about that.

REQUEST THAT GOVERNMENT ASSIST TRUCKERS

Mr. Les Benjamin (Regina West): Mr. Speaker, there are truckers sitting in the gallery of this House today to whom Route Canada owes $10,000, $12,000, $15,000 or $20,000 for the freight they hauled just in the last few weeks. The Government bailed out banks, trust companies, Massey-Ferguson, which by the way disappeared, but it cannot bail out the taxpayers of Canada.

Will the Deputy Prime Minister assure us that the Government will provide the same kind of treatment to the for-hire truckers and employees of Route Canada as it provided to the banks and trust companies?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, there is an astonishing premise behind the question. It is really a request, not a question. The Hon. Member is asking for the normal orderly procedures which go on in any kind of receivership to be short-circuited or ignored. Those procedures are fair for the people of Canada, and that is what should be followed.

* * *

ENVIRONMENTAL AFFAIRS

PCB STORAGE REGULATIONS—EMPLOYMENT OF INSPECTORS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is directed to the Minister of the Environment. Canadians welcome the new PCB storage regulations but are apprehensive about the fact there was no announcement of an

increase in the number of inspectors required to ensure enforcement of these regulations.

In light of the five-year plan for reductions in the Department of the Environment, which we debated yesterday, and in light of the fact that the budget of Environment Canada cannot keep pace with inflation, will the Minister indicate how he intends to ensure the effective enforcement of the regulations on the 2,000 PCB sites across Canada?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Hon. Member's question is replete with inaccuracies and falsehoods. He says the budget of Environment Canada, supplemented as it has been by resources from other Departments, has been unable to keep up with inflation. That is a total and utter falsehood.

For example, I have been successful in getting from Cabinet 56 additional person-years to enforce the Canadian Environmental Protection Act under which we are taking action with respect to the subject of PCBs to which he made reference. Thanks to a decision rendered today by Cabinet, I will be making an announcement tomorrow on this subject which I think will be welcome news to the Hon. Member and to other Members.

MINISTER'S POSITION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Minister is referring to 56 inspectors to enforce an Act which covers all our toxic substances. In addition, they will have the responsibility for inspecting and enforcing regulations regarding these PCB sites of which there are over 2,000. How can he do a proper job with 56 inspectors?

• (1450)

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Hon. Member's question is rooted in the assumption that a government-wide size reduction fiat that applies fairly uniformly across the government, affecting different Departments, will not be modified as far as Environment Canada is concerned. That is false. It has been modified, I think, 492 times between 1984-85 and the current fiscal year 1988-89. In the current fiscal year, Sir—we are only five months into it—we have already had 132 modifications to that cut-back program.

In addition to the 56 person-years we have been able to get for the Canadian Environmental Protection Act, we were able to get 12 additional person-years in water quality monitoring and, shellfish harvesting areas, and to mention one other only—I could mention many others—we were able to get 17 additional person-years for the St. Lawrence River clean-up.

Again, Mr. Speaker, the premise of the question is false, so the conclusion of the question has to be what I have stated.

MUNICIPAL INCINERATION OF GARBAGE

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, my question is for the Minister of the Environment who will know that Canadians are very concerned that they are eating dioxins in their food, despite the fact that the presence of dioxins in food is contrary to the Food and Drug Act.

Would the Minister agree that the real solution to this problem is not to legalize dioxins but to tackle them at source. Since a major source of dioxins, if not the major source, is in municipal incineration of garbage, is it not time that we had a national strategy to work at this problem with the provinces to have recycling instead of incineration that causes dioxins, and to get rid of the dioxins in pulp and paper. In short, will the Minister get down to the tough problem of eliminating dioxins instead of moving toward legalizing them?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Hon. Member must know that we have been addressing the problem at source, for example, through the Canadian Environmental Protection Act which, among other things, manages toxic chemicals, including dioxins, through their full life cycle—from the time they are the subject of research and development through to the time when they are brought into the marketplace as products, through to their use, transportation, and ultimate disposal as waste. It is full life cycle approach to toxic chemicals, a cradle to grave management of that very subject.

In addition to that we have greatly tightened the rules and regulations surrounding the Canada-U.S. Great Lakes Water Quality Agreement. To boot, we have achieved, for the first time in the history of the country, a four-jurisdiction agreement on stemming the flow of industrial chemicals into the Niagara River by 50 per cent by 1996. Those are all initiatives of the Government of Canada on the very subject which the Hon. Member has mentioned.

* * *

[*Translation*]

HEALTH

PRESENCE OF DIOXINS IN FOODS—GOVERNMENT POSITION

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, my supplementary is directed to the Minister of National Health and Welfare. Wouldn't the Minister agree that instead of legalizing dioxin in food, it would be better to get rid of them by eliminating dioxins from the environment? Or can he guarantee to Canadians that the dioxins found in food are not dangerous to our health? Could he guarantee that? Otherwise, why not work on eliminating dioxins from the environment?

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, in response to the Hon. Member, she should probably refer back to 1980 under the Food and Drug Act whereby at that time the Government promulgated regulations that no dioxins should be in food.

In 1982 there was a change relating to fish. Subsequent to that period of time obviously there have been better methodologies relating to trace quantities of dioxins.

The Hon. Member says that we should be working toward removing dioxins. She is absolutely right. I say to her and through you, Mr. Speaker, to the House, that in 1983, for example, under the national incinerator testing evaluation program, in conjunction with the Department of the Environment changes were made in order that dioxins would not be produced. As well changes were made to reduce chlorophenyls and herbicides and to protect the wood industry. The Hon. Member knows recently that there have been questions in relation to paper products.

I want to reassure the Member and the House that the Government is not looking at changing regulations in order to fit the new requirement whereby trace amounts of dioxins are found under these sources but rather to eliminate dioxins, and that remains our purpose.

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[*Translation*]

CANADA POST CORPORATION

QUERY ON JUSTIFICATION FOR INCREASE IN PRESIDENT'S REMUNERATION

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, yesterday, Cabinet announced it had approved a salary increase for the President of the Canada Post Corporation. My question for the Minister responsible for the Corporation is this: How can the Minister approve this increase for the President of Canada Post, who earns more than $200,000 a year, while at the same time cutting services for citizens across Canada and increasing the cost of stamps and related services? Under the Conservatives, the rich always get richer and the poor get poorer. Why does the President get a 30 per cent increase and why do the employees only get 3 per cent? How can he justify that?

[*English*]

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, one of the carryovers that our Government inherited from the previous Government quite gladly was the existence of a private sector committee to advise on remuneration of senior officers of the Government and Crown Corporations. The committee is basically made up of the same membership today as that in existence under the Trudeau Government.

The committee has brought forward recommendations regarding remuneration. The corporation referred to is a very large corporation. The salary paid to Mr. Lander is in a range considerably less than would be paid by a private sector corporation. The increase is not 33 per cent but, in fact, 8 per cent over some 30 months, which is not unreasonable.

GOVERNMENT POSITION

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, it was this Government that announced at the beginning of the year it was paying bonuses to civil servants who were reducing service and firing people. It was not the Liberal Government but this Government.

According to the figures that we have, Mr. Lander received between bonus and salary increase, approved by Cabinet yesterday, over $67,000. That adds up to 33 per cent. How can the Minister justify a 33 per cent increase for the president of a Crown corporation and a 3 per cent increase for salaries of employees who have to strike three times to get 3 per cent, while at the same time it reduces service, closes post offices in rural Canada, and refuses to deliver mail door-to-door in cities across the country?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, there has been no reduction in service. There has been a change in service in rural Canada and in other places and opening up of rural post offices.

A survey of the people affected indicated that 90 per cent of customers have expressed satisfaction with this change in service. Of those, 80 per cent stated they were very satisfied. We will continue with that kind of so-called diminution of service when we have 80 per cent satisfaction of the people affected.

I have already answered the question on salary. The Hon. Member ought to invest $20 in a calculator.

* * *

NUCLEAR ENERGY

FERMI II NUCLEAR REACTOR

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would like to put a question to the Secretary of State for External Affairs.

The Fermi II nuclear reactor which is right beside my riding has a record of continuing accidents and poor ratings from nuclear regulatory authorities. Yet Secretary of State Shultz has rejected Canada's request for a safety review by the International Atomic Energy Agency, and External Affairs officials here have said "we have to give them the benefit of the doubt".

Why is the Minister giving in on this question? Why, in fact, is the Minister not pushing as strongly as he possibly can to get a full-scale outside review of this dangerous reactor?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, as is often the case the Hon. Member is overstating matters somewhat seriously, with the result, which I am sure he does not intend, of misleading Canadians and others about this situation.

He will know that I not only wrote Secretary Shultz but as recently as a week ago I discussed the matter directly with him. He will know the reason that the United States has declined at this time to seek a review by the International Energy Agency is because it is its view that to call upon that kind of review would interrupt a process of review that is already in place in the United States. Their interest is in getting conclusions and getting facts as quickly as possible. I am sorry to hear that the New Democratic Party appears to want to delay that process.

• (1500)

REQUEST THAT MINISTER SEEK OUTSIDE INVESTIGATION

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, as the Minister is absolutely well aware, it is quite possible to have the NRC continue its work and to have an IAEA investigation take place. It is not a question of one or the other.

Why has the Minister simply accepted this explanation from the United States? Why is he not meeting his responsibilities to Canada by pushing hard to get an outside investigation which will satisfy the deep worries of thousands of people in that part of our country?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, that is a very interesting view of sovereignty that is put forward by the New Democratic Party. I wonder how they would react if the Government of the United States were to summons in agencies to conduct investigations in matters that are within the sovereign jurisdiction of Canada.

Mr. Broadbent: That is what the agency is for, Joe.

Mr. Clark (Yellowhead): I understand the Leader of the New Democratic Party is operating under a short fuse, but he is wrong again today.

What we are dealing with here is a very serious concern on the United States and the Canadian sides of the border. There is a process in place in the United States that is looking into the facts and that it is conducting a review now. It is the view of the United States that that process would be delayed if there were to be a parallel investigation, another investigation, that, in their words, might interrupt the process now in place. They have not ruled out forever the possibility of an investigation by the international agency. I am continuing to press the matter and will continue to press the matter until there is some sense of satisfaction as to the safety of the facility.

IMMIGRATION

POINT SELECTION SYSTEM

Mr. Andrew Witer (Parkdale—High Park): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. There were reports yesterday of an Immigration Department memo which recommended the development of a new immigration point selection system and further suggested that foreign service immigration officers should make the final determination in selecting prospective immigrants. These recommendations have caused great concern for many Canadians who believe that immigration officers already have too much discretion in processing immigration applications.

Will the Minister advise the House whether there is any truth to these reported changes to the current point selection system? Can she provide assurances that the reported discretionary powers will not be delegated to our foreign service immigration officers?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I want to thank the Hon. Member for his continuing interest in immigration matters. We have no intention whatsoever of substituting discretion and arbitrariness for the point system which we now have.

I should say that when the Act was introduced in 1976 there was a long discussion about the point system which certainly has its drawbacks, but I think it was determined after much public debate that it was the most objective and the most fair system. It does, of course, get altered from time to time, as it did with changes to the assisted relative class this summer, and we can expect to see some of that in future from time to time, but there is no intention to change the basic criteria for the point system in immigration.

Mr. Speaker: I am afraid, given the time, that is the end of Question Period.

The Hon. Member for York West has a question of privilege and I will hear the Hon. Member in a moment. I will first hear the Hon. Minister of State on a point of order.

* * *

BUSINESS OF THE HOUSE

Mr. Lewis: Mr. Speaker, there have been discussions among the Parties with respect to the business of the House. We made excellent progress on report stage of Bill C-136, the Broadcasting Act, this morning. Unfortunately, the Liberal spokesperson is unable to be in the House this afternoon or tomorrow, she is away unavoidably, and under these circumstances, we have decided to change the order of business to accommodate the Hon. Member.

This afternoon, we will proceed with third reading of Bill C-144. We will continue with third reading tomorrow, backed up

by Bill C-158, the variable entrance requirements Bill, and on Thursday morning, at 11.00 a.m., we will call Bill C-136 to continue report stage discussions.

Mr. Gauthier: Mr. Speaker, I just want to say that we appreciate the Government's sensitivity. Indeed, the Hon. Member for Mount Royal (Mrs. Finestone), who is our spokesperson on this Bill, has worked assiduously and very hard. Today a Jewish religious holiday, starts Yom Kippur, the Hon. Member is away doing what she should be doing, following her religion.

Mr. Riis: Mr. Speaker, I too want simply to echo the comments made by the Hon. Member for Ottawa—Vanier (Mr. Gauthier). There had been discussions, and I want to say on behalf of the New Democratic Party that we too are appreciative of the consideration the Minister has given regarding proceeding with this business. We look forward to expediting that Bill on Thursday morning.

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PRIVILEGE

PROCEEDINGS OF LEGISLATIVE COMMITTEE ON BILL C-152

Mr. Sergio Marchi (York West): Mr. Speaker, I would like to raise a point of privilege concerning the meeting earlier today of the legislative committee on Bill C-152. Simply to provide you with a quick overview so you can take this under advisement, Mr. Speaker, Bill C-152 is the Bill designed to create the Heritage Languages Institute, a piece of legislation that has received the consent and approval in principle of all three Parties. The Bill was first read on September 13 and today was the first organizing meeting of the legislative committee.

Rather than simply discuss some of the future business of the committee, which witnesses to call and the manner with which committee members wanted to proceed and the like, there was what I found to be a very scandalous and very shameful comportment by government Members who moved the Bill into a clause by clause study.

As I mentioned, there is approval in principle from all sides, yet by going into a clause by clause study, not only did government Members not afford any advance notice for members to provide the clerk with the necessary and approved amendments in writing, they also closed the process of consultation with the communities and the various ethnocultural organizations that had wanted to participate.

I find this an affront to parliamentary reform, making it parliamentary reform in theory only. I was quite offended by the practice of moving from a first organizing committee meeting into a clause by clause study, with a deadline of six o'clock this evening for members to provide the clerk with the necessary amendments.

I find this to be a ghettoizing approach. It was tried in the committee on the last multiculturalism legislation where witnesses were cut off. We now find again that Canadians will not be able to come before the committee.

It is not the intention of the Opposition Party to delay this Bill. At second reading, I was the only Member to speak on behalf of my Party. The New Democratic Party only put up one speaker. It was our intention to try to move the Bill into committee as quickly as possible, but I find it an affront to go to the first organizing committee and have it turned into a clause by clause review by the majority of Conservatives on that committee, thereby negating any preparatory work done by Members of Parliament and negating the possibility of witnesses aside from Members of Parliament coming to the committee to render their views of the piece of legislation in an attempt not to delay the Bill but to make it better.

I bring this to your attention, Mr. Speaker, because I find that this pattern of dealing with multiculturalism by the Government is not an isolated incident. It happened with the multiculturalism Bill, it is now happening with the heritage languages Bill, and I find it an affront for Members of Parliament simply to say that the reason they are doing this is that they are running out of parliamentary time.

If it was the intention of this Government to get this matter into legislation as quickly as possible, it should have brought it before the House a few months earlier or a year earlier. That is not a good enough reason to negate a proper dealing of this piece of legislation. It has taken advantage of the situation because it happens to be dealing with a multicultural matter. If this was a Bill on official bilingualism or on native people, it would not have tried to pass this under the rug, as it has so shoddily done in this case.

• (1510)

I appeal to you, Mr. Speaker, to look into this question, to protect the integrity of individual Members of Parliament and therefore to protect the integrity of Parliament, and to have a true partnership with Canadians rather than steamroll and railroad the committee and Members of Parliament into this kind of action.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I am chairman of that committee, and consequently I am the servant of the members of that committee. That committee did not go into clause by clause consideration, and I do not think the Hon. Member intended to say that. He left the impression that we had gone into clause by clause study.

The committee decided not to call witnesses, and it also decided that it would go into clause by clause at the next meeting to be called by the chair, and amendments should be presented by that time. Actually, amendments may be made to any clause during clause by clause study.

That was the decision of the committee, and I simply followed the decisions made by the majority of the members on the committee.

Mr. Speaker: Is the Hon. Member for Glengarry—Prescott—Russell seeking the floor?

Mr. Boudria: On a new point of order, Mr. Speaker.

Mr. Speaker: I have listened carefully to the Hon. Member for York West and to the Hon. Member for Bow River. The complaint is clear. I know that the Hon. Member for York West will understand that it is a little difficult to take the complaint and turn it into something which affects the privilege of the Hon. Member. As Hon. Members know, the definition of privilege is some action which has hindered a Member in carrying out his or her duties.

The other difficulty is, unless there is a very clear case and a pretty obvious breach in privilege of the jurisprudence that I have to follow, that that indicates to the Speaker that one should trespass very carefully into the affairs of the committee. The Hon. Member for York West has made his point. Perhaps some consultation between himself and others may go some distance in alleviating the difficulty. I thank the Hon. Member, and I thank the Hon. Member for Bow River for his intervention.

The Hon. Member for Glengarry—Prescott—Russell on a point of order on another matter.

* * *

POINT OF ORDER

ORDER PAPER QUESTION NO. 289

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I hesitate to rise again to speak on the fact that the Government has once again failed to adhere to Standing Order 64(3)(b) of the House of Commons, which says that the Government must answer, at the request of a Member, a question on the Order Paper within 45 days. I thought, given a commitment yesterday by the Government, that at least if the question could not be answered today, a question which had been on the Order Paper for 90 days in relation to the amount of funds given to Mr. Jean Sirois of Quebec City, I would be given an oral explanation of what the status was.

Upon trying to obtain that information from the Government, a Member indicated to me that in fact no answer at all would be given orally at the appropriate time by the Government earlier today in terms of an official response. The question bears No. 289. It was placed on the Order Paper of the House of Commons on March 15.

There are other questions which have been on the Order Paper for much longer than the rules permit, but they are in the name of other Hon. Members. I only concern myself with the question that I have placed, and I do believe that I have been reasonable in terms of communicating on a personal basis with the Parliamentary Secretary. I would like, through you, Mr. Speaker, to appeal to the Deputy Government House Leader personally in order to see whether he is willing to commit the Government to answering that question tomorrow, in whole or in part, at the appropriate time after Question Period.

Mr. Speaker: The Hon. Member for Glengarry—Prescott—Russell has raised a matter which has been raised before in this House, although happily not too often.

Put simply, the rules are that the Government must reply within 45 days to a question on the Order Paper. In this case, for some reason the Government has not done so. There may be some explanation for it, but if the facts are as the Hon. Member for Glengarry—Prescott-Russell has put them, that the Government is in breach, I have some difficulty with that because there is no particular sanction that I could use to coax the Government along a little bit or to enforce it to meet those rules.

I know that the Hon. Parliamentary Secretary would like perhaps to assist the Chair and give some explanation of why the Hon. Member's completely legitimate request has not been followed. There may be reasons that are out of the hands of the Government.

[*Translation*]

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, first of all, I would like to clarify the statement by my colleague from Glengarry—Prescott—Russell (Mr. Boudria), who said that I was not at all willing to answer his request. What I meant, Mr. Speaker, is that I did not have the answer today, I did not have the information to give the Hon. Member for Glengarry—Prescott—Russell today. But at no time did I mean by that that I was unwilling to answer the Hon. Member for Glengarry—Prescott—Russell today. There is a difference and I would like to make that clear.

As for the complexity of the question . . . I referred to the complexity of the Hon. Member's question yesterday yesterday and I come back to the Order Paper and Notices where his question reads, " . . . the government, its agencies or Crown corporations". That takes in a great deal, Mr. Speaker.

Perhaps if the Hon. Member for Glengarry—Prescott—Russell could specify what Crown corporation he is referring to, the answer could be given more quickly. But when he talks about "investigating all Crown corporations", you can imagine, Mr. Speaker, that it would take more than 45 days to investigate and report to the Hon. Member.

So I suggest that the Hon. Member for Glengarry—Prescott—Russell clarify his question and in so doing, he would help the Government speed up the process of answering him or giving him the information.

Mr. Boudria: Mr. Speaker, I will just make it clear, but I do not want to dwell on it.

The Parliamentary Secretary tells me that if I were prepared to cooperate and specify for which Crown corporation I want information, there might be an answer.

Mr. Speaker, I draw your attention to page 19357 of yesterday's *Hansard*, when I personally put the same question to the Parliamentary Secretary, as follows: "Does the Parliamentary Secretary have some of the information already available, and I would be prepared to accept it if he is prepared to tell me what part of the answer he already has on hand."

Now, Mr. Speaker, this hypocrisy is totally unacceptable!

An Hon. Member: . . . co-operation.

Mr. Boudria: I already showed that I would cooperate, yesterday and previously. The Parliamentary Secretary can say what he wants, but it does not change the truth!

Mr. Grisé: Mr. Speaker, I do not intend to get into a debate with the Hon. Member for Glengarry—Prescott—Russell. When he asked me for some information yesterday, it was for some information on what? On which Crown corporation or government agency does he want it?

Mr. Speaker, I say to him to tell us for which Crown corporation or government agency he wants more data, comments or information and his question will be answered.

Mr. Speaker: I understand the problem well, but it is probably not possible to have an answer today. The Parliamentary Secretary has clearly indicated that he is prepared to provide an answer, hopefully soon, and perhaps a discussion between the Hon. Member for Glengarry—Prescott—Russell and the Parliamentary Secretary would also be helpful in solving their problem.

But I stress that the Hon. Member for Glengarry—Prescott—Russell is entitled to receive an answer for his question, which he has raised for the second time in the House. Nevertheless, I am sure that the Government will co-operate with the Hon. Member and I repeat that we hope to have a solution shortly.

• (1520)

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

Hon. Jake Epp (Minister of National Health and Welfare) moved that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the third time and passed.

He said: Mr. Speaker, I am very proud, on behalf of the Government, to rise and speak at third reading of Bill C-144, the Canada Child Care Act. This Bill will enable the Government to implement a major element of the national strategy on child care. As all will agree, it represents a milestone in the history of social policy in Canada and establishes child care as a separate and significant human service.

We have made child care an important social priority for the Government because we know it has become a pressing problem for an increasing number of Canadian families. Over the last decade we have seen significantly larger numbers of women participating in the workforce, and we have seen substantial changes in the structure of the Canadian family with more single parent families and two-earner families than ever before.

These factors have created a very high demand for child care services that meet the standards parents require for the care of their children. Helping to meet this demand is an important national mission. No one disagrees with the need to provide quality care for our children, just as there is no one who will deny that the availability of child care services is critical if we are to improve economic and social opportunities for women in Canadian society.

The question then is how best to provide those essential services. This has been the subject of much debate across the country. Even the special parliamentary committee chaired by the Hon. Member for Lincoln (Mrs. Martin), now the Minister of State for Transport, which was established to examine the issue and which held public hearings in 1986, was unable to reach a consensus on the best approach. The Government concluded that we must adopt a strategy that was flexible enough to support the diversity inherent in Canadian society and, above all, to be supportive of parents' rights to choose the type of care their children will receive.

The national strategy on child care represents a major step forward in the development and improvement of child care services for Canadian children. Unlike other proposals that have been raised and discussed over the past few years and which continue to be repeated today, the national strategy on child care meets this important social need in a manner that respects the rights of parents to make their own choices regarding the best means to care for their children. We must all respect that right because it is a fundamental part of our family based society.

At the same time, our strategy respects the jurisdiction of the provincial and territorial Governments when it comes to child care services. The federal Government should not, and this Government will not, dictate to the provinces the design and delivery of services that are so clearly within their own jurisdictions. Dictating to the provinces would not only be inappropriate given the jurisdictional circumstances, it would

also be counter-productive and would not meet our goal of developing a caring and workable policy.

Provinces already have a variety of child care services and programs. These services have developed over the past number of years in response to the needs of the residents of each province and in accordance with particular regional circumstances. I am pleased to be able on say that our national strategy on child care is flexible enough to build upon the system that currently exists and to adapt to the differing needs of the provinces and the families within those provinces.

Members will recall that the national strategy on child care, which I announced last December, consists of three interrelated elements: enhanced tax assistance to families with young children, a new child care initiatives fund, and a new federal-provincial cost sharing program. The first two elements of the program are already in place. The third is represented in legislation being debated for the third time today. In addition, in July I announced an additional $60 million for accredited on-reserve Indian day care services, and I am pleased with the response from Indian leadership on that issue as well.

The tax component will be of benefit to well over one million Canadian families. For parents with receipted child care expenses the maximum child care expense deduction has been raised from $2,000 to $4,000 per child for children six years old and under and for children with special needs, making child care significantly more affordable for many Canadian families.

For parents who choose to remain at home to care for their children or do not have receipted child care expenses, we have provided a supplement to the current child tax credit. The effect of this supplement will be to raise the total child tax credit to approximately $760 per year effective 1989.

The second component of the the national strategy on child care is the $100 million special initiatives fund. It will play a vital role in our goal to improve the quality and diversity of child care services across Canada. The purpose of the initiatives fund is to provide financial support to demonstration projects and applied research initiatives which meet the child care needs of special groups in society and stimulate the development of child care facilities in underserviced and remote areas of Canada.

For example, some of the priority areas which need examination include meeting the special needs of disabled children, children whose parents work part-time or in shifts during which normal child care services are not available, children from minority cultural backgrounds, and children in rural communities. Those are only some identifiable areas.

This fund has been made available since the beginning of April of this year, and the Department is already receiving and reviewing applications and awarding funding to applicants from across Canada.

The new $60 million initiative for day care for Indians on reserves will be used, among other things, to determine child care requirements for on-reserve Indians, to develop and train day care workers, and to build and operate accredited day care facilities for Indian communities. Indian communities and groups from across Canada have already shown a vital interest in child care and the potential which these funds represent. By the new year I plan to announce the details of the program so that I may enter into agreements with Indian communities immediately, namely, that funds will be available on April 1, 1989.

I will now turn to the issues of debate of the last number of days, those being the key provisions of the Canada Child Care Act and the manner in which they relate to our objectives to increase the availability, affordability, accessability, and quality of child care services across Canada.

As Members of the House will know, at report stage I addressed a number of issues which were raised within the legislative committee. I would also like to take this opportunity to focus on some of the more major issues including that of establishing national standards within the framework of the Canada Child Care Act.

Passage of Bill C-144 will authorize the federal Government to enter into agreements with provincial and territorial Governments to share in the costs of the provision of child care services. The Bill will authorize the federal Government to commit some $4 billion as its share of the program over the next seven years. When the national strategy on child care was announced last December, we estimated that meeting the goal of an additional 200,000 new subsidized spaces would require a federal commitment of some $3 billion.

• (1530)

However, on the basis of plans submitted by provincial Governments over the last six months, it became clear that extra financial assistance would be required if we were to achieve the growth in spaces we wanted as well as ensure that the quality of the system as a whole, including existing spaces, salaries, and subsidies, continue to improve.

That is why we announced in July that the Government was committing a further $1 billion for seven years to the program. We are not prepared to sacrifice quality for quantity. Both are equally important to parents whose children will be utilizing the child care system.

During the seven-year period, what we are calling the boost period, we intend to support the creation of 200,000 additional subsidized child care spaces. In effect, this will more than double the size of the current subsidized system in Canada.

To assist provinces to meet that national goal, we will provide 75 per cent of their capital costs involved in the development of new spaces in not for profit child care agencies for the seven-year boost period, as well as 50 per cent of ongoing operating costs for non-profit and commercial agencies funded by the provincial Government.

We made this decision to permit federal cost sharing of provincial support for commercial agencies under the terms of the legislation because we recognize that we cannot afford to ignore the basic fact that 40 per cent of Canada's child care spaces presently are in the commercial sector. As I said earlier, the reason our national strategy on child care is a workable policy is that it works upon the system that currently exists and adapts to the regional diversity of our country.

This legislation will also permit the Government to enhance the effective rate of federal cost sharing for certain provinces through a top up provision. We have included this provision to assist parents and children who reside in provinces which are attempting to catch up to other parts of Canada in what they spend on child care.

This is the national strategy. We believe that child care facilities and services should become more equally available in all regions of the country.

Beyond year seven, the top up will continue. In addition, there will be a provision which will allow, over time, for the reduction of differences among provinces with respect to federal per child contributions.

Let me emphasize the point that what this legislation proposes is to reimburse the provinces for the costs they incur for these purposes. They must spend the money on their child care systems to be eligible for the federal funds. There cannot be a diversion despite the fact that Members opposite have said that could be the case. We are not handing over money to the provinces to spend as they see fit on services, other than those spelled out in this Bill.

Clause 4 of the legislation sets out the various terms and conditions that will form part of the negotiated agreement between the federal Government and each province. They will include the annual federal commitment to each province, the number of spaces to be created during the seven-year period, and the basis for subsequent cost sharing arrangements with respect to child care services.

Clause 4 also requires provincial authorities to specify the standards established for child care services within the provinces, the methods of enforcing these standards, and the means by which both standards and enforcement procedures will be publicized within each jurisdiction. Provincial Governments will also be required to provide evidence of the fact that they are enforcing their standards.

The standards that we are asking provinces to develop and enforce will include: child-staff ratios; the qualifications of child care staff; group sizes, both by age and by type of care; health and safety measures; and the nature of parental involvement. Some provinces will already have all or some of these standards in place. For those that do not, there will be a negotiated time period for them to put them in place.

Under the terms of these federal-provincial agreements the federal Government will not be enforcing a rigid set of national program delivery standards across the country. The agreements may in fact result in such standards if all provincial Governments were to agree on a common set of standards. However, I am personally unconvinced that national standards are the right way to proceed. Apart from being an unprecedented direct intrusion in an area of provincial jurisdiction, rigid national standards do not meet our goal of flexibility, nor are they responsive to community values and needs that vary considerably from one end of the country to the other.

We believe that parents, caregivers, and community and professional groups are the best judges of the standards which are important to their communities and their children. They are surely in the best position to work with provincial authorities to develop and ensure the enforcement of the standards appropriate to their circumstances. This is one reason we are asking the provinces to publicize their standards so that parents can participate in the quality control of the care given to their children.

The federal Government has provided leadership in specifying areas where standards are required and in ensuring that they will be publicized and enforced. The responsibility then rests with the provinces to proclaim those standards. After all, in this matter the provincial Governments are directly accountable to the residents of each province even more so than the federal Government, due to the jurisdictional requirements within our country.

Provinces remain free to negotiate an agreement with the federal Government under the terms of this legislation or to continue to cost share child care expenditures under the terms of the Canada Assistance Plan. CAP, however, only provides operating funding. It does not provide capital assistance. Further, CAP provides only limited funding to the commercial sector, thereby excluding many of the spaces that provinces are subsidizing in commercial child care centres.

On balance, the Canada Child Care Act provides provincial Governments with significantly greater benefits over both the short term and the long term. When a province has signed an agreement with the federal Government, it will no longer be able to access the Canada Assistance Plan for the support of its child care system. Once all provinces have signed agreements, under the terms of this Act the Canada Assistance Plan will be amended to exclude references to day care. The Canada Child Care Act over the longer term is intended to replace the day care provisions of the Canada Assistance Plan. Many have said that they wanted to move from a welfare based system to a service based system. Those who vote against this Bill are voting in favour of retaining welfare for the purposes of child care.

While there are a number of features common to those two programs, the Canada Child Care Act holds significant advantages for the provinces, advantages that many provinces viewed as important and necessary to enable them to continue their efforts to expand child care. For example, according to Clause 3(2) of the Bill, provinces can negotiate and sign

agreements at any time. If, however, provinces sign prior to April 1, 1990, that agreement may be retroactive to April 1, 1988.

As I said, we have designed this program to be as flexible as possible and to accommodate all provincial requirements consistent with meeting our objectives. Where possible, we have continued to offer improved flexibility to provinces. For example, provinces made representation to us that they could not always control the pace at which new spaces would be created since in most instances the spaces would not be created by the province but by individuals or by groups. Therefore we have introduced a new provision into the agreements which will help provinces with their funding requirements by allowing for some carryover of unused federal funds from one year to the next.

I am pleased that Members opposite approved that plan. On the one hand, they argued about flexibility and no jurisdictional encroachment into the provincial area, while on other areas they seemed quite pleased to do just that.

• (1540)

The federal Government has made a major commitment to provisions of child care services in co-operation with the provinces. The seven-year program represents a federal expenditure of approximately $4 billion to add 200,000 new subsidized spaces, doubling and maintaining the current supply while supporting and expanding parental choices. That does not include the financial commitment of the provinces or expenditures following the seven-year period to finance child care services at their new expanded level. That ongoing commitment will provide approximately $800 million per year to the provinces to maintain their expanded systems. If we compare that $800 million to our current investment federal per year of about $106 million, it is a fivefold increase.

The strategy is a significant step forward and one within the capacity of all levels of government to afford. In fact, I think all Members of the House owe my colleagues, the Minister of Finance (Mr. Wilson) and the Prime Minister (Mr. Mulroney), a vote of thanks in this regard. Under their direction our Government has managed the economy well. We have gained the financial flexibility necessary to embark on this major new social programming.

We now have before us this Bill which represents an historic milestone in Canadian history. It is a product of broad consultation with interest groups and citizens across the country, through not only the recent legislative committee but other forums as well such as the special parliamentary committee. It involves support to the formal day care sector and to parents using informal child care arrangements. It involves support to the family. It extends flexibility to the provinces and territories so they can develop a system best suited to their situation. It addresses the issues of availability, affordability, and quality.

The Bill also offers special attention and recognition to the needs of lower income families, as well as families of different linguistic and cultural backgrounds. Providing for the needs of their children is the most important priority of all parents in this country. Providing choice to parents, improving the quality of child care, and increasing the number of quality subsidized spaces available to parents is what this caring policy is all about. It is a flexible policy that is fair to all regions. It meets the needs of parents and children across our country.

I would like to thank Members of the House who worked through the past few weeks to complete the review of the child care legislation. Some have worked at it for years. I believe their efforts and deliberations have helped to shape the over-all effectiveness and understanding of this new child care legislation.

Thank you for your time and patience, Mr. Speaker. I would ask all Members not only to approve Bill C-144 in the next number of hours but also to celebrate the obvious success that it will be.

Some Hon. Members: Hear, hear!

[*Translation*]

Mrs. Lucie Pépin (Outremont): Mr. Speaker, in Canada the day-care concept is nothing new. Formerly, working parents sought help from relatives or neighbours while wealthy families would hire nurses, governesses and tutors.

The first day-care centres appeared 135 years ago in Montreal and Toronto as a result of the industrial revolution.

During World War II the federal Government, which needed women in the labour force, entered into cost-sharing agreements with provinces that were willing to set up day-care centres. At the end of the war, the cost-sharing agreement and the day-care centres thus financed disappeared, and many women returned to their homes.

Since then, a number of studies have pointed out the need for setting up a better day-care system. Since 1970, when we had the Royal Commission of Inquiry on the Status of Women, it was no longer acceptable to refuse to provide day-care, in the hope of discouraging women from seeking employment. However, the Government's present policy fails to reflect the double role played by most parents and most mothers with pre-school children who work outside the home and on whom our economy depends today.

Although fiscal measures were introduced to alleviate the burden on parents, there has never been a national program to promote the creation of day-care services. In 1986, when 52 per cent of Canadian women with children under the age of 3 were working outside the home and nearly two million children under 13 needed full-time or part-time day-care, there were fewer than 172,000 spaces in quality day-care.

The Government's hesitation cannot be attributed to a reluctance to set a precedent in the area of federal-provincial agreements, since social programs initiated by the federal

Government are nothing new, Mr. Speaker. In the past, programs of this kind have been introduced to respond to other social needs, and more specifically, established programs financing in the areas of post-secondary education, universal health care, old age security, spouse's allowance and unemployment insurance.

Canadians have long accepted the principle of paying the cost of training and developing new generations. The first step was creating our education system. Today, most Canadians believe that a national day-care program, properly planned, is a logical extension of universal public education that would lend itself well to a federal-provincial agreement. Nor can we say that the reluctance of the present Government to show some initiative in this respect is due to a lack of information on programs that exist elsewhere.

The Scandinavian countries, Germany, France and Italy all have publicly-financed programs for pre-school children, more specifically, children between the ages of 3 and 6. In France, for instance, day-care centres were established at the beginning of the nineteenth century for the children of factory workers. In 1975, more than 30 per cent of children are outside the home and two-thirds of these are in day-care that is financed, licensed and supervised.

Furthermore, children between the ages of 3 and 6 have practically universal access to day-care. In France, 95 per cent of these children have access to a network of day-care centres and public nursery schools.

It has also been recognized that quality day-care is especially worthwhile for children from low and middle-income families. Six studies carried out over a long period in the United States revealed striking differences among children raised in poor families, depending on whether or not they had access to quality pre-school programs. Among those who did, a much higher percentage finished high school, college, professional training, while the number of teenage pregnancies dropped. They were also more likely to find jobs. They were less likely to live on welfare and the crime rate was lower.

Mr. Speaker, in addition to promoting earlier reading, the program made it possible to detect and treat far more quickly all kinds of problems and disabilities. These programs enhance the child's development without the pressure of school marks which comes into play as soon as the child enters primary school.

In the case of disabled children, the day-care system may be particularly useful for learning social skills, including tolerance and awareness of others.

The Prime Minister says he wants to set up a program to help young people shake off their drug habit, but I think if we set up a program for pre-school children and do it properly, we would have an excellent drug prevention system right there. I have said this many times. However, Canada has no comprehensive policy in this respect. In fact, in 1970 the lack of quality day-care was said to have reached crisis proportions when the Royal Commission of Inquiry on the Status of Women prepared its report. Fifteen years later, more than 7,000 parent groups and 200 organizations that came to make presentations before Katie Cooke's group showed that lack of day-care is a recurrent source of problems for many Canadian families.

Today, the federal Government helps day-care in Canada in two ways: by granting a deduction for day-care costs and by administering a federal-provincial cost-sharing program, the CAP. This assistance for low-income families is provided on a cost-sharing basis under the CAP, but less than 20 per cent of the children below the age of six who meet the criteria have actually received a full or partial allowance. Furthermore, the contribution made by parents who raise their children full-time is not sufficiently recognized by society.

Add to this the fact that measures intended to help parents raise their children, such as family allowance, income tax deduction for children and the child tax credit, have all been revised downward and de-indexed by the present Government, to the extent that all families, even those receiving welfare, will be worse off after 1995.

Funding for day-care seems rather meager when we look at what it costs to raise children today. To the Liberals it is clear that we urgently need a genuine national childcare program. To achieve this, we must have a policy that reflects current trends, Mr. Speaker. When we look at what those trends are, we see how the Canadian family has evolved and how it is structured, the rapid increase in the number of mothers working outside the home, the regular decline in jobs in traditional manufacturing sectors where the jobs were previously held by men, and the regular increase in underpaid employment in the services sector where the majority of workers have customarily been women.

Canadians are increasingly in favour of universal day-care whose cost would be shared by the Government, the private sector and parents. The public favours various types of day-care, including home day-care, school day-care, day-care in the work place and stop-over centres. There also seems to a broad consensus on a number of initiatives that would be politically feasible, such as providing more time for family life. There have been discussions about the need for providing more parental leave under the Unemployment Insurance Act and to make more frequent use of flexible hours, job-sharing and extended leave or sabbaticals to enable one family member to spend more time with the family. All this has yet to gain recognition.

There must also be a choice, Mr. Speaker, with respect to the location of day-care centres and their facilities. I think it is extremely important to offer a choice of locations and facilities in order to meet the needs of each family. The main criteria are quality of service, parent participation and providing a choice of day-care, depending on the kind of care involved. The needs of infants, pre-school children and children between the ages of 6 and 12 are not all the same. We also have to offer a

choice of schedules. We know that parents who work outside the home and who work evenings and at night must have access to flexible hours or weekend schedules. When setting up a network of day-care services, we must consider these needs which vary from one community to the next.

We also have to set up the infrastructures. Although there is general agreement on the need to provide a universal, affordable and top quality day care system, there is no consensus on the way to achieve this. The major problem relates to the shortage of quality spaces, yet we cannot set up the infrastructure of a national program unless we promote the rapid growth of first quality and affordable facilities. Quality must be guaranteed. Mr. Speaker, practically all people agree that if we want quality we have to increase staff salaries and improve the training and qualifications of those who are made responsible for our children. Standards also have to be similar from one province to the next. And we should discuss the issue and give financial assistance. We know that most observers agree that top priority should be given to low income or single parent families. Employers ought to be given incentives to provide child care facilities at work. But with all that . . .

• (1550)

[*English*]

What has the Government done? It has produced legislation limiting subsidies, legislation limiting growth, and legislation without national guidelines. Interestingly enough, my colleague, the Hon. Member for Mount Royal (Mrs. Finestone), pointed out on Friday that even in the preamble of the legislation there is a contradiction. There the Government, thanks to an amendment put forth by the Liberals, undertook to create at least 200,000 spaces. Later, however, it says that it will make payment not exceeding $4 billion. Thus the very preamble of the Bill is confusing.

What if 200,000 spaces cost more than $4 billion? Before we even explore how the spaces are to be created, we do not know how many spaces the Government intends to create. Mr. Speaker, 200,000 spaces are not enough. The House had heard many Members this last week speak on the necessity of child care. It should now be known by all Members that one in five children in Canada is poor, and that 50 per cent of children aged six through thirteen years old are left alone after school. We have the figures showing that 1.8 million children in Canada have parents who work or study for more than 20 hours per week. That 1.8 million is the core need group.

There are approximately 200,000 spaces in Canada. The Government intends to create another 200,000 spaces over seven years. Therefore by 1995, should the Government manage to create its 200,000 spaces, 70 per cent of the children in Canada who need child care spaces will be left without them; and we call this a national strategy.

During the last weeks we also heard about the importance of adequate care in early child development. I will not go into elaborating on the head start program again. However, I will point out an interesting fact that emerged recently from an American study. Committee members were all told two weeks ago that the best indicator for the successful completion of Grade 12 was not the neighbourhood, the socio-economic background, or any other factor but the child's mark in the first grade.

Before we applaud the Government for meeting a paltry 15 per cent of the child care needs over a seven-year period, let us at least recognize the social investment child care provides. Let us recognize that caring for our children before Grade 1, permitting our children to enter Grade 1 and successfully completing it, gives those children phenomenally better chances to perform as fully productive members of society. Imagine the social costs saved by society, not only in lower crime rates, lower rates of toxic abuse, and teenage pregnancy. It will also lower the rate of failed academic or professional carriers and increase the productivity of our workforce.

• (1600)

It is also important to note that while the Conservative Government now proposes to recognize Canada's multiculturalism in the preamble pursuant to an amendment proposed by the Hon. Member for Vancouver East (Ms. Mitchell), the Minister found himself unable even to mention the Charter of Rights and Freedoms or the Multiculturalism Act in the preamble. That is interesting, is it not? Is the Government hoping that a mention will quell the anxiety of our multicultural community by protecting them in the preamble without protecting them legally in the body of the Act? There definitely were witnesses before the committee who did not feel protected.

Then there is the issue of standards or objectives. There has been a lot of talk about federal and provincial jurisdiction, about the inability to mention standards in the Bill, and about Meech Lake. The Opposition, along with every child care advocacy association across this country, has had enormous trouble with the lack of standards set out in the Act. My colleague from Vancouver East pointed out that this might even be the first great failure of Meech Lake.

The Liberal Party strongly believes in a national child care strategy, which is why we support the idea of national standards. These would be established with the provinces and specialists in the field in order that all interested parties have a say and agree once the standards are defined. They will then be included in the legislation in order to ensure that Canadian children from Newfoundland to Vancouver, from southern Ontario to the Northwest Territories, are assured of adequate day care. Provincial child care agencies with no previously high standards would not be hampered or prejudiced in any way because they would be meeting these standards.

The Government is using $2.3 billion, it says, to encourage development of child care through the tax system. The child care expense deduction is regressive, benefiting the wealthiest taxpayer more than the middle class. Not only is this measure

regressive, but it assumes that all parents who must pay for child care can produce receipts which will qualify them for a deduction. In fact, the majority of parents use informal care arrangements such as babysitters, from which receipts are generally unavailable. Informal caregivers are often reluctant to issue receipts for their services because they would then have to declare all their child care income for tax purposes. Thus, the families benefiting from this provision are the wealthiest with the highest taxable income and the ability to pay for formal, licensed care.

For parents who take care of their children at home, the Conservatives propose to increase the child tax credit. This credit is refundable and, unlike the child care expense deduction, it benefits all taxpayers equally. However, the miniscule amounts of money involved would hardly compensate a mother for income while she stayed at home to care for her children. Instead of enriching the tax break for parents, giving every family a few dollars which will hardly make a dent in their child care costs, the Conservatives should have invested the entire $6.4 billion, at the very least, in the construction and renovation of new spaces, improvement of existing centres, and upgrading of salaries for child care workers.

The Liberal Party will effectively place all of its child care funds into the creation of child care spaces. There will be no resort to regressive fiscal measures. The federal Government claims that the infusion of funds over a seven-year period is a boost to the child care structure. Once such a structure is in place, after the seventh year it will continue to fund the child care system but only according to a minimum formula which will be not less than "the contribution payable to the province in respect of the year ending March 31, 1995, less a reduction in respect of the cost of capital assets, the difference being adjusted for the national rate of general inflation as determined by the Minister of Finance, with a top up fund for lesser developed provinces".

It seems to me the Government is failing completely to acknowledge the fact that we need a child care structure in this country. It deems a seven-year boost period to be enough. It deems the creation of 200,000 spaces to be enough. As I said, that meets only 15 per cent of the need. That means after the seven-year period, after the Government has finished its boost, 1.4 million children will not have places in child care spaces. There will be no program in place to encourage the creation of new places. I think the Government has to own up to the fact that this is not a national child care strategy. It is a feeble attempt to quell the demand for child care. The timing, after all, is interesting.

The Prime Minister (Mr. Mulroney) promised to introduce a national program in the 1984 election campaign. Four years later, on the eve of an election, his Government comes up with what it calls a national child care strategy. It then, upon meeting with the provinces that in turn feel gypped by the program, adds another $1 billion to the strategy. This, however, is only to meet the need of creating the original 200,000 spaces the Government promised in its original strategy. I have spoken to the Ministers responsible for child care in many of the provinces. Ontario has had to cut back its proposed expansion by 12,000 spaces.

[*Translation*]

Mr. Speaker, the problem with these additional funds is that they left people with the impression that the Government was again adding new money while in fact it had to provide these funds to launch the program it had already unveiled in December. This was a false impression and we must set the record straight: the money recently provided by the Government was simply the money required to begin the program which had already been announced.

Nor are the provinces altogether satisfied. Quebec does not know what to expect, what with all its places in the school system. We happen to know there are now 30,000 places for school children throughout the Province of Quebec. It is made quite clear in clause 2 of the Bill under consideration that all services relating wholly or substantially to education will be cut off.

So the current program is woefully inadequate and most of our children aged 6 to 14 are still left without any supervision, without any of the services they so badly need.

• (1610)

[*English*]

The Liberal Party will develop twice the number of spaces the Conservatives promise. What about native Canadians, Mr. Speaker? We heard representatives from the Assembly of First Nations and the Inuit Women's Association, both of whom eloquently pointed out that their children were also in need of child care services. The AFN is in no way comforted by the fact that the Government has put aside $60 million for on-reserve child care because it deems that its children should have their rights entrenched in legislation and not left to the discretionary whims of the Governor in Council.

The Inuit population, not specifically mentioned in the legislation, will probably not be covered by it because it does not have on-reserve communities. It will, of course, fall under a cost sharing agreement should a province sign one, but nothing is there to guarantee that once a province signs such an agreement a culturally sensitive child care program will be provided to the Inuit populations.

When amendments were introduced at committee to modify the legislation to meet the needs of our native peoples, they were "deemed beyond the scope of the Act". It is a sorry state, Mr. Speaker, when a Bill is structured such that certain needs are so fully excluded that they cannot even be placed on the table for discussion.

Let us look at the scope of the Bill. It does not include mention of parental leave, for example. However, every committee dealing with issues pertaining to child care suggested that UIC parental leave should be increased from 15

weeks to 26 weeks. The Liberal Party would address this issue and place it within the scope of child care legislation where it belongs. The scope of the Bill might have included different types of child care settings. However, amendments were proposed to encourage child care in the workplace and child care in an after-school setting, but they were defeated by a Government that purports to encourage choices.

Perhaps the Government fails to see the link between child care in the workplace and choices. The Government will have to answer to the parents working in fishing canneries on one coast, of this country and lumber mills on the other coast, as well as to all clerks and business persons in every city of the nation. I can tell you, Mr. Speaker, that a Liberal Government will offer a tax write-off in excess of 100 per cent to employers creating an employer subsidized child care service.

Two of my amendments were adopted at committee, two which I hold particularly dear. One according priority to low to modest income children and one according special protection to the French or English minority of a province and to its multi-ethnic communities. On the first and foremost point, low to modest income children, we must mention the Canada Assistance Plan, CAP, which has been used to reimburse provinces which provide child care services to children of low-income families. Though CAP failed to meet the child care needs of this country, by its very nature it accorded special assistance to the neediest children first. Prior to our amendment, now Clause 4(b) of the Bill, Bill C-144 failed even to mention the needs of low to modest income children. It was this original abomination which caused witnesses from across Canada as well as the Liberal Party to plead for the maintenance of CAP in conjunction with the new legislation. This would ensure that the needs of the poorest of our children would continue to be met systematically.

I will tell you why this is important, Mr. Speaker. First, only 200,000 spaces will be created leaving very, very heavy needs unmet. As was pointed out by a witness for Ontario in the committee hearings before the Senate, the limited funds being accorded to meet child care needs will leave the provinces with hard choices to make, including choices of the types of child care to provide, the cost of user fees and, in effect, the income bracket to be served. This is unacceptable in so far as it will cause children from rich families to be in competition with children from poor families. It is essential that CAP be maintained. If the $4 billion the Government intends to pour into its alleged child care program is new money, then there should be no problem in at least maintaining CAP at its present level.

For all these reasons, Mr. Speaker, the child care legislation is completely inadequate. I can only hope that the Government now takes heed of what the witnesses have clearly stated and reconsiders the action to be taken.

The Liberal Party policy on child care recognizing that there is a greater need will create at least 400,000 spaces over the next seven years. It will, after discussion with the provinces, reach a consensus with them to establish minimum standards. It will encourage the development of child care in the school setting. It will encourage the development of employer subsidized child care through a tax write-off in excess of 100 per cent cost. A Liberal Government will meet the needs of Canadian children. It will be a priority.

[*Translation*]

Mr. Speaker, I think that this day care legislation falls far short. Under a Liberal Government we would indeed make it a priority, and one of our immediate objectives would certainly be to create child care spaces at the workplace as well as establish after school day care facilities for our children.

Again I urge the Government to reconsider this totally inadequate Bill which we are debating today.

* * *

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 66, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for York West (Mr. Marchi)—Housing—Situation in Toronto/Surplus federal lands; the Hon. Member for Halifax West (Mr. Crosby)—Public Service—Wages of Halifax naval dockyard workers; the Hon. Member for York East (Mr. Redway)—National Parole Board—Violent offenders—Retention in prison.

* * *

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Epp (Provencher) that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the third time and passed.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, during World War II when women were needed to man the factories and maintain the economy in Canada, Governments recognized that child care was an essential service. So we had government funding for free day care nurseries near many workplaces. However, after the War women's work was no longer considered to be essential and subsequently child care was not a government priority. For the past more than 20 years now since the royal commission on the status of women, women have been saying that licensed day care is a basic

requirement for women to achieve equality. It must be developed as an essential community service.

• (1620)

During the past 20 years society has changed dramatically. Over 60 per cent of mothers of young children are now in the workplace, either part time or full time. This trend will be maintained and indeed will increase in the future. Most mothers work because they have to. Their incomes are essential to maintaining their families, and particularly to help pay the high costs of housing.

The great increase in single parent families usually headed by females has significance for planning policies for child care. Increasing numbers of women with young children are left alone to raise children on their own, usually with very low incomes. We know that about 61 per cent of children of these mothers are poor.

It continues to be an absolutely deplorable fact that one in six Canadian children are being raised in poverty. Their mothers need child care as do average parents. Certainly teenage mothers, who have been on the increase, do as well. They need child care if they are to work, to study, or to train for the future so they will have an alternative to life on welfare.

Families have changed over the past 20 years. Relatives are not as available as they used to be to provide babysitting on short notice. Grandmothers often live far away or they themselves are working.

As my colleague who spoke previously said, we were very moved by the presentations of First Nations groups and also Inuit women about the needs of children in their communities. For native families, their children are their future. They want to be able to control and develop their own child care programs, programs that are relevant to their traditions and their communities. However, they must have adequate direct funding for this, funding that is guaranteed. As my colleague said, that funding is not guaranteed under this Bill.

Mothers or fathers who remain at home to care for children full time also need part-time child care services. This is not just for working parents. They need it for relief, for occasional recreation, for parent support programs, and for training. Many also want their children to develop socially and to be better prepared to enter kindergarten so they want half-day pre-school programs which are also child care programs.

Study after study under first Liberal and then Conservative regimes has documented again and again the need for a comprehensive system of quality, affordable services. These studies have also documented the crisis we are facing with children because of the neglect and inaction of provincial and federal Governments.

There is ample evidence of inadequate standards for child care and of the high fees which must be charged because there is not adequate funding for child care services. There is ample evidence of the long waiting lists of children who need child care and of the inadequate training that is provided for caregivers because of the lack of capital or operating grants that exists in most regions of Canada. Child care is in a very critical situation and it has become worse in the four years of delay by this Conservative Government.

What is happening to our kids as a result of this neglect? The parents of close to two million children are working either part time or full time or are studying, yet only about 240,000 licensed day care spaces exist to accommodate them. Most of these children are cared for in very risky, informal kinds of babysitting arrangements. Fees are usually unaffordable, close to $4,000 or $5,000 a year for one child, so that average families, particularly those with more than one child, certainly cannot afford the child care that is available now.

As our committee travelled across Canada, we heard repeatedly of parents who could not get their children into day care so they often had to use babysitters they did not know or who probably had no training or they had to use family day care homes that were unlicensed. We heard of children in informal care arrangements who were entertained all day by sitting in front of television sets and of some who were neglected or abused. Parents told us they worried all day at work and often missed work when these child care arrangements broke down.

There is a high incidence of school-age children who go home to empty homes. Latchkey children form another group of kids being neglected in every province of Canada, perhaps with the exception of Quebec which has quite a comprehensive program for school age children. However, this program will probably not be covered under this Bill. This was also of great concern to the people to whom we talked across Canada and to the witnesses who appeared before the legislative committee.

Witnesses, studies, and parents have told us over and over again that a comprehensive national child care program must be developed, that it must have a full range of supports for parents, And that it must have services for children under the age of 12. New Democrats believe this must start with pre-natal and post-natal care and education for parents. Family allowances must be reindexed and child tax credits must be increased to help parents with the costs of rearing their children.

Parents should have the opportunity to stay home, particularly during the period of their children's infancy, this very, very critical period in a child's life. It is very regrettable that this Government has refused to introduce amendments to the Unemployment Insurance Act to extend and enrich parental leave for fathers as well as for mothers so that they can have this choice when their children are young.

The NDP goal is a national child care program which should assist provinces and communities to develop a comprehensive range of affordable services. Most communities, for example, need family drop-in centres for parents and kids where there are parenting classes as well as many positive

support programs available. We need Mom and Tot programs such as the ones the YM-YWCAs offer, for recreation, relief, and informal education with good child care.

We need licensed family day care homes that take up to five children of mixed age groups. There are not nearly enough licensed, good quality day care homes across Canada. We certainly need good quality, licensed day care centres that operate with flexible hours and have separate facilities and staff for infants and toddlers. There is a great lack of care given to those age groups. We need expanded out of school care and summer programs with hot meals for school age children whose parents are working.

Facilities for child care must be accessible. The Government has completely ignored this in its legislation. Child care centres must have adequate staff to accommodate disabled children and children with special needs. There must be training programs and resources for caregivers, whether they be in family day care operations or in group care.

Some communities also need head start programs which offer enriched programs for disadvantaged children to help prepare them for school. These have been very, very successful in the United States and have reduced later problems in adolescence. Indeed, they have more than paid for themselves because of the prevention they offer.

• (1630)

Native child programs are needed, but they must be controlled and developed by native communities with adequate funding. Rural communities need direct funding so that they can develop their own kinds of innovative arrangements. Traditional day care centres are often relevant in rural communities. Farm families need to have a say in what is important for them. Multicultural child care programs with language training are also needed, and these are surely a federal responsibility.

In 1984, women succeeded in eliciting promises from all three political leaders to make a national child care program a federal priority. This was a political issue for women then. I can tell you that it will be an even greater political issue for women and indeed for most citizens in the coming election. It is now a public issue, and I think that most voters are aware of how society has changed and how important it is to have good child care available.

Despite repeated promises of this Conservative Prime Minister (Mr. Mulroney) over the last four years, where he has said that he would develop accessible, quality, affordable child care, the Government has delayed over and over again, until the very last minute, until a kind of death knell of this Parliament, before it introduced the Canada Child Care Act. What kind of priority is this?

Mr. Riis: It is no priority at all.

Ms. Mitchell: That is true. It shows how little this Government really cares and how all it cares about are the polls and trying to have a token gesture for women who are not going to be fooled when they go to the polls to vote. Canadians are tired of cynical policies on the eve of federal elections.

The government child care strategy introduced some time ago the tax measures which the Minister of Finance (Mr. Wilson) has put in this year's income tax. They allocated some $2.3 billion for what we considered to be very regressive tax measures, doubling the deductions for wealthier families who could afford to pay for child care for their children, ignoring poorer families who do not pay taxes, and offering a token $200 a year to mothers in the home and those who use informal care.

We felt that this $2.3 billion was not only regressive in the way that it was used but that it should have been used for the greatest priority, which is to have affordable, quality child care available in order for mothers and families to have a choice of good care for their children.

The Government also allowed only two days of debate in our legislative committee. They rushed this again and it was after introducing an extremely inadequate Bill C-144, the Canada Child Care Act. There was no time or funds to bring in representatives from the various regions of the country and the territories. I think that this was again an insult to Canadians.

Despite this rush, however, the 40 expert witnesses who appeared were unanimous in their condemnation of Bill C-144. There was not one representative or speaker who spoke in favour of this Bill. Even the Government, you would think, could have found one supporter. That is not the case, though.

It is a restrictive piece of legislation that immediately removes child care from the Canada Assistance Plan, offers capital funds for only seven years, makes no attempt to assess or meet real needs for spaces, and provides for only about 30,000 new subsidized spaces per province or territory per year. Future growth is terminated by the end of seven years. Child care will not go away at the end of seven years. This plan to allocate $4 billion for 200,000 spaces is only a start, and a very meagre start at that. Along with the present spaces it will not even meet a quarter of the needs of children across Canada. We believe that it is very short-sighted, indeed.

I would like to mention the five worst points of the Tory Child Care Act and elaborate on them. First, it offers funding for too few spaces. Second, it establishes no national objectives for the first new major social programs since medicare. Third, it entrenches the present system of poor quality and unaffordable child care services, leaving it up to provinces to determine how they will use federal child care funds rather than requiring that these funds be used to improve the quality and to develop new kinds of child care services. Fourth, it caps funding and restricts growth at the end of seven years. All indicators show that the needs for child care will have expanded from what we now have, not diminished. Poorer provinces will not have a top up at the end of seven years, and there is no way that they can continue their services without it. We also have the whole question of funding for new spaces.

Instead of assessing the real need for child care services in Canada and developing a rational plan, phase by phase, as we have done, for gradually meeting these needs, the Government has arbitrarily chosen 200,000 new spaces as its goal and slapped this on as the subsidy for the next seven years. As I said earlier, this only doubles the amount of spaces that we have now. It is far, far from adequate.

We know that we cannot do everything during the first few years, but certainly we could do a lot more. As my Leader said in Vancouver, we would have increased this number within four years under our program while retaining the Canada Assistance Plan. It would have cost $2.3 billion. There should certainly have been a much greater increase in the number of spaces.

We have also said before that the growth rate under the Canada Assistance Plan is now 15 per cent, and under this new program it will be reduced to a 10 per cent growth in spaces. What kind of progress is that?

Our New Democrat plan would offer direct grants during the first phase of development while maintaining the Canada Assistance Plan. As I said, it would have presented 200,000 subsidized spaces at the end of four years. We would have progressively developed it from there, with adequate shared funding over the years, into the next century.

We believe that any national plan must be based on real needs and must plan for the future. We criticize this policy of the federal Government, and we wish that it had put the tax money into increasing spaces as well.

There are no national objectives, and this is the first major national social program since medicare. Medicare spells out national objectives. We have the five principles of medicare. It has been a fine program, and we are very proud of it.

Unfortunately we cannot be proud of this child care program. It should be a landmark in the development of good social policy. It has not even conformed to the requirements the Conservative Government made under its own Meech Lake Constitutional Accord, where federal spending for social programs was to be based on the national objectives. It ignores the Canada Health Act.

The Minister refused repeatedly to accept any of our amendments in committee which would have inserted objectives into the body of the Act, even his own objectives which were pretty limited. He deliberately confuses national objectives with provincial standards, which of course are under provincial jurisdiction. The federal Government has an obligation to ensure that families and children across Canada have adequate access to programs.

Just before I move to the closing of my remarks, I would like to move:

> That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:
>
> That Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be not now read a third time but be referred back to the legislative committee for the purpose of reconsidering Clauses 3, 4, and 5."

I outlined earlier the other concerns that we have with this Act. It entrenches the present inadequate system of child care which is different in different regions. It should be encouraging provinces to improve the quality of care. Instead, it allows them to continue with untrained workers in some programs and it allows some provinces to use the money just for subsidies while not putting any into operating grants. There is no assurance at all that programs will be developed for children over five and under three, for disabled children, and for family day care homes.

• (1640)

The Canada Child Care Act is very restrictive in that it grandfathers the capital funding at the end of seven years. I have said how inadequate it is that this is a seven-year program. It is a seven-year fiasco. It really restricts child care programs rather than developes national child care for the future.

Finally, the Act requires provinces to give up share funding under the Canada Assistance Plan for children in need and those likely to be in need. This concerned many witnesses and it concerned us. We tried to get this amended because we do not feel that poor children are protected under this new plan. There will be great competition for very few spaces, and funds are not guaranteed for children in need who must have some priority.

Our Party, in our minority report "Caring For Canada's Children", put forward a national child care program with seven national objectives. It is a three-stage plan that is cost effective and allows the system to grow into the year 2,000 and beyond. I want to stress once again that New Democrats want a comprehensive range of child care programs so that parents will have choices to meet their special needs.

We are not advocating compulsory, institutionalized care for every child in Canada as other Parties, in particular the Government, like to claim that we are advocating. We want a practical, phased-in plan that will develop realistically with the ultimate goal of achieving child care that is accessible in all communities, that will give parents choices, and that is an essential available service, as it is in most western European countries, in the same way as education is.

I call on the Conservative Government to resist the political games it is playing in order to respond to the gender gap in the polls and to resist the token pre-election gesture it is offering in the child care field. After waiting four years it is forcing this completely inadequate program through the House after two days in committee and very few more in open debate.

This program is not going to please women voters. They know how inadequate it is and what a disappointment it is. The Prime Minister, once again, has let Canadians down on a very important promise. Surely children are more important than nuclear subs. This country has the kind of caring citizens

who put children first and will not tolerate the neglect of our children that we are experiencing under this Government.

It is time we had a comprehensive child care program which is positive, which stresses quality, which is non-profit in nature—because that is the best kind of quality care—which will have well trained workers paid good wages, and which will offer a range of services in every community: north, south, east or west; rural or urban. Let us do it right. Our children deserve the best.

I call on the Government to withdraw Bill C-144. Through this motion we have asked that it be referred back to the legislative committee for reconsideration. Better still, call an election immediately. Let us have a new Government to put forward a New Democrat child care policy.

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: The Chair has heard the amendment of the Hon. Member for Vancouver East and finds it to be in order.

Mr. Orlikow: Mr. Speaker, I would like to ask the Hon. Member a question. My daughter is like many young wives who have young children but also have to work in order to help meet the mortgage payments. I have, therefore, watched my two grandchildren spend a considerable time in day care centres. I have been impressed by the hard work and devotion of the people working in day care centres, but I have also been impressed with the necessity for them, in these non-profit day care centres, to work for very low wages, not much over the minimum wage in the Province of Manitoba.

I am puzzled about why the Conservative Government's proposal and the proposals of the Liberal Party, both here in Ottawa nationally and the Liberal Party in Manitoba, would permit the funding by Governments, federal and provincial, of day care centres run for a profit.

I cannot blame the operators of privately owned and operated day care centres for wanting to make a profit. After all, that is the legitimate objective of every private business. If they have to make a profit, is it not axiomatic that the wages of the people working in those privately owned and operated day care centres will have to be much lower than those working in non profit day care centres?

Ms. Mitchell: Mr. Speaker, I thank my colleague for a very important question. I want to join him in acknowledging the devotion of child care workers across this country. It is the most important job in Canada, I would say, yet they probably are the least recognized. In fact, one witness said that it was the poor helping the poor, poor mothers helping poor mothers very often, because their wages are so atrocious.

I would like to remind the House that in order to qualify caregivers need at least two years of post-secondary education. In many provinces, and I must mention the Province of Alberta in particular, they do not require training. They require only that caregivers be 18 years of age. This is not good enough from a standards point of view.

Of course, the best paid caregivers are those who are unionized, but even unionized centres do not pay high enough wages because they simply do not have sufficient money coming in from fees or subsidies to improve that.

The Member was talking about commercial day care. I agree with him completely. It is not just our own political bias about the commercialization of services for children. Objective research studies have been done, and I can think of at least three, which showed that on average the quality of child care in commercial day care centres is lower. There are some very good private centres, but by and large the only way to make a profit is to pay lower wages to the people working there and to charge higher fees to parents. But you can only go so far in that direction or you will not have any children.

In addition, caregivers tend to burn out more quickly as a result of carrying heavier work-loads and there is a higher turnover of caregivers. Children need continuity, particularly when they are away from their own parents. They need to have a loving person who is their constant and is there to give them attention every day.

One of the things that was lacking in this Bill, and we tried to get it amended, was a conversion clause. Many private operators that we heard from, particularly in the Atlantic region, are mom and pop operations that are not making a profit. In fact, they are using their own homes and probably taking a great loss. They are doing it because they love children, because there is a need, and because they need a job.

They have told us that they would be far happier if they were able to convert to non-profit child care, if there was an agency that would help them to get proper equipment, that would help them to get capital funding for a decent building, and that would help them organize a parent body. They then, rather than getting hardly any take-home pay, would have a decent, fair wage.

I think that most of the smaller operators of profit-making day care across the country would be persuaded, with proper incentives, to convert to non-profit care. They would have the advantage of training programs offered by parent organizations, of creative toys, and of enrichment programs. It is also important for those family operated day care homes to be licensed and affiliated with a non-profit agency. It is another area where the care is very sporadic and where I am sure parents who take children in the home would like to be connected with some kind of outside agency in order to provide better service and have better pay.

• (1650)

Mr. Blaikie: Mr. Speaker, I was pleased that the Hon. Member for Winnipeg North (Mr. Orlikow) raised the policy of the Liberal Party in Manitoba because I believe it points out one of the basic differences between Liberals and New

Democrats with respect to child care. We have a difference with the Government as well, obviously, but some Canadians might be under the impression that because we both oppose the child care Bill there are no significant differences between the Liberals and the New Democrats. We have come to see what those differences are just recently in Manitoba, for example, where the Liberal Party of Manitoba has not criticized or opposed the decision of the Conservative Government there to extend public funding to profit making day care centres. I believe that should be on the record.

We know that many Conservative back-benchers often seem to regret the way in which society has developed, and the way in which many families now have both parents in the job market. They suggest that it detracts from the traditional family situation where most often the mother was at home looking after the children.

This points out to me a problem with Conservative philosophy. Certainly one of the main reasons so many families need two incomes is to pay the mortgage. I recall when I first became interested in politics in the late 1960s and early 1970s, when the NDP called for measures to reduce land speculation to prevent the incredible inflation of housing prices that occurred then and which is occurring again, particularly in Toronto. Yet any time one would move to curb the free enterprise market that creates the economic situation in which families feel both parents and even the kids sometimes must work to pay a $435,000 mortgage that was only $135,000 five years previously, Conservatives say it cannot be done because it interferes with the market-place. Conservatives should make up their minds. What do they value, the family or the market-place?

For the last 20 years their real priority, their idol, has been the market-place. If the market-place happens to drive families on to the streets or make it impossible for people to stay at home, then they just have to live with that. Conservatives can get up to make speeches regretting the passing of the traditional family, but do not do anything about it because they do not want to interfere with free enterprise.

Ms. Mitchell: Mr. Speaker, my hon. colleague who is indeed a philosopher in his own right, has pointed out the weaknesses in both the Liberal and Tory philosophies on child care.

He is quite right that the Liberal Party in Manitoba, as well as nationally, is quite in favour of commercial child care. It has said that the funding should go to for profit child care.

The situation is the same with respect to care for the elderly. Operations that function primarily as businesses to make a profit are really not consistent with good quality care. We challenge the Liberals on that point.

The Hon. Member is quite right that the Conservatives face a real dilemma with their philosophy. On the one hand they would like to send all women back into the home, I am sure. That was the dilemma they faced in trying to come forward with a child are program. While they profess to recognize the family, it is that Party which deindexed family allowance, deindexed the child tax credit, and imposed more taxes on families than on taxpayers without children or on corporations. One must question the conflicting philosophies of the Conservatives.

Mr. Deputy Speaker: I would ask the Hon. Member to conclude. The time for questions and comments has expired.

Ms. Mitchell: I believe the child care Bill is an example of how the Conservatives are not committed to sound child care policy but are trying to do as little as possible in as negative a way as possible.

Mr. Deputy Speaker: The Chair will recognize the Hon. Member for Regina West. Since it is three minutes before five o'clock, would it be the wish of the Hon. Member to call it five o'clock?

Mr. Rodriguez: We want to hear him.

Mr. Deputy Speaker: Members of the House want to hear the Hon. Member.

Mr. Les Benjamin (Regina West): Mr. Speaker, let me begin my third reading speech by suggesting that there were many people in this country, and at least one political Party of which I am aware, who for many years promoted the participation of the public through Governments at all three levels in the caring of children as a responsibility not only of parents but of the nation because of the requirement of parents to earn a living.

Over a period of some 40 years it became an issue like motherhood. The Minister of National Health and Welfare (Mr. Epp) is all for motherhood. The Tories support motherhood, yet they introduced legislation that would erect all the handicaps possible to prevent motherhood and mothering.

I know that there are some Tories who still say that the mother should stay at home and look after the kids. The problem is that her husband has been laid off or his company has gone bankrupt, but she can get a job, even a part-time job, to help support the household and the family. May I call it five o'clock?

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

• (1700)

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

THE MEDIA

ROYAL COMMISSION ON NEWSPAPERS (1981)

Hon. Sinclair Stevens (York—Peel) moved:

That a special committee of the House be established to consider what action has been taken by the government and former governments with respect to the recommendations of the Royal Commission on Newspapers (1981), and that the committee be empowered to consider which of the recommendations should be implemented and, in particular, the recommendations made by the Commission with reference to Thomson Newspapers Limited.

He said: Mr. Speaker, since there might be those in the House who are perhaps unfamiliar with the Royal Commission on Newspapers which brought in its report on July 1, 1981, I felt I should begin my remarks by reminding Hon. Members that this was a commission on which Tom Kent was chairperson, Gordon Spears was a commissioner, as was Laurent Picard. If I could summarize it briefly, the thrust of the commission report was that it was felt that there was an undue concentration of newspapers in the country and that perhaps this resulted in a less than favourable freedom of the press. There were certain questions raised about ownership of not only newspapers as far as chains were concerned but the fact that certain instances were cited wherein chain ownerships were also linked to conglomerates.

Based on that type of analysis, the report came up with various recommendations which I hope to deal with today. Even if one does not believe in all the recommendations—and certainly I do not believe in them all—or if one believes in none of them or, in fact, if one believes only in some of them, it is important that we as legislators, and the most senior House in the country, at least consider the evidence and the information that this commission put before the country linked, if you like, Mr. Speaker, with its recommendations.

One other matter which I should perhaps clarify is that the actual report was triggered by the closing down The Winnipeg *Tribune* and *The Ottawa Journal*. In the forward to the report it is stated:

The Winnipeg *Tribune* and *The Ottawa Journal* closed their doors on August 27, 1980. This commission in direct response to that event was created six days later.

In short, it was conceded that there was a certain anxiety at the time that an already concentrated situation was perhaps becoming that much more concentrated.

In a map that the commission includes on page 10 of its report it points out that chains at that time controlled 94.6 per cent of the total circulation in British Columbia; 96.2 per cent in Alberta; 100 per cent in Saskatchewan; 87.1 per cent in Manitoba; 60.6 per cent in Ontario; 95.9 per cent in Quebec; and throughout the Maritimes it was generally the same, although Nova Scotia was just 26.6 per cent controlled by chains. I think that a compelling case is made in the report which demonstrates the concentration that existed as far as chains in the daily newspaper field were concerned.

What I mainly want to deal with today is what happened after the report. Were any of the recommendations implemented? To the best of my knowledge, none were implemented. I will come back to one instance wherein there was temporary implementation of one, only to be withdrawn later. Also, was there ever any further study given to the questions that were raised in the report?

First, I would like to touch on what some of these recommendations were all about. On page 237 the commission had this comment to make:

The ownership and control of most newspapers is today highly concentrated under interests whose business concerns extend far beyond the particular newspaper. Much of our press, consequently, is not itself dedicated exclusively to the purposes of the press, to the discharge of its public responsibility. Extraneous interests, operating internally, are the chains that today limit the freedom of the press.

The chain you will note, Mr. Speaker, that is referred to there is the chain in a binding sense. That is what the commission stated is limiting the freedom of the press.

In answer, then, what can be done about it? It suggests, for example, that there is room for a Canada newspaper Act and that it would provide for a resistance at least to a further concentration of newspaper power in the country.

Many of the recommendations, and I should be frank about this, I feel contemplate the possibility at least of undue government intervention. The commission tried to be very guarded in its comments that that was not its intention. Anything that we say today I think we should weigh in the context that I am certainly not speaking for direct government intervention. I am speaking in the context of asking this. Is there not something worth considering in what the royal commission reported on back in 1981 and, specifically, what has happened?

The only instance that I know of anything coming out of this study was a directive which was given to the CRTC by the Government of the day asking that it refrain from granting TV licences or radio licences in communities where the applicant was, for example, the local daily newspaper. I do not know whether that directive was ever acted upon by the CRTC. It was subsequently withdrawn. To the best of my knowledge there has been no direct implementation of these recommendations.

Let me first deal with the suggestion of the Canada newspaper Act. The report states that while the local monopoly of a newspaper is a problem in itself, often reflected in profit maximization by an impoverishment of editorial comment, the worst feature of concentration is not the ownership of several newspapers by one company, it is their ownership by a conglomerate, a company having or associated with extensive

other interests. As an example of this type of conglomerate Thomson Newspapers is cited.

I think most Hon. Members are familiar with the Thomson empire. For those who are not, I recommend that they take a look at the 1988 summer issue of *The Financial Post* wherein the trees of various conglomerates of Canada are shown. Under the title: "Ken Thomson—Read all about him" the various concerns that Lord Thomson controls are listed. Of course that includes Thomson Newspapers which is 61 per cent owned by a private company owned by the Thomsons; 74 per cent of Hudson's Bay; 100 per cent of The Bay, 100 per cent of Simpsons; 100 per cent of Zeller's; and 100 per cent of a real estate company called Markborough Properties. On the international Thomson organization side there are various other interests such as oil and gas and book publishing and that type of thing.

I would simply like to summarize the Thomson situation as one in which when the royal commission looked at the situation it found that Thomson had 40 newspapers in Canada. That is the same number that it has today. I am referring to daily newspapers here. *The Globe and Mail* is of course one of the newspapers that it has. Its growth since the 1981 report has been mainly in the United States. When I speak of growth, it is truly sensational.

The Thomson organization—and when I refer to these figures I am referring to Thomson Newspapers Limited—are running at roughly a 40 per cent pre-tax profit margin on revenues. In smaller communities it is even higher than that. The net result is that in 1987, on earnings of $1.95 billion it was able to have a net pre-tax income of $379 million. Royal Securities, RBC Dominion Securities, has indicated that it believes that profit will get up to over $.5 billion by 1990.

• (1710)

Let us make one thing clear. There is nothing wrong with a business concern making a profit. The bottom line is what insures the solvency and the continual prosperity of that organization. What we have to ask ourselves is whether the tremendous concentration that Thomson is showing in a business sense of developing what it calls "cash cows" is in the best interests of a free responsible press in this country.

The formula is very simple. If one maximizes revenue and minimizes costs, the net result is editorial staffs are short-changed as far as remuneration is concerned. As a result of the underpaying of many of the personnel, it is very difficult for those papers in the Thomson chain to get the type of seasoned, well-educated employee that one would normally expect to handle what is one of the crucial jobs in any democracy, and that is the reporting of the news.

I am not talking about so-called interpretive reporting. I would suggest that what we need, as much as anything in this country, are responsible journalists reporting what actually is the news, and hopefully conveying it through their newspapers to their reader who can judge accordingly as to what action he or she should take on whatever topic may be relevant at the time.

I would like to touch very briefly on some of the recommendations that the commission has come up with in the context of what it feels is an over concentration. It points out there should be a divestiture of either the *The Globe and Mail* with Thomson retaining the other 40 newspapers that it owns, or it should retain the *The Globe and Mail* and sell off the other 40 newspapers. We know that has not occurred. What indeed has happened, and if you are interested, Mr. Speaker, I could give the specific profits, is that those Canadian newspapers have generated an income that, in 1980, the year that the royal commission was looking at, had Canadian revenue of $284 million. By the end of December, 1987, that had gone up to an even $.5 billion. That is a nice increase during the 1980s. As far as the income is concerned it is even more dramatic. One finds that the segmented operating income in Canada has jumped from $62 million to $157 million, as far as Thomson Newspapers is concerned.

Where was that money used? Was it used to ensure that there was a high calibre reporting staff, that the editorial content that appears in what is generally called the news hall of a newspaper was of a high calibre? No. It was substantially used to give the cash flow needed to make further acquisitions in the United States. That is where the growth has been; in short, the funelling off of those profits out of the Canadian newspaper empire, short-changing the production of the newspapers in this country, so that there could be further acquisitions made in the United States. Today the chain has 160 newspapers; 103 daily and 5 weekly newspapers are in the United States. The remaining are 40 daily in Canada, and 12 weekly newspapers.

The first comment I would make is that the Royal Commission I have referred to asked that Government consider the desirability of a divestiture of this empire. Is it worth revisiting to determine if that divestiture would have been wise? There is a five year time given for the divestiture, or has the inaction been the appropriate course to take?

I would then mention that there is a rather novel approach of a taxation nature to try to get more competition into the newspaper field in Canada. The recommendation had two parts. It was suggested that there may be room to give an added tax write-off to those who would like to invest in new newspapers, the concept being something similar to what one could obtain by going into the film business in Canada. For example, if somebody wanted to raise $1 million, the royal commission asked: "Would it be possible to give a tax credit so that somebody who is raising $1 million to get into the newspaper field in Canada would at least have that incentive?" Again there was a formula for the adjustment of taxes within a newspaper in accordance with how much editorial content was put into the newspaper and what the expenditure was in generating satisfactory editorial content in the newspaper. It was a surtax, and tax credit approach. Again, I would recommend that Hon. Members who may be interested in this

subject take a look at the report and see the nature of that recommendation.

Another recommendation was the role of the editor in the newspaper. They suggested that if one has this highly concentrated ownership such as Southams, *The Toronto Star*, or the Thomsons, perhaps there had to be something done to ensure an independence at the editorial level. The suggestion was that editors-in-chief be asked to sign a contract that would be binding on the owner to ensure that he would have certain security of tenure during his employment, and that if he had to make some tough decisions that might be embarassing to the owner or somebody else connected to the newspaper, he would not feel that his job was at stake as a result of making that decision.

The commission pointed out, and perhaps I should quote page 246 which states:

> Overall, the structure is most certainly not one that can give any confidence—

That is the present industry structure:

> —that newspapers in Canadian communities are edited independently of the other business interests of their chain or conglomerate proprietors. The structure is, in other words, incompatible with the Canadian Daily Newspaper Publishers Association's own declaration, in its 1977 Statement of Principles on this point.

It then quotes what the Canadian Daily Newspaper Publisher's Association stated should be the principle:

> The newspaper must hold itself free of any obligation save that of fidelity to the public good . . . Conflicts of interest, and the appearance of conflicts of interest, must be avoided. Outside interests that could affect, or appear to affect, the newspaper's freedom to report the news impartially should be avoided.

In short, the association pinpoints what appears to be an inherent defect in the system that the commission found.

I know my time is quickly running out. I would like to simply conclude by saying that I believe Hon. Members should revisit the Royal Commission, look at the evidence that it mustered, look at the recommendations that it proposed, and ask themselves: "Are you indeed happy with the way the freedom of the press is functioning in the country at the present time, and in particular can it be bettered?" Democracy at any time needs a truly free, objective, responsible press, and that is what I am hoping measures in future will attempt to attain.

• (1720)

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I am happy to participate in this debate with respect to a special committee of the House being formed to decide which of the recommendations of the Kent Commission report will be implemented by the Government.

I must say that in listening to the Hon. Member, a former champion of free enterprise and the free market system, I was a little bit puzzled about his defence of government intervention in such an important matter as concentration of ownership. I recall myself and my friend, the Hon. Member for Nickel Belt (Mr. Rodriguez), advocating that the Government intervene or examine closely the excessively high profits of multinational drug companies. We also recommended that certain foreign takeovers of Canadian operations be examined in detail as they were under FIRA. The Hon. Member for York—Peel (Mr. Stevens) would obviously argue the Government's side and say you have to let the free market take its course. We now find our efforts have been rewarded. We now have before us in the House a conversion. The Hon. Member now agrees with and understands fully the importance of the Government of Canada taking its public responsibility very seriously.

I found the subject matter of this motion very interesting because I do not believe the Hon. Member talked about a fundamental underpinning of that sector of our economy, namely freedom of the press. He may have alluded to it but I cannot recall him mentioning it in his remarks. That issue has to be first and foremost as we proceed down this long path. Quite frankly, there is nothing inherently wrong with what the Hon. Member is asking for. I would hope that the House would concur with this motion, although it only deals with one particular industry.

The Hon. Member took great pains to point out many things about the Thomson chain of newspapers. Perhaps as we proceed along in this debate, this particular Parliament, and even into subsequent Parliaments, we will discover the real reason why he wishes to do that. However, corporate concentration and control is not a problem just for the newspaper industry in this country. It is part and parcel of a growing problem for Canadians everywhere.

I had to be careful because I did not want to laugh while the Hon. Member was speaking, but when you have the major mergers that are taking place in this country, increasing corporate concentration in the retail sector, and then hear the former Minister say the Government now has to look at a particular sector, one has to ask, rightly so, as no doubt my friend from Nickel Belt will, why all of a sudden this concern about corporate concentration in the newspaper industry?

I do not want to take all the credit. The Hon. Member for Nickel Belt will want to share the credit with me for finally convincing the Hon. Member to see the correctness of our suggestions regarding government intervention and the public interest.

I, too, would want to examine some of the recommendations contained in the Kent Commission report. However, it is important to note that there is both provincial and federal jurisdiction involved with respect to how the recommendations would be implemented. It does not necessarily follow, either, that with corporate concentration you are automatically going to see editorial writers or particular newspapers slanting their views in a particular way. I think the best example of that was the K. C. Irving case when it was alleged that K. C. Irving acquired a complete monopoly of English language newspapers in New Brunswick to complement other media and diverse

industrial holdings in the province by purchasing the remaining independent newspaper. The Supreme Court of Canada acquitted Irving in that case by holding that no presumption of detriment to the public arises merely from the fact of a monopoly.

However, I would want to go back, not necessarily to argue that case again, but as the Hon. Member suggested, to review some of the recommendations and some of the cases which have followed that particular case. We would re-examine whether or not that ruling of the Supreme Court at that point is really relevant in 1988 and beyond.

It should also be noted that although there was not much action subsequent to the Kent Commission, Bill C-226, the Daily Newspaper Act, sponsored by the Hon. James Fleming, formerly the Minister responsible for implementation of the Kent Commission report, received first reading in the House on March 12, 1984, as a Private Members' Bill. Under that legislation no one would be able to control newspapers with an aggregate of more than 20 per cent of all daily circulation. That provision would not have any retroactive application.

I bring that to the attention of Members who might be under the false impression that no activity whatsoever followed the recommendations of the Kent Commission. In fact, that Bill would require any non-media company acquiring or establishing a newspaper to demonstrate to the Restrictive Trade Practices Commission that any such newspaper would be managed independently of the non-media company's other interests.

I repeat that an issue which the Government of Canada should be intricately involved in is the issue of corporate concentration and the effect it is having on the Canadian economy. It is absolutely essential. The Hon. Member raises the issue of the newspaper industry, but there are many other industries and sectors of our economy where we have a high degree of corporate concentration, and the Government of which he is a part has refused to take any concrete and specific action to address those important concerns.

In conclusion, I find nothing inherently wrong with the suggestion of the Hon. Member. I would hope that the conversion we have seen here today will continue beyond the imminent election and that we will go into the 1990s secure in his support for measures affecting other sectors of the economy which we deem to be important.

• (1730)

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I want to participate in this debate. I too, when I saw this motion on the Order Paper, could not believe my eyes. I looked once, I looked twice, and there it is, a motion dated—this is very important—September 11, 1987, by the Hon. Member for York Peel (Mr. Stevens), the former Minister of Regional Industrial Expansion.

Mr. Dingwall: And Privatization.

Mr. Rodriguez: Yes, and Privatization. That Minister brought down this motion on September 11, 1987 in which he calls upon Parliament "to establish a special committee of the House to consider what action has been taken by the Government and former Governments with respect to the recommendations of the Royal Commission on Newspapers (1981)"—the Kent Commission—"and that the committee be empowered to consider which of the recommendations should be implemented and, in particular, the recommendations made by the Commission with reference to Thomson Newspapers Limited."

I became intrigued, Mr. Speaker. I was not going to speak on this motion, to be honest, but I became intrigued with the whole process. Here is a free-enterpriser, a rocking and rolling free-enterpriser, the modern day 21st century baron of free enterprise who sits around, we know, on weekends with his wife discussing new ways to make money. They invented the original game "Let's Make a Deal". It plays on TV these days.

Some Hon. Members: Oh, oh!

Mr. Rodriguez: That intrigued me as to why this gentleman would bring forward this motion. I have an inherent dislike for monopolies. Whenever I see them I want to break them up, but I could not figure out why this Member from York Peel would want to do that. I had to go back and dig up the Kent Commission recommendations and look at what was specifically said about the newspaper business in this country, particularly the Thomson chain. Basically it said:

> It would prohibit significant further concentration of the ownership and control of daily newspapers and of the common ownership of these newspapers and other media.
>
> It would correct the very worst cases of concentration that now exist.
>
> It would provide an incentive to the wider ownership of newspapers that change hands, and of new newspapers and magazines.
>
> It would raise the status and enhance the freedom of journalists by protecting their rights, if a newspaper is under an ownership that has major interests outside the newspaper, and provide an opportunity for the voice of the community whose citizens have a particular stake in the quality of the local newspaper, to be heard.

The recommendation continued:

> Therefore the Newspaper Act should prohibit the purchase of a newspaper business by a company or person, or any association of persons or companies not at arm's length, if the total net value of the assets employed in non-newspaper business by the company, person, and any associated companies or persons, exceeds the net asset value of the newspaper which is to be purchased.
>
> While the Commission thinks that large chains, and chains which are geographically concentrated, should never have been allowed to develop—

And it goes on and on.

With respect to the Thomson chain, the Kent Commission was very clear. It wrote:

> It is in our judgment an entirely unacceptable concentration of power that this paper—

Referring to the *Globe and Mail.*

> —should be owned by the Thomson organization which also owns a third of the other daily newspapers in Canada . . .

> Thomson would thus be required to divest itself, within five years, either of the *Globe and Mail* or of its other papers.

I had this question nagging: Why would this Member put this motion with which I have no problem? I always look for reasons why things get done. When I dug up the clipping files of the Library of Parliament something rang a bell in my mind because I remembered the *Ottawa Herald*. I have in my hand a clipping from *The Globe and Mail* which reads:

> Herald first of many, ex-minister says.
>
> Stevens launches career as press baron.

Now, Mr. Speaker, you have to read some of these choice quotes. This blew my mind. Now it started to click. I put two and two together and I came up with five. I knew there was a fox in the hen house. I knew it right off the bat. Here is a man who wants to break up monopolies but that was September, 1987. Remember I said the motion was September, 1987 but this quote from *The Globe and Mail* is dated May 12, 1988. It continued:

> Mr. Stevens said yesterday that turning the *Ottawa Herald* into a daily will be only the first of a string of newspaper ventures.

Do you get it, Mr. Speaker? There is going to be a chain. The article goes on to say:

> "One of the most attractive investments is newspapers, especially newspaper chains," Mr. Stevens said. He spoke of building a network of community and daily newspapers throughout Canada and the United States.

He now wants to replace the Thomsons. That is what he wants to do.

Mr. Stevens: Competition.

Mr. Rodriguez: Here is the guy who in 1987 was talking about breaking up monopolies. Then he quoted Tom Kent who headed the royal commission into Canadian newspapers. The article continues:

> —Mr. Stevens said: "The profit is only the beer, the power is the champagne."

When he opened up this Herald he was just drinking the beer and was looking to the champagne. I cannot believe it, Mr. Speaker. This other paper carried the same story but with a different twist. This is from *The Ottawa Citizen* from May 12, 1988 and we read:

> Stevens deal heralds new presses, building.
>
> Sinclair Stevens, who was formerly industry minister, said his company has big plans for its newspaper division, including expansion in Canada and into the United States.
>
> The newspaper business is extremely profitable and new publishing technology has made the business even more attractive as an investment, Stevens said at a news conference.

The Minister talked about avoiding conflict of interest or the appearance of conflict of interest. Here is a Member of Parliament owning a newspaper. Can you see it now? He would dictate the editorial page. He would be the greatest MP, he would dictate the cartoons. Can you just see it now? "Sinc Stevens conquers Ottawa." "Sinc Stevens makes a big speech in Parliament."

Mr. Deputy Speaker: Could I ask the Hon. Member to refer to the Member as the Hon. Member for York Peel, please?

Mr. Rodriguez: Yes, the Hon. Member for York Peel. Is there any greater askance about conflict of interest than a Member of Parliament owning a newspaper, a newspaper that relates and conveys to the public the business of this House, the business of the country? It boggles the mind.

While I do not have a problem with setting up a special committee to look at the Thomson chain and how to break up its monopoly—God knows, we have one of them in Sudbury—I want to say that I have to raise in my own mind the propriety of a man who proposes this motion while he himself starts out to establish his own dynasty. He wants, as he says, to revisit the royal commission. I want to say with *déjà vu* while this committee might be looking at the Thomson paper monopoly today, down the road we might be looking at the Sinc Stevens' newspaper monopoly.

Mr. Stevens: Good idea.

• (1740)

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and Minister Responsible for Multiculturalism): Mr. Speaker, I am pleased to rise in this debate because I come from the riding of Duvernay and the City of Laval where we have several very important weeklies.

Mr. Speaker, the Canadian publishing industry is thriving in my riding, to the extent that every week we almost have a war of weeklies. I simply cannot understand how these people manage to put out such quality papers with such limited financial resources and without any tax incentives or postal rate discounts, yet most of these weeklies are delivered right to our doors free of charge.

The newspaper publishing industry has always been the subject of particular consideration on the part of Governments because of its dual characteristic, either commercial or cultural. Given their vast land expanses and living next door to a giant, Canadians have long since acknowledged the significance of a way of expressing themselves which makes up for their regional differences and strengthens this original and diversified human fabric which is the source of unequalled pride for all of them from coast to coast.

Aware of this problem and concerned over their role in the establishment and expansion of a genuinely Canadian publishing industry, in recent years the various Governments have taken steps to help Canadian publishers, first and foremost through the publication distribution assistance program and Bill C-58. With the program to assist the distribution of publications, in January 1987, the Government announced a thorough review of the postal subsidy program for publishers, which allows eligible publishers to mail their publications to readers at preferential rates that are much lower than the commercial rates of Canada Post. This review

was pursuant to the recommendations of the Nielsen Task Force, in 1986, to the effect that publishers of dailies and periodicals be consulted as soon as possible in order to agree on an acceptable timetable for the phased reduction of the postal subsidy.

Reacting to economic constraints to reduce the federal deficit and wishing to maintain a strong, original publishing industry, the Government tried and succeeded in reconciling its financial objectives with the needs of Canadian publishers and readers. In April 1988, speaking to an audience mainly made up of distinguished representatives of the Canadian press, the Minister of Communications (Miss MacDonald) announced that the postal subsidy program would be maintained at approximately the same level of funding as it then was, namely $225 million a year, for the next five years. The program will from now on be called the Publication Distribution Assistance Program, which better expresses the Government's intentions to support the press and the objectives of the program itself.

The postal subsidy program for publishers predates Confederation and is directly derived from our European cultural heritage. In 1710, the British Postal Act gave back control over postal systems in the colonies. In 1851, the British Post Office transferred to the English colonies control over their own postal services, which until then had come under the British Postmaster, and stipulated that they could set postal rates as they saw fit within their territory. By 1855, the territories that were to join the Canadian Confederation, strongly influenced by the colonial traditions advocating the circulation of information and ideas, had abolished the postal tariffs on newspapers. In 1867, an Act of the first Canadian Parliament established a Canadian postal service for citizens throughout the country.

The then Postmaster attempted to impose high postal rates on newspapers. That attempt was met with strong opposition from the industry. They asked the then Government to roll that decision back and establish free postal distribution for newspapers. Faced with that opposition, the Postmaster amended his proposal and introduced a low postal rate for newspaper distribution in Canada.

Since 1867, successive governments continued to apply that *de facto* policy of low rates to newspapers, and later on to other periodicals, under what is now called the second class mail or the publications distribution assistance program. Mindful of the basic goals of the program, they all wanted to ensure easy and widespread dissemination of information to every possible destination across the land, for both educational and democratic purposes. The postal program seemed the best way to meet this objective.

As the Canadian publishing industry developed, the objectives of the program changed as well, so that today, we can define the three main objectives of the policy governing it as follows:

A) encourage communication: i.e., promote the spread of the printed word at an affordable cost everywhere in the country that Canadians live;

B) encourage culture: i.e., promote the dissemination of printed matter from Canada in order to strengthen our cultural identity;

C) encourage industrial development: promote the development of an ever more prosperous publishing industry in our country, in spite of keen foreign competition.

Today, 144 daily newspapers, which means practically the entire daily press in Canada, and over 600 Canadian weeklies—half the total number in Canada—benefit under the program. Generally speaking, national daily newspapers mail only a small percentage of their total circulation. However, 45 per cent of these mailings go to rural subscribers who otherwise would have trouble obtaining these papers. There are forty regional dailies that distribute more than 10 per cent of their circulation by mail, while 15 small daily newspapers depend to a large extent on the assistance they receive under this program to serve their subscribers by mail, for instance the *Guardian and Patriot* in Charlottetown and the *Shebrooke Record* in Quebec. Today, 466 local weeklies may deliver free of charge the first 2,500 copies of each issue in rural communities with a population of 10,000 or less. Without the program, these weeklies would probably be unable to survive. Other weeklies enrolled in the program pay reduced postage rates which help them continue their publishing activities.

In concluding, Mr. Speaker, I think it would be correct to say that the present Government has not only fought in favour of the Canadian publishing industry but has also won many battles on its behalf. Whether we are talking about the postal subsidy or Bill C-58 or free trade, the Canadian publishing industry has come out a winner. Like its predecessors, the present Government has recognized the vulnerability, the uniqueness and the importance of this sector of our economy and has agreed to make available all the necessary resources, financial or otherwise, to maintain a publishing industry that is representative of Canadian society and the communities across this country.

My concern, Mr. Speaker, is that they have so much to do and so little money to do it with, and if they could continue to have these benefits, it would enhance the quality of newspapers in our small communities.

[*English*]

Mr. Joe Reid (St. Catharines): Mr. Speaker, I would like to make some background comments in addition to those made by the Hon. Member for York—Peel (Mr. Stevens) on the report of a royal commission that is commonly known and referred to as the Kent Commission. The motion introduced is of a fact-finding nature. It is about what has been done as a result of that inquiry, not what should be done by reason of the concentration of journalistic interests then and perhaps even more so now, and it is worthy of public consideration. The

commission was created with good reason, I think, as a result of events that took place on August 27, 1980, when, on that day, the two largest newspaper chains were involved in the closure of two major newspapers, one in Winnipeg and *The Journal* here in Ottawa. Where there was a joint interest of those two chains in Vancouver and Montreal, the Southam interests bought out the Thomson interests.

• (1750)

The commission presented a report, including a number of regulations and recommendations, directed to both Government and industry. These recommendations flowed from the commission's conclusions on the state of competition within the industry. It found that the trend to chain ownership in the newspaper industry compromised the freedom and independence of the press, Canadians' access to diverse sources of news and opinion, and press quality. It felt that action by the Government was needed to protect Canadians' political rights with regard to which the press plays a major and central role.

The commission urged that the Government strengthen the then existing competition legislation. "Break up the chains", they said, so that there would be one newspaper with one owner. Prevent cross-media ownership, that is newspapers owning radio stations. Create a publicly-owned newspaper or a chain of newspapers, something on the model of the CBC. On and on it went.

A review of the Government's response to that commission report shows that action was taken, not to the degree that some might have wished, and it might not have been as wide ranging as the recommendations of the commission itself, but with respect to the subject of cross-media ownership.

The Cabinet of the day accepted that media ownership patterns did present problems which Government should address. Direction to the CRTC was issued by the Governor in Council in July of 1982. It prohibited the granting of broadcasting licences or the renewal of such licences to applicants who were proprietors of daily newspapers and whose major circulation area substantially encompassed the same market as that of the broadcasting undertaking. Exceptions were allowed, of course.

In every case but one the CRTC renewed the licences of the applicant. In the one case, involving the New Brunswick Broadcasting Corporation, the licence was renewed on a conditional basis and for a shorter period of time. It should be noted that the New Brunswick Broadcasting Corporation took its case to the Federal Court of Appeal and successfully appealed the authoritative direction. In other cases, the direction resulted in a number of structural ownership rearrangements and arms-length standstills to create agreement within the industry.

With respect to the issues arising from the Kent Commission regarding the business operations of newspapers, the Government of the day released legislation of a draft daily newspaper Act in July, 1983. It proposed the following: To limit further concentration of ownerships by barring acquisitions which would raise any individual or chain's share of national daily newspaper circulation above 20 per cent; to protect and promote editorial independence it would require non-media companies to give notice to the Restrictive Trade Practices Commission of its intent to acquire a daily newspaper and to demonstrate that such acquisition was in the public interest. Further, to promote editorial quality and public accountability in the operation of the daily press, it required the establishment of a national press council independent of Government, and by offering incentives through matching grants for the establishment by Canadian newspapers of new inter-regional or international news bureaus.

The general reaction of the critics to this proposed daily newspaper Act was that even if the actual legislation was benign with regard to governmental involvement, an Act which addressed the daily press would be on the books and would make it easier to introduce substantive amendments in the future, and would lower the threshold of public concern about governmental involvement in the news media or in the freedom of the press.

In the view of the critics, the problems attributed to the highly concentrated ownership suggested that this concentration should be dealt with instead within the context of other concentration of markets. In this regard, they supported the proposal that amendments should be made in the Combines Investigation Act rather than in a single legislative common Bill.

While the proposed daily newspaper Act was never really introduced into the House, as mentioned earlier this evening, a Private Member's Bill was introduced by Mr. Fleming in May of 1984. It was based very heavily on that proposed legislation.

Responsibility for the Government's legislation was assigned to the Honourable Judy Erola. In November of 1984, an article appeared in *The Globe and Mail* to the effect that she felt strongly that concentration of newspaper ownerships and other issues raised by the Kent Commission should be dealt with in a revised Competitions Act.

With respect to the issue of a national press council, she is quoted as saying that the industry "was on a path that was a very healthy one" and that the "threat of the newspaper Act was basically the reason why they decided to move on press councils and doing a bit of self-government, self-policing, which was more effective than otherwise".

Since that time, this Government has introduced amendments to the then Combines Investigation Act, now the Competition Act. It is widely felt that this general law of general application is an appropriate means to address concerns of corporate concentration primarily through news mergers and abuse of dominant positions and provisions. I thank you, Mr. Speaker.

Mr. Dennis H. Cochrane (Moncton): Mr. Speaker, there is not a great deal of time left, but I want to speak against this

Private Member's motion, basically because I do not believe that the Government should get any more involved than it has in the past in this industry.

I think that what caused the beginning of this whole process was a case that took place in New Brunswick that was referred to by some of my colleagues in their speeches, and it involved a case before the Combines Investigation Act with regard to the Irving connections and their newspaper holdings.

They went on to the Federal Court of Canada and were found not to be in contravention of that particular piece of legislation, and so they should have been. As a result, we saw, subsequent to the Kent Commission, a report showing some effort by the CRTC to not grant a licence to public broadcasting. That, too, was taken along the line and I guess it finally ended with a cabinet agreement of no further action to be taken regarding that.

In each of those cases they assumed that some abuse was evident. Certainly, as a resident of New Brunswick and somebody who has followed all of the newspapers that are involved, I would find it very difficult for the Government to get further into this.

With time running out, I would certainly not be supportive of this. I think that the Government has meddled in the past, and in those cases it, too, showed discrimination in this particular regard. I do not think that the interests of the newspaper industry or the public at large would be served by continuing the witch hunt that we saw in the late 1970s and early 1980s.

Mr. Deputy Speaker: The time provided for consideration of Private Members' Business is now expired. Pursuant to Standing Order 42(1), the order is dropped from the Order Paper.

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 66 deemed to have been moved.

HOUSING—SITUATION IN TORONTO—SURPLUS FEDERAL LANDS

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to have this opportunity tonight to pursue a question I asked of the Government on September 16 of this year. In fact, it is a question that I, as a Toronto Member of Parliament, have been on my feet about on a fairly regular basis. I have been trying to press the Government to do something about its responsibility in the area of housing.

It is sad to note, in the dying moments of a dying administration, that in the last four years the administration of the Conservative Party has clearly abdicated its responsibilities in the area of housing. More and more the Government has cut back on and slashed various programs that were in place from previous administrations and has passed the political buck for housing to the municipalities and the provincial governments.

It has cut back on the social housing subsidies for non-profit and co-operative housing by $9.6 million. It cut the RRAP funding by 25 per cent. It terminated the RHOSP program which helped first time home buyers to own their first home. It cut non-profit housing in 1986 from 25,000 units to 17,500 units. Total CMHC subsidies fell by almost 20 per cent in 1984. Between 1984 and 1986 capital funding was cut by 61 per cent from $439 million to $267 million. In addition, the Residential Rehabilitation Assistance Program was cut by almost 51 per cent. These are only a few examples that I have the time to outline in the short time I have available to me. In these four years there has been a regression in the federal role in housing.

I take offence to the fact that on the eve of a national campaign, rather than dealing with the substance of the federal housing issue, rather than addressing the housing crisis of affordability in Metropolitan Toronto and other urban centres where there has been a housing malaise in terms of affordability, the Government has preferred to deal with cosmetic surgery and perceptions. It has announced, in the few days remaining of this Parliament, a Minister of Housing. That was somehow supposed to give the perception that the Government was interested in the housing issue. I am not sure that Canadians, particularly in the urban centres, in my own municipality of North York and in the Metro Toronto area, are going to be taken by this late conversion, if you will, on the question of housing.

That is the first part of the question that I raised on September 16 and on other days in the House of Commons with the Deputy Prime Minister (Mr. Mazankowski). The other aspect I raised was the announcement last Friday of the provision of some 50 hectares or 123 acres of Downsview air force lands for what was deemed to be affordable housing. As I mentioned in the House on a number of occasions, I was pleased that at least there was a step in the right direction in using some of the surplus lands for federal housing projects.

However, I was distressed to learn that there was no commitment on behalf of the federal Government to provide the sewer lines that are necessary to put up the kind of subdivisions they are talking about. The federal Government knew about this two months ago when it met with North York city officials. The President of CMHC, Robert Jarvis, and his chief engineers, went to North York and were told, in clear terms, that the sewer capacity was absolutely nil in that area. The feds not only put out a news release to say that they were going create this housing, but there was obviously the expectation that they would come across with a price tag of upwards of $200 million for the sewer infrastructure, both local and metro.

In addition to that, I found it amazing that they would call it affordable housing when 75 per cent of the homes would be built by private developers at existing market rates. I asked the Government to up the 25 per cent to at least 35 per cent of the entire project to meet the provincial standard and, in addition, to encourage the private developers, as the provincial government in Ontario does, to have the private housing development include 25 per cent for affordable units. Otherwise, we would only be putting up on Downsview air force lands homes that are selling in Metropolitan Toronto for an average of about $225,000 to $230,000.

• (1805)

In closing, I say that the Government should not only get involved in cosmetic surgery but should get involved in the substance. Let us talk about an affordable housing scheme on Downsview air force base. Let us come through with the sewer commitments that would make it a reality. Otherwise, it will only be a fairy tale project simply in time for an election call.

Mr. William C. Winegard (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, may I assure the Hon. Member that the federal Government and Canada Mortgage and Housing Corporation are fully aware of the Toronto housing situation and are monitoring the market very closely.

The federal Government is promoting access to the security of home ownership in a number of ways: Through the provision of public mortgage insurance, mortgage backed securities, policies to promote moderate and stable interest rates, and more generally, good economic management. Low interest rates have produced record housing starts.

In 1987, net migration to Toronto totalled 61,200. That is triple the average per year reported for the 1976 to 1982 period.

This high level of migration has significantly increased the demand for housing. This resulted in 46,518 housing starts in 1987, an all-time record. In 1988, starts are forecast to reach over 40,000. Demand has outpaced the ability of the construction industry to supply sufficient number of houses.

The federal funds that are provided under the federal-provincial social housing programs are targeted to needy households. A great deal has been accomplished in the Toronto area. The social housing portfolio is now 100,657 units of federal and provincial subsidized housing.

As mentioned in responses to previous questions, the Government spent about $250 million in social housing expenditures in the Toronto area in 1987. This figure is approximately 18 per cent of the total federal social housing budget. In 1987, the federal and provincial governments added, under the terms of the federal-provincial agreements, an additional 2,150 units.

The recent announcement by the federal Government that Canada Mortgage and Housing Corporation would develop lands for approximately 10,000 to 12,000 people in North York is a clear demonstration that this Government does care about affordable housing in the Toronto market area.

PUBLIC SERVICE—WAGES OF HALIFAX NAVAL DOCKYARD WORKERS

Mr. Howard Crosby (Halifax West): Mr. Speaker, I want to address the issue of wage parity in the Public Service of Canada. On August 31, 1988, I questioned the Minister of State for the Treasury Board (Mr. Lewis) respecting the wages paid to workers in the ship repair unit at CFB Halifax.

Briefly stated, this raises the long-standing issue of wage parity between ship repair trades on the East Coast and the West Coast of Canada that requires some explanation.

First, let me describe the ship repair unit at CFB Halifax, commonly known as the dockyard. This ship repair unit provides support to Maritime Command, Canada's Navy, with repairs to the fleet and maintenance of the fleet as well as refit and repair of equipment. This means establishing the facilities, skills, trades and talents necessary to perform these functions in normal times and in times of crisis.

Let us simplify the whole matter and say that what is really required is a competent and capable workforce. Meeting that requirement necessitates adequate compensation. What we have to do is find a method for adequately compensating our workers, not only in the ship repair unit but across the Public Service.

• (1810)

I believe the workforce at the dockyard has every right to reasonable compensation and every right to complain that reasonable compensation is not being paid, particularly when we look at their brothers on the West Coast. We must recognize the comparability of wages in regions and across Canada. As you may know, Mr. Speaker, the workers at the dockyard are represented by the Government Dockyard Trades and Labour Council—East. I have had occasion to speak to them. I believe they fairly represent the views of the 1,800 workers in the ship repair unit.

Let me deal with the question of wage parity, with particular reference to the ship repair workers on the East and West Coasts. It is not a new problem. It goes back to the early 1970s when a distinction was first made between the wages paid to workers on the East Coast and the West Coast. I will update it to 1985 when I had occasion to ask the Minister to review the policies with respect to payment of wages. That is to say equal pay for work of equal value.

I received a response in 1985 from the then President of the Treasury Board who referred to a problem on pay parity between home economists and occupational therapists and wrote this to me in a letter:

—resolution of the complaint demonstrates the joint union-management approach to be a responsive vehicle to satisfactorily address issues of long-standing concern regarding equal pay for work of equal value.

I would be the first to agree that that is an appropriate method to address these differences. It is union and management, workers' representatives and government representatives getting together to resolve this dispute. But it has not worked in this case.

In June of 1988 when I met with representatives of the Government Dockyard Trades and Labour Council to discuss this matter I undertook to address the President of the Treasury Board, the Hon. Member for Vancouver Centre (Miss Carney), and deal with the matter of wage parity. I received a response from the Minister shortly thereafter in July of 1988. The problem was a very specific one. The Minister indicated that in order to comply with the request for wage parity it would require over a 32 month period a wage increase of 36.1 per cent, as opposed to the offer that had been made of 11.5 per cent. One can see that it is a very substantial problem.

The Minister also pointed out, and I would like to read from the letter:

> Regional differences in rates of pay do exist in the private sector and the Public Service endeavours to reflect these differences. Currently, about one-fifth of all federal public servants are paid on some form of regional pay basis.

In July of 1988 the Minister indicated that in her opinion the regional pay differences were justified. However, that requires us to look at the principles involved in pay for Public Servants.

I know that in 1977 the Government's position was very clear. It was stated in the policy paper:

> The approach that the Government intends to pursue in compensating Federal public servants is one of average comparability of total compensation with a representative sample of private sector employers.

It was very clear that there were three principles involved in settling wages of public sector employees, our public servants. First, the public sector compensation must be fair to both the employee and the taxpayer. Second, the public sector compensation should be related in a reasonable and an acceptable way to the private sector. We more or less concede that government wages should trail the private sector. Third, there has to be proper collective bargaining, responsible collective bargaining to arrive at the actual dollars and cents. Nobody disputes those principles. What is in dispute is what has happened.

The dockyard council makes a very clear case that in 1975 the differences were not too great. In fact, the ship repair unit received 93.4 per cent of what was considered a comparable base wage. By 1987 it had dropped to 77 per cent of comparable wages in comparison to other areas. For example, the ship repair unit wages in comparison to municipal employees had dropped from 113 per cent to 91.29 per cent. I do not want to dazzle anybody with statistics. I simply want to say that there has been a dramatic change over this almost 10 year period. Today the East Coast workers are paid less than 85 per cent of what West Coast workers receive. That amounts to more than $3 an hour.

• (1815)

I am sure that everybody in the House of Commons would agree that that is not fair and that something has to be done. The hope for the future is a mediation process which the President of the Treasury Board has mentioned, and which I understand is now taking place.

My message is the following: In this mediation the proper officers have to consider the principle of wage parity. They have to move to reduce the discrepancy that has arisen over the years. The workers on the East Coast require and demand fair treatment, and they are entitled to fair treatment. On behalf of my constituents at the CFB Halifax dockyard, I ask for fairness.

Mr. Ken James (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, I wish to speak to this very important subject that has been brought to our attention by the Hon. Member for Halifax West (Mr. Crosby). He has a great interest in his constituents and the workers on the East Coast, particularly in the Halifax area. As the Hon. Member is aware, the issue of wage parity between the East and West Coast ship repair employees is at this moment the subject of mediation between the parties. In view of the fact that today it was mutually agreed that neither party would comment publicly on that dispute while this mediation effort is under way, I am not prepared to comment on the specific outstanding issues between the parties in that labour dispute, and I am sure that the Hon. Member would not wish me to do so.

Recently there has been much discussion with regard to the issue of wage parity within the Public Service, and in particular over the practice of successive governments' long-standing policy of paying regional rates of pay to certain groups of Public Service employees.

The Treasury Board as employer has traditionally attempted to negotiate regional rates for groups in which employees are located in two or more regions where outside data indicates significant variations in rates of pay among various regions in Canada, and where the mobility and the area of recruitment of the employees are limited.

There are presently approximately 43,000 unionized employees in 11 occupational groups in the federal Public Service who receive regional rates of pay. Regional rates have been in effect for some groups for many decades, and this policy has been embraced by many previous Governments.

Both the Pay Research Bureau and the Conference Board of Canada have surveyed the practice of regional rates prevailing in the private sector. Employers with operations in more than one region apply this practice in varying degrees, based upon the type of occupational groups that they employ. The practice is most prevalent for operational, administrative, and technical support positions. In its soon to be published report, the Conference Board of Canada, based on preliminary data received to date, has identified that 47 per cent of the respondents paid regional rates to their clerical and support positions.

The Hon. Member can see that this practice is quite common for many private sector employees in Canada.

It is for those reasons that the Treasury Board as employer continues to embrace the concept of paying rates of pay for certain occupational groups that are based on regional labour market conditions prevailing in the private sector.

I thank the Hon. Member for Halifax West for bringing this important point to the attention of the House of Commons.

NATIONAL PAROLE BOARD—VIOLENT OFFENDERS—RETENTION IN PRISON

Mr. Alan Redway (York East): Mr. Speaker, where were you on July 24, 1986? Think back, carefully, Mr. Speaker. Where were you that day? Were you out on the golf course? I know that you like playing golf. Were you at the lake? I know you enjoy a little recreation. Were you in your constituency office working hard? This date was two years ago this summer, Mr. Speaker. Think very hard.

You do not have to scratch your head, Mr. Speaker, because you and I were both here in the House. We were called back for one or two days to deal, on an emergency basis, with Bill C-67. You remember that debate. The Bill was supposed to ensure that federal prisoners incarcerated in our penitentiaries who were considered violent would not automatically be released from prison after serving only two-thirds of their term, the way the previous legislation read. They could be kept in prison until the end of their term and not released on this ridiculous business called mandatory supervision.

• (1820)

I do not know about you, but I was rather pleased to be here at that time and take part in that debate and see that legislation passed into law. I felt the Bill was going to help restore the faith and confidence of Canadians, what perhaps might be called the silent majority of Canadians, in our criminal justice and parole systems, and in the National Parole Board itself.

Here we are two years down the road and what has happened? Did Bill C-67 do what it was supposed to do? Did it restore the confidence of Canadians in the system? Did it make sure that violent offenders were kept in prison to the end of their term rather than being released early? If it did, why is it that in Toronto earlier this year one Melvin Glenn Stanton, described by police as a dangerous sexual offender, after being convicted of bludgeoning to death a 14-year-old girl, was released to a halfway house in Toronto? He then went missing from that halfway house and, as you know, was subsequently convicted of the stabbing death of one Tempa Conter in Toronto.

If the Bill had worked the way it was supposed to work, why was it that again earlier this year in Toronto one Herbert Ray Smith, described by police as violent and mentally unstable and sexually aggressive toward women, was released on mandatory supervision? Again, he walked away from a halfway house. Why was it that earlier this year, again in Toronto, one Kevin Paul Mott, considered dangerous by police, was allowed out on a two-day pass and again walked away from the halfway house even though he had previously been convicted and had a record which included five robberies and assaults with dangerous weapons? If that Bill C-67 which you and I came back here to deal with had been effective, why was it that again earlier this year in Toronto one Lawrence James Munro, who was charged, convicted and imprisoned for rape and assault and was considered violent, was out in a halfway house and again walked away?

It is no wonder, with that sort of record, that Canadians continue to have anything but confidence in our criminal justice and parole systems. Recently, as you know, a poll was released which showed something like 68 per cent to 70 per cent of Canadians said they had absolutely no confidence whatsoever in the criminal justice system.

You know that this message has got across to the Solicitor General of Canada (Mr. Kelleher), apparently, and he says he is going to do something about it. In June of this year he announced that he was going to make changes in the parole system. You will remember he said that he was going to abolish the system of earned remission. He was going to replace it with a short statutory period not to exceed 12 months. He was going to reduce the time in which prisoners were eligible for full parole from one-third to one-half their sentence, and he was going to limit day parole eligibility to six months prior to full parole eligibility. That is not going quite as far as the Sentencing Commission wanted in their recent report. They said we should abolish parole altogether. However, it would seem to be moving somewhat in the right direction.

• (1825)

That was announced in June. We have been sitting all summer on an emergency basis. We have not seen any Bill. We have seen nothing other than a draft Bill that was submitted to the House. The Solicitor General has gone on to say, as you know, that in granting parole the risk to the public should be the only criteria for that. In fact, when he defines that he says that parole will be granted if an offender does not present "undue risk of re-offending while on parole".

What has been happening all this time? Surely that is what has happened. We have had an undue risk of re-offending because all these people have been re-offending while on parole. Words are not enough any more. The public has had enough words and wants some action. When are we going to get some action, Mr. Parliamentary Secretary?

Mr. William C. Winegard (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, it is always a pleasure to respond to the penetrating analysis supplied by the Hon. Member for York East (Mr. Redway).

In the summer, 1986, as the Member has said, this Government acted to close one loophole in the process of releasing violent offenders, that being the passage of Bill C-67. As

Members will recall, its purpose was to ensure better protection of the public from dangerous offenders by authorizing the Parole Board to keep such offenders in custody until the last hour of their court-imposed sentence if necessary, even if they had earned remission in the penitentiary.

Not only did the Government act responsibly in promoting Bill C-67, and not only is it working generally as intended, but we know that we must and we are prepared to go further as was promised at that time.

In July of this year as you have just heard, Sir, the Solicitor General (Mr. Kelleher) announced major new proposals to reform the parole system in Canada. On August 25, these proposals were tabled in the form of draft legislation in this House.

I might go on to point out that the Parliamentary Committee on Justice and Solicitor General's Review of Sentencing and Parole has resoundingly endorsed these proposals, as has a sizeable portion of the public. Under these reforms, inmates who have committed violent crimes will be required to serve one-half of their sentences or 10 years, whichever is less, before being eligible for full parole. Currently all federal inmates are eligible after serving one-third or seven years.

This new measure has been introduced to ensure that there is more balance between sentences imposed by the court and the decisions made by the parole system. To replace mandatory supervision, the Solicitor General has proposed a short statutory period, never to exceed 12 months, for transition to the community prior to the end of every sentence, but always subject to the detention provisions of Bill C-67.

The actions of the Government are intended both to protect the public better and to support the efforts of very dedicated and professionally responsible correctional workers trying to do their best to protect the public within the limits of the law. I believe we owe a debt of gratitude to these professionals and the community agencies for their dedication to this thankless task on our behalf. The Government is committed to ensuring better the safety of the Canadian public. The Solicitor General has acted on this commitment and continues to act on it. With the support and encouragement of all Members of the House, particularly those with the understanding of the Member for York East we can make this country a safer place for everyone.

Mr. Redway: Mr. Speaker, if the Hon. Member will table and introduce first reading of that Bill, I will give my unanimous consent tonight.

Mr. Deputy Speaker: Unfortunately we cannot do that.

The motion to adjourn the House is deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at two o'clock.

The House adjourned at 6.30 p.m.

HOUSE OF COMMONS

Wednesday, September 21, 1988

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 21

[*English*]

HEALTH

ENVIRONMENTAL SENSITIVITY DISEASE

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, thousands of Canadians suffer health problems because of a distinct sensitivity to food additives, chemicals, and other synthetic substances. Only recently has this been recognized as a physical illness. For example, last year the Ontario Medical Association called on Governments to increase research on causes, effects and treatment of environmental sensitivity, also called the 20th century disease.

Individuals, organizations, and even the Human Rights Commissioner have asked the Minister of National Health and Welfare (Mr. Epp) to take action on this serious health problem. Instead of action he has only sympathy. We urge him to recognize the existence of this illness, to instruct his Department to become competent in the field, to launch a campaign to educate health professionals, and to consult with those who suffer from environmental sensitivity. In short, we urge him to stop sympathizing and start acting.

* * *

PUBLIC WORKS

EDMONTON—OPENING OF CANADA PLACE

Mr. William G. Lesick (Edmonton East): Mr. Speaker, tomorrow, September 22, 1988, will be a day of significance in Edmonton. At noon we will witness the official opening of Canada Place in Edmonton. The building is a blend of award winning architectural design, leadership by Trizec Corporation, construction by Ellis-Don, and dedication and work by 1,500 Edmontonians.

This structure will house 29 federal government Departments, the most important being the head office of the Western Diversification Office, as well as 3,200 employees. Canada Place also has shops, a conference room, a National Film Board theatre, fountains, restaurants, and day care facilities. The downtown core will be revitalized with the addition of 1,000 parking stalls which are desperately needed by the Convention Centre.

This building represents a new start; a new era of reliance on the private sector to do what it does best; a new era of co-operation between government and industry; a new method of building financing at a time when government dollars were tight and construction jobs were desperately needed. The presence of the federal Government in Edmonton will now be fully recognized with the magnificent $150 million Canada Place. It is a beautiful building for a beautiful city which I am proud to represent.

* * *

ADMINISTRATION OF JUSTICE

FAMILY VIOLENCE—TREATMENT OF WOMEN

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, women have long fought for recognition of their right to a life of dignity, respect, and justice. Unfortunately this struggle is still to be fought in the court system of this country.

Violence is an unacceptable social behaviour in our society, yet when it is committed against women and their children, new standards seem to apply. A woman's behaviour is examined as if her words or actions could justify being beaten, pushed, kicked or verbally abused. Light sentences, if any, are handed out to men considered to be respected members of the community. Importance is given to keeping a family together even though the violence usually escalates.

The Kirby Inwood trial was unfortunately an example of the treatment of women by our justice system. For brutally beating his son and wife this man was given 30 days and three years probation. The pain and fear he inflicted on his family will certainly be with them for many years. Their suffering must start to take priority in our justice system.

S. O. 21

ADMINISTRATION OF JUSTICE

INDECENT ACTS—PUBLICATION OF NAMES OF CONVICTED PERSONS

Mr. Jim Jepson (London East): Mr. Speaker, recently in London the Vice Squad arrested 42 homosexual men for committing indecent acts in public washrooms in two parks and a shopping plaza. I commend the press and the police for withholding the names of these individuals until they have had their day in court. However, I believe it is absolutely imperative that, upon conviction, for the protection of society, these names be released.

In many instances we have repeat offenders who get off with either a suspended sentence or a small fine. I think it is very important that society be protected and these names be publicized.

* * *

PHARMACEUTICAL INDUSTRY

COST OF PRESCRIPTION DRUGS

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, the evidence is out and it is conclusive: Tory Bill C-22 is causing increases in the cost of prescription drugs.

Some Hon. Members: Nonsense!

Mr. Dingwall: The evidence was adduced by the Senate Committee reviewing Bill C-22, and more particularly Bill S-15. The committee report said:

> Most of the evidence indicates that in the past year drug prices have increased at rates in excess of the rate of increase in the Consumer Price Index.
>
> Representatives of Green Shield Prepaid Services Inc. (Green Shield), a large Ontario-based prescription drug plan, told the Committee that for the period from January 1, 1987 to January 1, 1988 the average ingredient cost of the prescriptions filled under its plans increased by 12.6 per cent.

It is clear that the Tory promise to maintain increases in the price of drugs below the CPI was wrong. Drug prices are going up. The Tories have breached their commitment to the Canadian people and I tell them that this ought to be rescinded and a new Act put in place in order to protect senior citizens and other consumers all across the country.

* * *

VETERANS AFFAIRS

HONG KONG VETERANS—CALL FOR COMPENSATION BY JAPANESE GOVERNMENT

Mr. Albert Girard (Restigouche): Mr. Speaker, time is definitely not on the side of our Hong Kong veterans. Many did not make it through the brutal incarceration inflicted upon them by the enemy. Many more who managed to survive have lived diminished lives as a result. Today there are fewer than 700 survivors, yet a major crime against those veterans has not been redressed.

The issue of compensation has been raised on the floor of the British House of Commons, the U.S. Senate, and the UN. The time is right for our Government to take forceful action. Japan owes our Hong Kong vets equitable compensation for the slave labour, starvation, beatings, and unsanitary living conditions it forced on our boys.

This Government must do everything in its power to ensure fair compensation is paid by the Japanese Government without further delay. In this case time really is of the essence.

* * *

• (1410)

ENVIRONMENTAL AFFAIRS

NEWFOUNDLAND—BELL ISLAND'S REJECTION OF INDUSTRIAL WASTE STORAGE PROJECT

Mr. Jack Harris (St. John's East): Mr. Speaker, the community of Bell Island was rejected by this Conservative Government as a site for a federal penitentiary, despite meeting the criteria and having special economic needs. Hot on the heels of this decision a company called Canadian Ecology Ltd. offered to use the community as a dump for industrial waste. "The abandoned mines would be perfect to store industrial waste", they said. "We would offer 100 jobs", they said. "It would be perfectly safe", they said.

They thought that the people of Bell Island were desperate and had no choice. Well, the people of Bell Island said no, and 2,401 of about 2,800 adults signed a petition opposing this use and they organized meetings against it. Together they said no to being a dumping ground for the waste of an industrial society that will not let them participate in a meaningful way.

I congratulate and support their opposition to this project and congratulate them on their victory in having it stopped. I will continue to work with and fight for the people of Bell Island in their effort to achieve real economic development. Working together, the people of Bell Island have stopped this project. Working together, we will fight to ensure Bell Islanders are given real alternatives to unemployment and lack of opportunity.

* * *

THE ECONOMY

EXCHANGE VALUE OF DOLLAR

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, the value of a nation's currency in the international market place is very much a measure of the world's confidence in the ability of that country to govern itself effectively and pursue sensible economic and social policy.

This is reflected in the recent behaviour of the Canadian dollar. When the polls were showing the possibility of a Turner-Broadbent win in the next election and the consequent ripping up of the free trade agreement, our dollar plunged to 80.63 cents U.S.

Now the polls indicate a clear-cut victory for the Conservatives, confidence has been restored, and our dollar stands at over 82 cents.

* * *

CANADA POST CORPORATION

NOVA SCOTIA—PROPOSED SALE OF SYDNEY POST OFFICE

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the post office in Sydney is one of the most profitable in the country. Labour costs as a percentage of total revenues are 12.5 per cent of every dollar earned. If you exclude income from postage meters, priority post, and postal boxes, labour costs are still a very reasonable 45.8 per cent of every dollar earned.

Revenue projections for the current year are up by over $109,000 to $2,312,322. The people of Sydney have demonstrated their support for the Canada Post outlet by their utilization of this Canada Post outlet in the downtown area.

Yet despite all this good economic news, the Government through the Corporation is closing the downtown outlet and moving it to a low traffic area. The Government, with no regard for the workers, has plans to sell the Sydney post office to one of its corporate friends who will then reap the benefits of this very profitable operation.

* * *

[*Translation*]

POLITICAL PARTIES

CANADIANS' CHOICE

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, more and more, Canadians choose the team that will have to govern in the coming years, which will be a time of change. The Constitutional Agreement, co-operation among the provinces, the quality of social programs, our control over the economy, our action on the deficit and our job creation are acknowledged and Canadians are getting ready to say yes to the team made up of people like Wilson, de Cotret, Crosbie and Mulroney. Canadians want to have nothing to do with the bounty hunters and the rats. Nor will Canadians want to have anything to do with the eccentric and marginal world of Broadbent—they never have!

[*English*]

ATOMIC ENERGY OF CANADA LIMITED

CANADA-THAILAND FOOD IRRADIATION TECHNOLOGY AGREEMENT

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, I would like to call the attention of the House to an agreement between Atomic Energy of Canada Limited and the office of Atomic Energy for Peace in Thailand. This has to do with technology transfer, particularly the transfer of food irradiation technology.

Two things about the agreement concern me, Mr. Speaker. The first is that part of the contract refers to the obtaining of Canadian governmental regulatory approval for the sale of three irradiated Thai foods in Canada, apparently papaya, mangos, and shrimp. The second aspect of the agreement, Article 6, provides that AECL will be compelled to take back any of the spent Cobalt 60.

Many times in this House I have said the Government's eagerness to approve food irradiation in this country and AECL's eagerness to prove that it has solved the nuclear waste problem have been related more to global marketing strategy vis-à-vis food irradiation than to anything else. I think we see here in this agreement between Canada and Thailand the proof of that claim.

I would ask the Government to explain why it is setting Canada up to being a nuclear waste depository for the entire world.

* * *

NATIONAL PARKS

BANFF AND LAKE LOUISE—RENTS CHARGED RCMP AND PUBLIC SERVANTS

Mr. Gordon Taylor (Bow River): Mr. Speaker, our Prime Minister (Mr. Mulroney) and the Ministers of this Government want all Canadians to be treated fairly. The rent charged RCMP and public servants who are living in government-owned houses in Banff and Lake Louise is excessive and out of line with rents charged in all other national parks and in all towns in Alberta of similar size.

Section 128 of the Treasury Board manual states:

> The base shelter shall be reduced by 25 per cent where there is imposed occupancy.

The occupancy of these houses is imposed. There is no other available accommodation. They either live in these houses or they don't work. And the bureaucrats by placing a rigid meaning on the word "imposed" have been chiselling these dedicated police and workers. If we want to appear to be fair these excessive rents should be reduced immediately by 25 per cent.

Oral Questions

AGRICULTURE

CANOLA INDUSTRY—EFFECT OF UNITED STATES EXPORT ENHANCEMENT PROGRAM

Mr. Maurice Foster (Algoma): Mr. Speaker, canola is a triumph of Canadian agricultural research and technological development. However, today the Canadian canola industry is being destroyed by the United States Export Enhancement Program. Sales are down by 15 per cent in just the first six months of this year. This represents a loss of income of $150 million to Canadian agriculture producers, stolen away by the U.S. export subsidy programs. This is a direct violation of the Prime Minister's (Mr. Mulroney) trade deal with the United States.

The United States undertook in that agreement to take into account Canada's interests in the use of the Export Enhancement Program. This the Americans are not doing. Likewise they are violating the "standstill provision" of the agreement.

The viability of the Canadian Canola industry is at stake in this matter. I call on the Government to make the United States Government live up to the terms of the agreement.

ORAL QUESTION PERIOD

[*English*]

ENVIRONMENTAL AFFAIRS

GOVERNMENT RECORD

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, yesterday in Toronto the Prime Minister accused others of "grubby little scenarios". I want to tell him that he is the master architect of grubby little scenarios.

The Prime Minister spent four years gutting the Department of the Environment. Now he pretends to have a new national vision for the environment.

He said he wouldn't raise taxes by one cent and during the past four years he has imposed the heaviest tax burden in history on Canadians to the amount of $26 billion.

He talked about a commitment to fiscal responsibility—

Mr. Speaker: I do hesitate to interrupt the right hon. gentleman but I think the preamble may be going on a bit too long. I ask the Leader of the Opposition to put his question.

Mr. Turner (Vancouver Quadra): Mr. Speaker, I am leading up to a question for the Prime Minister.

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): And to give him time to prepare, I am setting out his grubby little scenario.

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): He said he was going to have fiscal responsibility, paraded his Minister of Finance around, and dished out millions of dollars as a pre-election slush fund for the Conservative Party. Leading to the question, Mr. Speaker, he said he was against—

Some Hon. Members: Oh, oh!

Mr. Speaker: I would ask the right hon. gentleman to put his question.

Mr. Turner (Vancouver Quadra): I know you understand the sequence of this question, Mr. Speaker. He said he was against a free trade deal with the United States and yet he signed a deal selling out our country.

Why did he negotiate a comprehensive trade deal with the United States after he told Canadians he was against any such deal? Will the Prime Minister explain to the country that grubby little scenario?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my right hon. friend began with some complaints about the Government's environmental record. The environmental record involved the St. Lawrence River clean-up of $110 million; the Halifax Harbour clean-up; the Acid Rain Program of $150 million for smelter modernization; federal-provincial Accords on sulphur dioxide emissions with a $350 million federal contribution; the Canadian Environmental Protection Act—the first environmental Act of any substance that was passed by this Chamber in a good number of years; the Niagara River pollution cleanup; the Environmental Conference in June—

Mr. Allmand: Window dressing.

Mr. Mulroney: My hon. friend from N.D.G. says window dressing, and a lot of rhetoric.

Mr. Allmand: A lot of baloney.

Mr. Mulroney: How would he have qualified—

An Hon. Member: Smoke and mirrors.

Mr. Mulroney: I am trying to answer my hon. friend, Mr. Speaker. Is he opposed to South Moresby, to the cleanup of the St. Lawrence River, the Halifax Harbour, or Hamilton Harbour? He may be opposed to these in the House of Commons but he should not go across the country saying that he is opposed to these very, very appropriate environmental plans for the people of Canada.

• (1420)

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—PRIME MINISTER'S POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, I think the country deserves to know the truth about the last-minute deathbed conversion of the Prime Minister on the environment. I will concede one thing to him. He was right yesterday when he said in Toronto that Canadians will judge him on his record of free trade.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Right Hon. Leader of the Opposition has the floor.

Mr. Turner (Vancouver Quadra): Mr. Speaker, I just hope that the flapping of the fins of the trained seals will not be taken off my time.

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): Canadians will judge whether this Prime Minister can be trusted. Does the Prime Minister deny that he said: "Free trade with the United States is like sleeping with an elephant"? Does he deny that he said: "Canadian plants would not be able to compete"? Does the Prime Minister deny that he said: "Canadians rejected free trade in 1911, they would do so again"? Does the Prime Minister deny that he said: "Free trade? It affects our sovereignty and I will have none of it"? How does the Prime Minister square what he said with what he has done to Canada in selling us out?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, does the Leader of the Opposition deny that he said that he would reduce the federal deficit by 50 per cent in his first term of office, and that he has spent four years as the Leader of the Opposition spending money that he and the Canadian people do not have?

This is going to be good. The Leader of the Opposition is getting coached by the Member from Winnipeg. This is going to be something to behold.

Our commitment was to the creation of jobs, new wealth and new prosperity for Canada. We said we would create new jobs. Canadians have created 1.3 million new jobs, bringing about a new degree of prosperity.

We said we would bring about new unity for Canada and we have unified Canada as never before. That is the commitment of a great national Party, and we have delivered on both of those fundamentals.

Mr. Turner (Vancouver Quadra): Mr. Speaker, the right hon. gentleman mentioned the Member for Winnipeg—Fort Garry who has calculated that the grand total of all spending announcements, for the period May 30 to September 13 of this year, from the Conservative slush fund is $12.248 billion. That is what this Government has spent in the last three months, $12 billion dollars.

An Hon. Member: Table it.

Mr. Turner (Vancouver Quadra): I will be glad to table it.

[*Translation*]

PRIME MINISTER'S STATEMENTS CONCERNING FREE TRADE

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the Prime Minister did not answer the question, namely, which of his statements can be relied on and which cannot be believed. Does the Prime Minister deny having said that he was not in favour of a "comprehensive" trade agreement with the United States, but that he was for negotiating sector-based agreements instead? Does he deny having said that free trade would affect our sovereignty and that he would have none of it? Does he deny having said that U.S. laws providing for trade sanctions could not apply to Canada, and that's all there was to it? Why did the Prime Minister deceive Canadians on such a vital matter for the future of our country? Why should his statements be trusted in the next election campaign?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition is now apparently being guided in regard to his calculations by the Member from Winnipeg. We should then find out what the objections are.

Is the objection to spending for the Atlantic Canada Opportunities Agency? Is the objection to spending for western diversification? Is the objection to spending for Hibernia, the development in offshore Newfoundland and Labrador? Is the objection to the deficiency payment for Canadian farmers, the largest deficiency payment? Where do the Liberals object? You can't have it both ways. You can't be in favour of farmers and against deficiency payments.

Mr. Turner (Vancouver Quadra): Is it fiscal responsibility to portion out $12 billion in the last four months?

Mr. Mulroney: My hon. friend is talking about fiscal responsibility. We will find out what he is against.

[*Translation*]

He asks me about Quebec and free trade. Premier Bourassa clearly said that Quebec's best interests are served by a free trade treaty. Jacques Parizeau is in favour of free trade. And more recently, a great French Canadian, Robert Campeau, came out in favour of free trade.

[*English*]

TRANSPORT

ROUTE CANADA—SITUATION OF WORKERS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Minister of Transport. The Government sold what is now Route Canada to three private businessmen for $29 million when the real property alone is worth well over $80 million. This allowed the businessmen, of course, to cream off millions of dollars to buy another private trucking company in the United States. It allowed the private businessmen to cream away $50 million from the Canadian taxpayers. It then allowed the private businessmen, once they had the American company, to close Route Canada, the Canadian company, throwing 2,500 men out of work, including 300 truckers who are owed by that company an average of $13,000 and cannot pay for their rigs. Now that the Government has created this mess, what will it do for the workers?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I said yesterday exactly what I will say today. We know that there was a choice to be made in 1986. It is obvious that the Liberal Party would have preferred to close the shop in 1986. That is what we hear today and what we heard yesterday.

What we proposed was to continue the operation of the company by selling the company to the private sector. Today my friend is describing some scenario without any legal consideration. We are waiting, as I said yesterday and I repeat today, to see the legal picture of Route Canada and what will be proposed by the company. I challenge my hon. friend to say that the company will not, for example, reorganize and do something other than what he described to the House of Commons.

I repeat what I said yesterday and what I told the contractors yesterday afternoon. There is a legal consideration here and we cannot stand aside from the legal consideration. I hope that my friend does not propose that I intervene for the contractors without any legal consideration involved at the present time.

GOVERNMENT POSITION

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the Government has only ever been interested in one thing. Once it decided that Transport Route Canada was to close, the only thing it was interested in was laundering the bad news through the private sector so it would not have to give it out itself. For that the Government paid over $50 million in valued land belonging to the people of Canada.

• (1430)

What is the Government going to do? Why is it ruining people's lives just to try to clean up its own sordid political messes? Does the Minister want to get into the trucking business? Here are the keys, because one of the truckers told me he can't make the payments on his rig because of what this Government has done.

[*Translation*]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, obviously, anyone could fall into the trap set by the Hon. Member.

Mr. Speaker, the fact remains that in 1986, the Liberal Party would have closed the company, which is hardly consistent with what Liberal policy has been in the transport sector, since for the past four years, it has been asking the Government to support all companies that are losing money, and today, after the Government sold the company to the private sector and 2,700 jobs were maintained for two years—I repeat, it is very likely that various scenarios will be suggested, since they are already prepared to table requests for millions of dollars.

I repeat what I said yesterday. Canadians remember 1982, when that Party put $34 million in Maislin, and the following year, the whole business was bankrupt, everybody lost his job, and the Liberal Party had spent another $34 million. They did that kind of thing for a long time, but I think today, Canadians know the score.

* * *

[*English*]

HEALTH

PRESENCE OF DIOXINS IN FOODS

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, my question is directed to the Prime Minister. Canada has been treated to the spectacle of a Minister of the Environment who chases ambulances to the scene of an environmental disaster and then pops up with a press kit. Well, Canadians are really concerned about preventing pollution in the environment.

What does the Government plan to do—and what is it doing—about a really serious environmental problem, namely, dioxins in our food because there are dioxins in the environment? There is a report of the Minister's expert advisory committee on dioxins from 1983. The Liberals slept on it for a year. This Government has had four years. What is the Government doing to act on these recommendations which say we ought to eliminate the sources which put dioxins into the environment? It has been four years and dioxins are not yet even on the toxic substances list and cannot be regulated. What is the Government doing about the serious environmental problem of pollution besides just reacting to the crisis after it has been discovered?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I just want to remind my hon. colleague, in the absence of the Minister of National Health and Welfare who is absent on government business today, that the Minister did reply to that question yesterday. So did the Minister of the Environment, if my memory serves me right. I would direct my hon. colleague to page 19440 of *Hansard*. I think the answer is pretty clear.

Ms. McDonald: Mr. Speaker, yesterday the Minister of the Environment misled the House in answering my question on precisely this matter.

Some Hon. Members: Order!

Mr. Speaker: I am sure the Hon. Member would not have meant that the Hon. Minister was intentionally misleading, and I would expect she would make that clear in the remainder of her question.

Ms. McDonald: Mr. Speaker, I repeat, the Minister of the Environment yesterday misled the House—

Some Hon. Members: Out!

Ms. McDonald: —in answering my question, namely—

Some Hon. Members: Order!

Ms. McDonald: —he stated that through the Canadian—

Some Hon. Members: Out!

Mr. Speaker: I would ask the Hon. Member to make it clear to the Minister and to the House that she is not suggesting the Minister intentionally misled the House.

Ms. McDonald: Mr. Speaker, I didn't say intentionally. I simply said "misled".

Some Hon. Members: Order!

Some Hon. Members: Shame!

* * *

ENVIRONMENTAL AFFAIRS

ABSENCE OF DIOXINS FROM LIST OF TOXIC SUBSTANCES

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, the Minister's reply referred to "the Canadian Environmental Protection Act which, among other things, manages toxic chemicals, including dioxins, through their full life cycle—" I have a copy of the Act and dioxins are not on this list. So I would like to ask the Prime Minister why dioxins are not on the list of toxic substances? They were certainly not put there by the Liberals. They ignored the problem for long enough. Why has this Government not put them there? And how is the Government going to deal with the serious problem of dioxins in the environment and, therefore, in the food supply, when it has not even begun to put them on the toxic substances list?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, again, with respect to the question of food, since the Hon. Member did refer to that, I refer to the answer of my colleague, the Minister of National Health and Welfare, who said yesterday, and I quote particularly his last paragraph in *Hansard* at page 19440:

> I want to reassure the Member and the House that the Government is not looking at changing regulations in order to fit the new requirement whereby trace amounts of dioxins are found under these sources but rather to eliminate dioxins, and that remains our purpose.

[*Translation*]

GOVERNMENT POSITION

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, do we need a crisis like the one at Saint-Basile-le-Grand for every toxic substance? What is the Government going to do to eliminate these very hazardous substances from the environment, when the substance is not mentioned on the list? Shouldn't we start with the list and then set up a program to eliminate the substance? Do we have to wait until the next crisis?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I think that for once I agree with the Hon. Member. Obviously, no one sees a crisis as a way to solve the problem, if there is one, Mr. Speaker. I think that using the example of Saint-Basile-le-Grand to show that we only act when there is a crisis, is totally wrong.

I would like to refer to *Hansard* at page 19439, where the Minister of the Environment also said, although the Hon. Member omitted this passage in her quote:

[*English*]

> In addition to that we have greatly tightened the rules and regulations surrounding the Canada-U.S. Great Lakes Water Quality Agreement. To boot, we have achieved, for the first time in the history of the country, a four-jurisdiction agreement on stemming the flow of industrial chemicals into the Niagara River by 50 per cent by 1996. Those are all initiatives of the Government of Canada on the very subject which the Hon. Member has mentioned.

And there are a lot more initiatives of this Government on the environment issue.

* * *

[*Translation*]

TRANSPORT

TRANSPORT ROUTE CANADA INC.—TRUCKERS' DEMANDS—MINISTER'S POSITION

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, my question is directed to the Minister of Transport. Yesterday, the Minister met the truckers and promised they would get an answer today about their operating licences. The Minister has the authority to issue these licences, which means that the truckers would be able to continue their business and thus meet their financial obligations.

The truckers were back this morning, and unless the Minister takes action, they will not only be underfoot but literally on foot and out of work!

Has the Minister acted on the request of the truckers; and if not, when will he do so?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, yesterday, I said we would look at the Transportation Act to determine what our responsibilities and what our options are.

It is a fact, and the Hon. Member for Shefford ought to know, that the provinces have jurisdiction over this area, and I would have to suspend the provisions of the Transportation Act in order to—In other words, I would have to forget about provincial jurisdiction to be able to intervene. We are trying to do what we can, and we will try to get in touch with the provincial Governments to find out exactly what their position is. Obviously, we cannot give an answer today.

• (1440)

Mr. Robichaud: Mr. Speaker, I am sure the truckers are not at all pleased with this answer.

Mr. Boudria: Certainly not!

SETTLEMENT OF ACCOUNTS—REQUEST THAT MINISTER INTERVENE

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, will the Minister also ensure that the thousands of dollars owed these independent truckers and other workers by Transport Route Canada Inc. will be paid, and will he prevent Transport Route Canada Inc. from selling off its assets before all its accounts with the independent truckers and other workers are paid up? Before letting this company sell off its assets, we must make sure its accounts are settled. Will the Minister take action? Will the Minister be able to do what is necessary?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, if the Hon. Member will stop playing politics he knows perfectly well that in the case of a private company, the Minister of Transport has no authority to force that company to make payments on which it is in arrears, especially since the company has not filed for bankruptcy. The company has given no notice whatsoever. I repeat what I said earlier and that is that the Liberal Party has always ignored the legal implications and considerations governing the private sector, and just look at the disaster we had in 1984!

[*English*]

TRUCKERS' LICENCES AND HIGHWAY PERMITS

Mr. Les Benjamin (Regina West): Mr. Speaker, I would like to get some answers from the Minister in charge of privatization instead of from people who do not know anything about what is going on in transport. I want to raise the matter of the sale of CN Route to Route Canada. The Cabinet authorized this swindle of taxpayers, more than 2,000 employees, and about 350 truckers.

I will direct my question to the Deputy Prime Minister. These truckers are owed some $4 million in unpaid fees and freight rates from Route Canada and they cannot continue to operate. These truckers do not have their licence plates, and the Highway Traffic Board permits as well as the licence fees and the insurance are in the hands of Route Canada.

Would the Minister now intervene and request the provincial highway traffic boards to cancel all the permits of Route Canada and allow them to be taken up by these independent truckers?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, of course my friend is a specialist in transport. I understand why Canadians have always kept that expertise on that side of the House of Commons.

Some Hon. Members: Hear, hear!

Mr. Bouchard (Roberval): Route Canada is a company which is officially in operation in this country. As long this company is legally in operation we do not have the ability to cancel its permits. It is a company which operates officially in this country.

Mr. Benjamin: Mr. Speaker, they just do not care what they have done to people with privatization.

REQUEST FOR ESTABLISHMENT OF JUDICIAL INQUIRY

Mr. Les Benjamin (Regina West): Would the Prime Minister be good enough to use his good offices to ensure that the employees and the truck operators under Route Canada be guaranteed first call on any cash or assets of Route Canada, and then order and set up a judicial inquiry into the sale and the operations of Route Canada since it was taken over?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Minister—

Some Hon. Members: Oh, oh!

Mr. Mulroney: I know the Liberals do not view this as a serious matter but I am trying to answer a serious question from the NDP.

Mr. Boudria: We were there to meet with them. Were you, Brian?

Mr. Axworthy: He was at the Empire Club.

Mr. Nunziata: Tell us about your trucking experience.

Mr. Speaker: The Right Hon. Prime Minister.

Mr. Mulroney: Mr. Speaker, I thank you. I am trying to answer a serious question from my friend in the NDP and we are both being obstructed by the Liberals who apparently care very little about it.

My hon. friend asks a very legitimate question. The distinguished Minister of Transport met yesterday with representatives of the truckers. He has undertaken to initiate the necessary inquiries. He is clearly looking for an appropriate and helpful solution. I know that in that process he will bear in mind the suggestions made by the distinguished Member from Regina whose expertise is widely noted in this area.

Mr. Blackburn (Brant): You just got him defeated. He's washed up.

Some Hon. Members: Oh, oh!

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ELECTIONS

PLACEMENT OF CHIEF ELECTORAL OFFICER'S ADVERTISEMENTS

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, my question is directed to the Deputy Prime Minister. Many of us are expecting an election in the not too distant future and we have heard from the Canadian Community Newspapers Association that the Chief Electoral Officer might be planning to reduce the number of publications in which he puts the advertising for the upcoming election, and resort mainly to the daily newspapers.

In that the local papers are important in rural communities, and many of them are delivered free of charge to every household, some of which may not receive dailies, can the Minister request the Chief Electoral Officer to review this decision and, hopefully, change it?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I want to thank the Hon. Member for that question. I have received a number of representations regarding the issue that he has brought forward and I have, in fact, made representations to the Chief Electoral Officer in a telephone call this morning.

He indicated that he is already in the process of acting upon some of the representations that individuals have made to him. He assures me that he will be making the necessary exceptions wherever possible to ensure that the broadest possible coverage will be carried out in the rural areas in terms of advertising.

IMMIGRATION

LOCATION OF OFFICE IN MINISTER'S RIDING

Mr. Sergio Marchi (York West): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. The immigration office at 130 Bloor Street in Toronto was closed on August 25, relocated in the Minister's own riding one and a half blocks from her campaign office, began operating on September 6, and yesterday, after complaints from area residents, and after blaming her own officials, the Minister quickly decided to wind down the operation and move it elsewhere.

This chain of moving episodes gives the clear appearance that her obligations as a national Minister in charge of a national Department have been juggled to satisfy her own personal political interests in her own riding. Why did the Minister permit the office to move into the riding in the first place? Was this move simply a politically appetizing venture that quickly went sour?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, first, I found out about this office probably about 24 hours before the Hon. Member did. There was a decision made in our Department under my predecessor, my colleague to my right, in order to serve our immigration clients, that the policy of the Department—and it is a good one— would be to open offices to serve the public in areas where there is a high demand.

It was decided to open an office in Scarborough and in North York. As the Hon. Member well knows, Eglinton Avenue is not in North York and the location that was chosen is in a neighbourhood with small retail shops, a residential area with seniors, and no parking.

The officials of my Department, in their ongoing commitment to improve the service, are going to be doing something about the line-ups at that office and at other offices in Toronto. They will be looking at a more appropriate location for this office in an area that is better served, a commercial area or an area near public transport.

Mr. Marchi: Mr. Speaker, the Minister might as well put the office on wheels. One must really stretch one's imagination to believe that a Minister, who is supposed to be on top of her Department, did not know that an office was going squarely in the middle of her riding, one and half blocks from the Conservative campaign office for the next election. That really stretches the imagination.

COST OF RELOCATING OFFICE

Mr. Sergio Marchi (York West): I will direct my supplementary question to the Minister. The Regional Director of Public Works in Toronto has refused to release any financial information to anyone with the exception of the Minister and her colleague, the Minister of Public Works, which I find offensive as a Canadian.

Therefore, can the Minister inform this House what the final costs were to close the office at 130 Bloor Street, relocate it in her riding, break the lease agreement, and move it yet again?

• (1450)

How many taxpayers' dollars have been scandalously wasted in order to subsidize the Minister's own political interests in her riding, in first having the office come to the riding and then relocating it?

Hon. Barbara McDougall (Minister of Employment and Immigration): First, Mr. Speaker, there is the question if it is determined that the office will be moved to another location, and I should say that this is not an appropriate location either for the neighbourhood or for the clients it serves. People who come to that office do not have a place to park.

Mr. Boudria: Why is it there?

Mrs. McDougall: It is in the wrong place. I have already said that.

An Hon. Member: You are in the wrong place.

Mrs. McDougall: We have started to open some branch offices. We have opened one in Brampton. There will be another one in Scarborough in November. We have established criteria for doing this in immigration offices. One of the criteria that will be added, as I think is appropriate, is whether the neighbourhood is a suitable location, whether it is here or anywhere else.

I can assure the Hon. Member that the money will not be wasted, nor will the space.

* * *

NATIONAL DEFENCE

CFB—SUFFIELD—PRE-1968 NERVE GAS TESTS

Ms. Pauline Jewett (New Westminster—Coquitlam): Mr. Speaker, my question is directed to the Minister of National Defence. The Minister has confirmed in a recent letter to me regarding nerve gas tests at CFB Suffield: "Before 1968, there was a small number of nerve agent tests, mostly conducted in the laboratory, in which people participated".

Yesterday, neither the Minister nor his Associate, nor the ADM responsible, knew how many people were tested or were involved in how many tests over how many years prior to 1968. If we do not know who the participants were in these tests of deadly nerve gases, how can the Minister be so sure as he said in his letter to me that none has suffered any lasting ill effects?

Hon. Perrin Beatty (Minister of National Defence): Because, Mr. Speaker, in trying to reconstruct the records of some 20 years ago, what we found was that in the vast majority of instances the people who participated were themselves civilian researchers at DRES. Employees at DRES are required to take annual medical check-ups, and over the course of that time at no time was there a single instance when we found any long-term effects of exposure to nerve gas whatsoever.

NUMBER OF TESTS

Ms. Pauline Jewett (New Westminster—Coquitlam): Mr. Speaker, the Minister is continuing to be evasive on this subject.

Some Hon. Members: Oh, oh!

Ms. Jewett: I have asked how many there were, who they were—

Miss MacDonald: He just answered that.

Ms. Jewett: His Assistant Deputy said there were 10 or 12 tests. How many tests were there? Has there been any follow-up on those who submitted to these tests?

Mr. Kempling: Yes.

Miss MacDonald: He just said it.

Ms. Jewett: Tell me exactly who was subject as a guinea pig to these nerve gas tests?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I think any reading of *Hansard* will show that I answered the question that was asked. Now the Hon. Member changes the question.

Ms. Jewett: I said how many. That was the question.

Mr. Beatty: If she will permit me to answer the question instead of shouting—

Ms. Jewett: How many were involved?

Mr. Beatty: If the Hon. Member will permit an answer I will be glad to give it.

We have gone back. There have been none in the past 20 years whatsoever.

Ms. Jewett: I said before 1968.

Mr. Beatty: During the 1960s we have been able to identify some nine separate tests. We are looking for information on that at the present time. In terms of who was involved, as I have indicated, in the vast majority of instances it was civilian researchers at DRES themselves.

Ms. Jewett: Who?

Mr. Beatty: Who? Civilian researchers at DRES themselves.

Ms. Jewett: Any lasting effects?

Mr. Beatty: The Hon. Member asks how do we know, then, that there have not been any long-term effects. It is because civilian researchers at DRES are required to take annual medical check-ups. If the annual medical check-ups of these civilian researchers had shown any problems associated with exposure to nerve gas we would have known.

Notwithstanding that fact, I have asked my staff to go back and try to identify the individuals involved in each case and to do follow-up studies, notwithstanding the fact that never has there been any evidence of any long-term effects. But in view of the fears that are being created by the NDP, I think we owe it to these employees to do follow-up tests.

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ROYAL CANADIAN MOUNTED POLICE

ALLEGED INVESTIGATION OF MEMBERS OF PARLIAMENT

Mr. John Nunziata (York South—Weston): Mr. Speaker, my question is directed to the Deputy Prime Minister. It concerns a matter which falls into the jurisdiction of the Solicitor General, the Royal Canadian Mounted Police. Can the Deputy Prime Minister confirm that the RCMP are in the process of conducting an investigation into the conduct of two Members of the Conservative Caucus, the Hon. Member for La Prairie and the Hon. Member for Hochelega—Maisonneuve? Can he indicate to the House the nature of the RCMP investigation?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, in the absence of the Solicitor General I will take the question as notice. I have not been informed of any such investigation as Acting Solicitor General, but I will take the question and make the appropriate inquiries.

REQUEST THAT MINISTER MAKE INQUIRIES

Mr. John Nunziata (York South—Weston): Mr. Speaker, I do not believe this matter should wait for the return of the Solicitor General. Will the Minister of Justice undertake to inquire into this particular matter and report to the House at the earliest opportunity?

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, I find this line of questioning quite offensive. The Leader of the Opposition at the beginning of this Parliament laid down what I thought were quite reasonable rules respecting the whole question of raising allegations on the floor of the House on the basis of some alleged investigation. Our system of justice requires that when allegations are made or investigations take place, they should be left to the RCMP who are a competent and dedicated police force in this country.

To have the Hon. Member stand up and suggest by innuendo that there is something wrong, I find that offensive and I think he should get up and apologize to the House and the Members in question.

HOUSING

METROPOLITAN TORONTO—FEDERAL SURPLUS LANDS

Mr. Neil Young (Beaches): Mr. Speaker, my question is directed to the Minister of State for Housing. When the Minister announced last week that the Government was releasing some 123 acres of surplus land at the Downsview Airport, the Minister also said that only about 25 per cent, or 30 acres of that land, would be put aside for affordable housing. That is like trying to use a garden hose to put out a forest fire.

In order to face the housing crisis in Toronto, is the Government prepared to release some if not all of the additional 25,000 acres of land that the federal Government owns in Metro Toronto, for the construction of affordable housing?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I thank the Hon. Member for his question. We have commissioned the McLaughlin Report which assessed the available federal lands in Toronto and made certain recommendations. Those recommendations are being assessed at the present time.

One of the recommendations within that report concerned the lands at Downsview. I can also be very up front with him and say that that was the easiest one to deal with. Some of the others caused other problems that Mr. McLaughlin has presented in his report.

We are looking at those lands and, when we have an announcement, we will make it at the appropriate time.

CANADA MORTGAGE AND HOUSING CORPORATION—DEFINITION OF AFFORDABILITY

Mr. Neil Young (Beaches): Mr. Speaker, in response to questions from the press last Friday when the Minister made his announcement, the Minister or other Ministers who were at that press conference refused to define affordability. Indeed, when I asked the Minister again on Monday whether or not he could define affordability, he said he would not be pinned down on the question.

Is the Minister aware that his own Department, Canada Mortgage and Housing, has a definition of affordability? If he is aware of that, is he also telling us that it is the Government's intention to change that already long-established definition of affordability?

• (1500)

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, affordability differs from community to community, as the Hon. Member can appreciate, with cost of living that is taken into consideration and so on. To pin down what is affordable is a very difficult thing to do. The Hon. Member is not going to pin me down today on that.

As far as a definition from Canada Mortgage and Housing regarding affordability is concerned, those policies and those statements are always under review, and could be changed.

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PUBLIC SERVICE

WAGES OF NAVAL DOCKYARD WORKERS

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, in the absence of the President of the Treasury Board my question is addressed to the Minister of State for the Treasury Board. It has to do with the dock workers on the East and West Coasts. I think the Minister is aware of this, and I appreciate the matter is in mediation, but I would like to ask the Minister a question. Would the Government be prepared to admit that wage parity on the East and West Coasts will come in time, and the mediation will be about how it is supposed to come in time, whether it is over a three-year contract period or a two-year contract period? Would he please answer that, Mr. Speaker?

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, for some time now it has been the policy of the federal Government to reflect local rates of pay for public servants which are comparable to that of workers in the private sector in the regions. My hon. friend asks me to reverse that policy by way of a question, and I am not prepared to do that.

The matter which he refers to is subject to mediation which started yesterday afternoon and may still be going on. For that reason I do not wish to comment on the actual question he asks, either in generalities or specifics.

* * *

[*Translation*]

CANADA POST CORPORATION

CLOSURE OF CERTAIN POST OFFICES—REQUEST FOR JUSTIFICATION

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, my question is directed to the Minister responsible for postal service or his representative. A document obtained from Canadian Press shows that some post offices to be closed by Canada Post are cost-effective. For a long time, the Minister has been telling us that he is closing these post offices because they are unprofitable. If someone could answer in the Minister's place, I would like to know the real reason for closing these post offices, which nevertheless are cost-effective.

[*English*]

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, it being 3.04 the Hon. Minister has left the House. I will put that question to him and he will try to get back to my hon. friend.

Mr. Speaker: The Chair recognizes the Hon. Member for La Prairie on a question of privilege.

* * *

[*Translation*]

PRIVILEGE

RECTIFICATION RESPECTING ALLEGED RCMP INVESTIGATION

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I would like to ask the House and the Chair to give me a few moments. My name was just mentioned while I was outside the Chamber. A Member said that the RCMP was investigating me in my riding. I would like to see the "blues" tomorrow, but I would say that no one from the RCMP ever came to my riding or questioned me about anything whatsoever.

I think that before making such accusations, the Opposition Member should seek the facts, analyze them and know what he is talking about before starting to accuse some people publicly in this House.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to five petitions, Nos. 332-5349, 332-5350, 332-5351, 332-5352, 332-5353.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

FOOD AND DRUGS ACT

MEASURE TO AMEND

Mr. Nelson A. Riis (Kamloops—Shuswap) moved for leave to introduce Bill C-328, an Act to amend the Food and Drugs Act (cautionary label on alcoholic beverage container).

Mr. Speaker: Shall the Hon. Member have leave to introduce the Bill?

Some Hon. Members: Agreed.

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

* * *

LABOUR, EMPLOYMENT AND IMMIGRATION

CONCURRENCE IN FIRST REPORT OF STANDING COMMITTEE

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, I would like to move that the first report of the Standing Committee on Labour, Employment and Immigration presented to the House on March 19 be concurred in.

Mr. Hawkes: I rise on a point of order, Mr. Speaker. Quite often in the Chamber there are prior discussions that lead to a general acceptance in the Chamber, quite often unanimously, of a committee report. I am unaware of any conversations that have gone on in advance of the motion on this occasion. I just wonder whether it was because I was away from the House on Monday when such discussions took place, or whether they did not take place. I wonder if we could have that clarified before we proceed.

Mr. Riis: Mr. Speaker, I rise on the same point of order. I recognize that while there have been pockets of prosperity in the last little while, particularly in southern Ontario, there are vast parts of the country that in fact are still experiencing excessive and unacceptable levels of unemployment. We had some discussions earlier in the day, I want to tell you, Mr. Speaker, indicating that perhaps this would be a good day to put on the record some of the concerns that opposition Members have regarding the unacceptable levels of unemployment in parts of Canada and the ways and means in which the Unemployment Insurance Act could be used to alleviate some of those concerns.

I simply want to say to the Parliamentary Secretary that, indeed, perhaps he has not been privy to these discussions, but there have been consultations and discussions I know between ourselves and the Official Opposition at least.

Mr. Speaker: Just to clarify the situation, the Hon. Member for Notre-Dame-de-Grace—Lachine East (Mr. Allmand) has put a motion for concurrence. In the usual course—just so Hon. Members understand and so that the public watching and listening understand—that will of course now lead immediately to debate. The Hon. Parliamentary Secretary has said that often these matters are discussed between House Leaders. They are often discussed between House Leaders. However, the rules are clear, and whether or not there was any discussion, or as full a discussion as the Parliamentary Secretary might have wished, the situation is quite clear. The Hon. Member for Notre-Dame-de-Grâce—Lachine East is entitled to lead off on debate.

• (1510)

Mr. Hawkes: Mr. Speaker, just so that Members can plan their day, I wonder if perhaps both Parties would be willing, through unanimous consent, to not see the clock at six o'clock so that we could continue subsequently to debate the child care legislation which was on the Government's agenda for today. It is very important to an awful lot of parents and children in this country.

An Hon. Member: Hear, hear!

Ms. Mitchell: Why did you not bring it in two years ago?

Mr. Riis: Mr. Speaker, on the same point of order, we recognize that since the Government was very remiss in not allowing witnesses to appear before the committee and actually jamming this matter through the committee, we want to have adequate time on the floor of the House of Commons at least to allow Members of Parliament an opportunity to reflect on this issue of child care.

Since we are likely going to be here for another three or four weeks, I do not see any reason for wanting to rush this legislation through. We will debate it for the rest of the week, all of next week and the following weeks, until it is appropriately debated.

Mr. Allmand: Mr. Speaker—

Mr. Speaker: The Hon. Minister of State.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I wish to advise the House that an agreement could not be reached under the provisions of Standing Orders 115 or 116 with respect to an allocation of time for the third reading stage of Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof.

Under the provisions of Standing Order 117, I give notice of my intention to move a time allocation motion at the next sitting of the House, for the purpose of allotting one additional day for the consideration of disposal of proceedings of that stage of the Bill.

Mr. Speaker: The Hon. Member for Ottawa—Vanier on a point of order.

Mr. Gauthier: Mr. Speaker, this is completely out of order. The floor had been given to the Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand), and I object to that kind of procedure, bootlegging in a motion by the Government, or giving notice of a motion, I should say, when the floor, with respect to all the Members here, was given in good faith to the Member for Notre-Dame-de-Grâce—Lachine East. I think that it is completely contrary to our rules.

Mr. Riis: Mr. Speaker, I am perplexed at this initiative by the Government, because we have only had one speaker per Party, as far as I know. I have never heard of having time allocation or muzzling Parliament with only one speaker having had the floor on a piece of legislation that is not routine legislation. This has to be one of the most important social initiatives being considered by this House in decades. We had one speaker, and already we have time allocation for a single day. It is unprecedented.

Mr. Allmand: Mr. Speaker, I am on a point of order now, but I understood that I had the floor when I was interrupted by points of order on the other side. When you called Motions, I got up to move concurrence in my motion and to debate the motion. I had the floor.

Mr. Speaker: I must say that the Chair has been taken by surprise, and I would prefer that that not happen. I have listened to the Hon. Member for Ottawa—Vanier (Mr. Gauthier) and I understand his objection as far as what has happened. Strictly speaking, the Minister was recognized on a point of order, and I, of course, had no knowledge at all of what the Minister was going to rise on.

The Minister, when recognized on a point of order, can move a motion. I know that what has happened has angered some Members but, procedurally, the Hon. Minister is within the rules. I had recognized the Hon. Member for Notre-Dame-de-Grâce—Lachine East for debate, but even if the Hon. Member had been speaking and a Minister had risen on a point of order, he could still be recognized by the Chair.

The Chair does not know in cases like this what the particular matter is. Even if I had, I think that the Hon. Minister is within the rules. The Hon. Member for Ottawa—Vanier.

Mr. Gauthier: Mr. Speaker, I do not want in any way to question your comments—

Some Hon. Members: Oh, oh!

Mr. Gauthier: Just a minute. I am part of this House like everybody else, and I think that I have the right to say—

Mr. Speaker: Just a moment. The Hon. Member for Ottawa—Vanier has asked to be heard again. The Hon. Member is an experienced and long-time Member of this House, and I think that he ought to have the attention of the House when he speaks. The Hon. Member for Ottawa—Vanier.

Mr. Gauthier: Mr. Speaker, I do not want to quarrel with the way that you have interpreted the rule. I always believed that the point of order to put a motion under Standing Orders 116 or 117 had to be—

An Hon. Member: Notice.

Mr. Gauthier: It is notice. It has to be given on a *bona fide* point of order, but the Member could not be interrupted while he is making his speech. This is the first time in my experience that I have seen a Minister interrupt a Member while he had the floor, to put that kind of notice. The rules do not say anything else but that the Member or the Minister can rise in this place on a point of order, but not that he can interrupt a Member of this House. I think it is impolite and absolutely contrary to our rules to interrupt a Member who has the floor and do what the Minister just did. It should not be accepted.

Mr. Lewis: With respect, Mr. Speaker, I followed the Hon. Member for Kamloops—Shuswap (Mr. Riis). I did not make the interruption. I want to get that straight. I did not create the interruption in the speech of the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand). I think that should be made very clear.

The rules state that notice shall be given. I respectfully suggest—and Mr. Speaker has confirmed that—that notice has been given under Standing Order 117. That is all that we intended to do, because the business of the day, which was child care, has been interrupted by this manoeuvre of the Opposition. That is fair ball. Let us have the two-hour debate. The notice has been given on time allocation.

Mr. Allmand: Mr. Speaker, I would like some clarification of your ruling, because as far as I am concerned it is the first time that I have seen this kind of ruling in my experience here in a long period of time. If I understand correctly, when you called Motions, I moved a motion that I had had on the Order Paper for a long time. I had been recognized to move and debate that motion.

It is also my understanding that points of order, once I moved that motion, were to relate to the motion that I had made and not to anything under the sun. For people to make points of order with respect to the motion that I had made, or with respect to the rules of the House as they impacted on that motion, I can understand, but to get up on a point of order and make a motion such as was made by the Hon. Member, as far as I can see, is unprecedented.

Does this mean that we shall now interrupt the motion that I had moved, debate the motion but by the House Leader, and then return to the motion that I had put?

Mr. Speaker: Perhaps I can assist the Hon. Member. Whatever Hon. Members may think of the tactics of either side at any given time, I have to call it as the laws of procedure prescribe.

I want to repeat again that I have made it clear that it has been done in the past. As I understand it, there is precedent for this. Whether the Hon. Minister's rising when he did is necessarily conducive to a generous reaction on the other side is another question.

With respect to the Hon. Member's concern, the Hon. Member was recognized for debate before the Hon. Member commenced debate. Another Hon. Member was recognized on a point of order, and then the Minister. The Minister has moved a notice of time allocation. No debate flows from that at this time. As a consequence, the Hon. Member for Notre-Dame-de-Grâce—Lachine East has the floor in debate on his motion.

Mr. Allmand: Thank you very much, Mr. Speaker. I want to remind you, Mr. Speaker, that in November of 1984, soon after the election of 1984, the Minister of Finance (Mr. Wilson) rising in this House tabled a financial statement in which he spoke about a broad range of cuts in Government and an approach to what he called fiscal responsibility of Government.

In making that statement in November of 1984, he said that there was an urgent need to reform our unemployment insurance system and that he was going to set up a commission to review the unemployment insurance system and to recommend changes. That was in November of 1984.

In July of 1985, some seven or eight months later—one might ask what that says about the urgency that the Minister of Finance mentioned in November of 1984—but in any case, in July of 1985 the Government set up a Royal commission, known as the Forget Commission, to examine and to recommend on changes with respect to the unemployment insurance system. That commission, the Forget Commission, sat and heard witnesses and travelled across the country for one and a half years, and it cost Canadians approximately $7 million. It tabled its report in November of 1986. In that report the Forget Commission made approximately 35 recommendations concerning unemployment insurance.

• (1520)

At that point the Standing Committee on Labour, Employment and Immigration had the report referred to it for additional study. That all-Party committee immediately set up a series of meetings both inside and outside of Ottawa. The hearings went on for more than three months, and finally the committee produced a report containing 90 recommendations. That report was tabled in this House on March 19, 1987. Immediately after tabling the report I moved a motion that this House concur in the recommendations of that report.

I want to make it absolutely clear that the report was almost unanimous. This was before parliamentary reform and I believe there were more Members on the committee then than there are now. However, it was unanimous except for two recommendations out of the 90. Recommendation No. 17 was subject to two dissenting votes, and another recommendation was opposed by one vote. What did the Government do? After several months of study the then Minister of Employment and Immigration totally rejected the recommendations of both the committee and the Forget Commission. This despite the fact that the Minister of Finance said in November of 1984 that reform of unemployment insurance was absolutely necessary. This despite the fact that a committee of this House unanimously recommended serious reform of the Unemployment Insurance Act.

For example, a principal recommendation was that unemployment insurance should be available to part-time workers. As we all know, the long-term trend since 1980 in the number of part-time workers has been going up. Management of many businesses are laying off full-time workers and replacing them with part-time workers. In a way that explains how the Government can boast of creating more jobs. Of course it is easy to create more jobs when you do away with one full-time job of 40 hours a week and replace it with two part-time jobs of 20 hours a week. You double the number of jobs, but it is part-time jobs replacing full-time jobs.

Not only that, if those part-time jobs involve fewer than 15 hours, the workers do not qualify for unemployment insurance. Not only that, they usually do not qualify for pension or health benefits. Shifting your workforce from full-time to part-time is a way of lowering the cost of salaries and benefits for your workers.

The committee also recommended that there be extended maternity and child care benefits under the unemployment insurance system. It also made an excellent recommendation that those on unemployment insurance be allowed to take training which would give them a better chance of finding employment. As we know, a good number of people who are laid off and collecting unemployment insurance benefits very often do not have the qualifications or training to get the jobs that require a higher technology and new skills. Under the present law you must be ready and available for work in order to qualify for unemployment insurance. If you go off and take a part-time education program or part-time training program you lose your unemployment insurance. We think this is a bit ridiculous and the committee unanimously recommended that in that case you be allowed to keep your unemployment insurance benefits.

The committee also made a very excellent recommendation with respect to strikes and lock-outs. Let us say you have a large industrial plant with several unions. One union goes on strike and the others do not but the company shuts down and the non-striking workers are locked out or laid off. They cannot collect unemployment insurance. That issue went to the courts, and it is true that the courts ruled in those circumstances that the workers who are laid off because of a strike should be eligible for unemployment insurance. However, this should be clarified in law.

There were also excellent recommendations with respect to overpayments. Members of this House from all Parties are faced time and again with constituents who tell them horror stories of how they, by a mistake not of their own making, received unemployment benefits that were too high. This sometimes would go on for five or six months. Finally the UIC realizes its mistake and tells the unemployed worker "We have paid you $3,000 or $4,000 too much, give it back". It has been absolutely cruel and harsh in its approach to those unemployed workers. The money they receive is less than their salary or wage, it is used to pay rent, buy groceries and so on to keep them going while they try to find another job, and how are they to pay back thousands of dollars to the UIC because it made a mistake?

Recently I had a case in my own constituency where a worker finally got a job and got back on his feet. Then the first thing the Unemployment Insurance Commission did was to seize his salary to collect the moneys which the UI had overpaid to him because it had made a mistake.

• (1530)

We can all understand claiming those moneys back from a worker who intentionally misled the Government or who put down false information, but the committee is not talking about that. The committee is talking about cases where the Unemployment Insurance Commission makes a mistake, overpays and then harshly tries to claim moneys back without any reasonable term of payment or whatever against the unemployed worker.

There were 90 recommendations made by the committee. Those are some of the major ones relating to unemployment insurance and part-time workers, unemployment insurance with respect to maternity and child care benefits, unemployment insurance with respect to job training while a person is unemployed, unemployment insurance with respect to workers who are put out of work through strikes and lock-outs, and unemployment insurance as it relates to overpayments and the collection of them.

Some recommendations also relate to the administration of the Unemployment Insurance Commission and how the commission can be made a more effective and efficient operation.

Since this report in March, 1987, Members in the Opposition have time and again put questions to the Government asking if it would move on certain recommendations of that report, but the Government has always refused. The Government appointed the Forget Commission but did nothing about its recommendations. We recognize that three of the recommendations of Forget were rejected by the parliamentary committee. The Forget Commission recommended that we do away with regionally extended benefits and benefits for fishermen. We rejected those recommendations and also rejected Mr. Forget's recommendations that UI benefits be calculated on an annualization formula, which is a complex one, and which would have resulted in extremely low benefits for unemployed workers, benefits which would not allow them to pay the required rent and costs for families. We rejected those major recommendations of the Forget Commission.

By the way, I said earlier that Forget had made 35 recommendations. I was wrong. He made 53 recommendations. Our committee made 90. While we rejected several of Forget's key recommendations, there were many recommendations in common between the Forget Commission report and the report of the Standing Committee on Labour, Employment and Immigration.

Despite the fact that this report of the committee was unanimous, Conservative Members included, and despite the fact that many of the recommendations were in common with the Forget Commission report, the Government did nothing. The Government is the one that said that something had to be done in November, 1984. The Government is the one that said we must set up this Royal commission to re-examine the unemployment insurance system to make it more effective, but it did nothing.

Just this year, because all of a sudden a specific case came to our attention with respect to maternity leave and child care, the Government made a very small amendment. In that case it is a typical example of this Government, that it will do nothing until we get a flagrant abuse of a system and then it is dragged kicking and shouting to make a reform that was necessary. In that case, Mr. Speaker, you will remember the case of one young mother who died giving birth to a baby. The father felt he had to leave work to take care of the newborn baby because the mother had died, but because he was the father he was denied unemployment insurance. Only the mother would have been allowed unemployment insurance to take care of the baby for the 15 weeks following the birth. This young man was a worker. By the way, he was a trucker, I believe. We have had the problems of truckers presented to the House in the last few days. However, because this father was not working as a trucker during his absence he lost his salary and could not collect unemployment insurance although he was taking care of a newborn baby as a result of his wife having died giving birth.

That individual case caused so much controversy that finally the Government did bring in a Bill just to correct that one instance. A year previous to that the Standing Committee saw that kind of problem and recommended that child care benefits under the Unemployment Insurance Act be considered for both father and mother, that either one should be able to receive those benefits if necessary to take care of a child, but the Government did nothing until we got the case to which I have just referred. Then the change was made because there was an uproar in the country and people felt that something had to be done.

These problems have not been resolved. In a recent case that went to the Federal Court of Canada, again with respect to maternity leave and child care benefits under the Unemployment Insurance Act, Mr. Justice Strayer of the Federal Court said that the Unemployment Insurance Act is:

—shot through with arbitrary distinctions—

He said that several of its provisions were discriminatory. Mr. Justice Strayer recommended that certain corrections be made. I asked a question a few weeks ago of the Minister of Employment and Immigration (Mrs. McDougall) as to whether she would take action and correct these ambiguities in the law and introduce some of the recommendations of the unanimous committee report. She said she would not do that. She said she was waiting for the written judgment of Mr. Justice Strayer which she said she expected shortly.

Here we are with a situation which has been ongoing. There are many cases of unfairness, injustice, inconsistency, and arbitrariness under the Unemployment Insurance Act, waste in some cases and poor administration. The Government recognized that in 1984 but did nothing about it, and it should be no surprise to the Government that I now move concurrence in that report. I put that motion to the House several years ago and I have been waiting to see whether the Government would do something, but it has not.

Finally, with an election approaching, we want to put the Government to the wall to respond. I will be particularly interested to see how Conservative Members on that committee will now vote on my motion. Conservative Members who were an overwhelming majority on that committee supported the recommendations of the committee. As a matter of fact, the committee could not have reported if the members had not supported the recommendations. There was overwhelming support for them. Now I am asking the entire House of Commons to approve that report and to do something worthwhile for Canadian workers who are unemployed.

Every time we raise this issue of unemployment insurance benefits and the reform of the Unemployment Insurance Act and ask why the Government is not implementing the unanimous report, the Government does not answer the question.

The Acting Speaker (Mr. Paproski): The Hon. Member's time has expired, but I will give him an extra minute to wind up.

Mr. Allmand: I will conclude my remarks, Mr. Speaker. When we ask the question, the Government simply says: "Look at the great number of jobs we have created". But a great percentage of the jobs that the Government has created are in Ontario. They are not in Atlantic Canada, not in the northern part of our provinces. In British Columbia there is over 10 per cent unemployment. The new jobs created are very regionally located. Despite that, over the last two months the rate of unemployment has increased. It has risen to 8 per cent, with over one million Canadians unemployed. There is an increasing rate of part-time work. The Government has done nothing about the older worker problem. The rate of unemployment among our youth is still well over 12 per cent.

Mr. Della Noce: It is better than it was.

Mr. Allmand: The Hon. Member again shows that he does not know what he is talking about. Of course it is better than it was in the depth of the recession of 1982-83. Before the recession in 1981, the rate of unemployment was 7.5 per cent. Here it is five years after the recession and the Government has not yet got the rate of unemployment down to 7.5 per cent. In the years of Liberal Government from 1965 to 1980, the rate of unemployment was 5.6 per cent. This Government cannot come anywhere near it, nor does it have the political will to do so.

• (1540)

The Acting Speaker (Mr. Paproski): Questions or comments? Debate.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am pleased to rise to speak to the motion of the Hon. Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand). I note that his motion has been on the Order Paper since March of 1987, some 19 months. I have been waiting all those 19 months for him to raise this motion so we could address it, but in actual fact, the House was debating Bill C-144, the child care legislation, which is a critical piece of law for the millions of women in Canada who are working and need help. As such, I believe it is important for the House to get back to that debate.

I therefore move, seconded by the distinguished Hon. Member for Scarborough Centre (Mrs. Browes):

That this House do now proceed to the Orders of the Day.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): Call in the Members.

The House divided on the motion (Mr. Thacker), which was agreed to on the following division:

(*Division No. 577*)

YEAS

Members

Attewell
Belsher
Binns
Blais
Blenkarn
Bradley
Brisco
Browes
Cadieux
Caldwell
Clark
(Brandon—Souris)
Crosbie
(St. John's West)
Crosby
(Halifax West)
Darling
Della Noce
Desjardins
Dorin
Duplessis
Fennell
Ferland
Fontaine
Friesen
Girard
Gray
(Bonaventure—Îles-de-la-Madeleine)
Hamilton
Hawkes
Hicks
Hnatyshyn
Horner
James
Jepson
Joncas
Jourdenais
Kempling
King
Layton
Lesick
Lewis
Mantha
Mayer
Mazankowski
McCain
McDermid
McKinnon
Nicholson
(Niagara Falls)
Nickerson
Nowlan
Peterson
Redway
Ricard
Scott
(Hamilton—Wentworth)
Scowen
Sparrow
Stevens
Taylor
Thacker
Towers
Tupper
Turner
(Ottawa—Carleton)
Warner
Wenman
Wilson
(Swift Current—Maple Creek)
Wilson
(Etobicoke Centre)
Winegard
Witer—65

NAYS

Members

Allmand	Hopkins	Nystrom
Axworthy	Hovdebo	Riis
Benjamin	Jewett	Rodriguez
Boudria	Langdon	Rossi
Caccia	Malépart	Tardif
de Corneille	McDonald (Broadview—Greenwood)	(Richmond—Wolfe)
Foster	Mitchell	Waddell
Fulton	Nicholson (Trinity)	Young—28
Gagliano	Nunziata	
Gauthier		
Harris		
Heap		

● (1620)

The Acting Speaker (Mr. Paproski): I declare the motion carried.

* * *

BUSINESS OF THE HOUSE

ORDER OF SPEAKERS ON BILL C-144

Mr. Gauthier: Mr. Speaker, I rise on a point of order. There have been some consultations regarding the speaking order. I know that yesterday the Speaker recognized the Hon. Member for Regina West (Mr. Benjamin), and he had the floor. He spoke for but a few minutes. However, I think the order in which the Speaker should have seen Hon. Members in the House yesterday was for the Hon. Member for Trinity (Miss Nicholson) to be ahead of the Hon. Member for Regina West. The Hon. Member for Regina West has been very nice to let his place stand without prejudicing his right to speak so that he will be the next speaker in the order of speakers. There has been agreement in this respect.

Mr. Benjamin: Mr. Speaker, as a matter of courtesy to my colleague, the Hon. Member for Trinity (Miss Nicholson), I hope the House will agree. I will explain to the Chair at some other occasion why. I was only on my feet for a minute and a half or two minutes. I would appreciate it if the Hon. Member for Trinity could take her proper place in the debate without precluding me from making my speech at a later time.

The Acting Speaker (Mr. Paproski): Is it so agreed?

Some Hon. Members: Agreed.

PRIVATE MEMBERS' MOTIONS

Mr. Riis: Mr. Speaker, the Hon. Member for York Centre (Mr. Kaplan) has a private Member's motion which he wishes to debate on Friday. I have one which I planned to debate tomorrow. There have been discussions that we would want to switch these two private Members' hours. However, that requires the unanimous consent of the House. Therefore, I seek unanimous consent to switch the private Members' hour with the Hon. Member for York Centre on Thursday and Friday of this week.

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

An Hon. Member: No.

The Acting Speaker (Mr. Paproski): There is not unanimous consent.

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed from Tuesday, September 20, consideration of the motion of Mr. Epp (Provencher) that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the third time and passed.

And on the amendment of Ms. Mitchell:

> That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:
>
> "Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be not now read a third time but be referred back to the Legislative Committee for the purpose of reconsidering Clauses 3, 4 and 5."

Miss Aideen Nicholson (Trinity): Mr. Speaker, I would like to thank my colleague, the Hon. Member for Regina West (Mr. Benjamin), for his courtesy and co-operation.

I have been associated with the day care movement for a very long time, first as a volunteer and later as a professional in the field. I served as a volunteer on committees of the Ontario Welfare Council and the Social Planning Council in the late 1960s. Later, I was Executive Director of a day care agency. Thus my knowledge of the need for day care goes back for a long time before this Bill.

I am very sad indeed that the Bill that we have before us is in fact a cosmetic exercise severely flawed, opposed by all 40 organizations which gave evidence before the legislative committee. I am also sad that the Government, instead of accepting the fact that this is a flawed Bill which could be improved upon, and instead of allowing for serious study, is rushing it through with indecent haste before the election.

One speaker from our Party has spoken on the Bill, our critic, the Hon. Member for Outremont (Mrs. Pépin). There has been but one speaker from the New Democratic Party. Yet the Government has served notice of closure after only two speakers at third reading, all of that for a Bill which should have been one of the most important social policy initiatives of the decade, a Bill which was rushed through a committee.

The hearings at the legislative committee stage took less than one week. The 40 organizations which appeared before it were asked to curtail their briefs and to keep their presentations down to less than 30 minutes. This is from a Government that has been talking about doing something about day care for the last three years. It is a very sad and sorry effort, and greatly disappointing to people who care about the provision of quality child care in Canada.

Of course the need for day care is well established. In Canada there are now approximately 1.8 million children aged 13 and under whose parents either work or study 20 hours per week or more. At the present time we have 240,000 licensed spaces in centres and in homes. Granted, there are some parents who have quite satisfactory unlicensed arrangements, be it with relatives or friends, or be it in a competent home. However, they are the minority. There remains a great need for child care.

It is not only parents but I think every single citizen who needs to be concerned about the quality of child care. It is not enough that child care be in a safe, clean environment and that children be fed properly. Child care has to be emotionally supportive and intellectually stimulating if it is going to match what ordinary devoted parents give at home.

We all are or should be concerned not only about the provision of child care but about the quality of it. Parents these days are mainly in the workforce, and not for frivolous reasons either. If parents are going to be able to work with peace of mind they must be assured that children are happy and well cared for.

Let us look at some of the specifics of this Bill. First, the Government was totally unwilling to tackle the question of national standards. Granted, education has traditionally been a responsibility of the provinces. But when we are talking about the care of very young children, particularly children who do not have language yet and who are not able to tell their parents whether they are being well cared for or not, surely it is more than ever important that the standards be high and reliable and that they be consistent. With careful negotiation it would not be impossible to reach national standards. This is one of the reasons why my Party has proposed a national day care foundation to work with provinces in an attempt to reach national standards.

• (1630)

This Government, in its haste to get the Bill through, simply wants the committee and Members of this House to rubber stamp what has been compared by the officials, and the input from people who are knowledgeable in the field has been totally neglected.

Some groups that gave evidence before the legislative committee were indeed very knowledgeable in the field. We had parents' associations, briefs from early childhood educators, from day care action coalitions, and from the Metropolitan Toronto Child Services, which is perhaps one of the largest providers of day care services in the country. There was a brief from the National Federation of Nurses' Unions, the Canadian Teachers' Federation, the Canadian Advisory Council on the Status of Women, the National Action Committee on the Status of Women, the Canadian Jewish Congress, and so on. Every one of these groups, without exception, criticized the Bill, mainly on the grounds that it did not provide extra spaces and that it put a cap on growth.

The Government, in its haste to get a piece of cosmetic legislation out before the election in order to be able to say to the voters "we have put some money into day care", would not listen to any of these criticisms or make any attempt to do it better.

One of the most telling briefs was from Toronto, and it was from both a Toronto alderman and a staff member. They spoke to their particular situation, and they put forward the opinion that if the existing day care funding had been provided through the Canada Assistance Plan, they would foresee doubling the number of spaces available by 1995. As it is, they are facing a cut. The brief from Toronto pointed out, as did others, that the Bill before us would limit spending on child care over the next seven years and did not establish a framework for a comprehensive universal system of early childhood education and child care.

The National Action Committee on the Status of Women pointed out in its brief that provinces would prefer to access further funding for subsidies under the Canada Assistance Plan, but most provinces were unhappy with the new legislation. The new legislation, according to the National Action Committee which had conducted its own surveys, will slow the growth in child care spaces. It overlooks the needs of older children for after school care, limits capital spending after seven years, and sets an undesirable precedent by providing government funds for profit-making child care centres.

Perhaps we should make a distinction here. At the present time many profit-making child care centres in fact provide subsidized spaces for individual children. Metro Toronto, for one, purchases space in profit-making child care centres.

Provided that the child care centre is meeting basic standards and is providing an acceptable quality of care, I think that most of us have no objection to government funds being used for operating expenses in this way. However, I think we would have very grave reservations about using government funds to build privately owned day care centres or for capital funds initially. That is particularly important in view of the Canada-U.S. Free Trade Agreement, because there is no guarantee that franchised child care chains would not move into Canada.

While I do not share the NDP position that all commercial day care is bad, I have to look at the record and the record shows that commercial day care centres have a much higher incidence of infractions of provincial standards than do not for profit day care centres. Therefore, I would say that while they can be used they should be used very selectively, and I certainly would not want to see government moneys going into capital funds or into assisting commercial day care centres in getting started.

Representatives of the Canadian Day Care Advocacy Association also had a very thoughtful, knowledgeable brief, in which again they said that the current system of financing was preferable to the proposed legislation. This legislation will pose very real problems. It already has done that in Metro Toronto. Not only has the mayor spoken out against it, but so have two aldermen who in fact are Conservatives and who belong to the same Party as the Government which has introduced this regressive legislation. They have pointed out that it would limit day care spaces.

We hear of young women, sole support mothers, who want to undertake training so that they can get off welfare in order to support their children themselves. They are very worried at what is going to happen concerning the prospect of day care spaces being limited. These young mothers may be trapped in the cycle of dependency on welfare and relative poverty when in fact they want to become more independent.

This Bill proposes to allocate $5.4 billion over seven years for child care. That sounds very good at first blush, until one looks a little into the breakdown. More than half of it, $2.3 billion in fact, goes to tax breaks for parents. This is helpful up to a point. It is helpful to middle-class parents who perhaps have nannies or home help and have a satisfactory situation that gives them a better tax break. However, this does nothing to increase the number of spaces and the availability of day care.

For parents who would like their child to be in a licensed day care centre for whatever reasons, whether they think it would be a more stimulating situation for the child or it is an only child who needs the companionship of other children, this Bill does nothing because it is not creating any more spaces.

While the Government says that we are putting $5.4 billion into child care, the reality is that this amount has to be cut in two, since $2.3 billion merely increases the tax breaks for parents who already have some kind of day care situation that they are satisfied with.

Then there is a figure of $100 million over seven years for research. The Bill does not say what kind of research or how the research will be used. If the research is merely to tell us that we need more day care, we already know that.

The remaining $3 billion, which will be used for both capital and operating grants and is dependent on cost-sharing agreements with the provinces, has replaced provisions under the Canada Assistance Plan that used to be open-ended. Instead of an open-ended situation where day care spaces could be provided according to the availability of money and according to need, we now have an arbitrary cap imposed by the Government.

• (1640)

If one looks at what has happened in the past under Canada Assistance Plan funding, between 1973 and 1980 the number of licensed spaces increased almost fourfold. Between 1978 and 1985 the number of spaces more than doubled. Is the Government alarmed by this increase? Why has it moved to cap the natural growth of spaces?

We now have, as I said at the beginning, 240,000 licensed spaces in centres and homes. There are 1.8 million children whose parents work. Faced with this continuing need for more day care, the Government imposes a cap and wants us to believe it is doing something good for parents and children. Because of the cap, the present legislation will create no more than 200,000 new spaces over the next seven years, whereas the natural rate of growth, if we follow on from the way it had grown since 1973 using CAP, it would have been of course much greater and much more related to the need.

This legislation puts a limit on child care spending by the provinces where none existed before, despite the fact that the need for child care facilities has increased. In addition, the Government has made no provision for carrying over unused funds to following years. If a province does not manage to disburse all its funds in a particular year, and one can think of all kinds of reasons why that might happen, it has lost out on that year's quota of spaces.

We have legislation introduced with fanfare. The Government maintains it is creative and constructive. There is a lot of smoke and mirrors—

Mr. Riis: I rise on a point of order, Mr. Speaker. There have been some further discussions between the Parties and I would like to seek unanimous consent for the Hon. Member for York Centre (Mr. Kaplan) and myself to switch our Private Members' Business on Thursday and Friday.

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Paproski): There is not unanimous consent. The Hon. Member for Trinity has about one minute left.

Miss Nicholson (Trinity): Mr. Speaker, I very much regret that the Government which produced this poor Bill in great haste has not been willing to allow this House to debate it in order to improve it. I know the Government produced this very limited instrument out of naivete, but surely one of the normal functions of this House of Commons is for opposition Members, indeed members of the government Party, to debate and advance constructive amendments to improve legislation. Yet here we have legislation which was rushed through a legislative committee in a few days and now closure is being imposed. As a result, we have a travesty of what could have been a very important and useful social policy initiative.

The Acting Speaker (Mr. Paproski): Questions or comments.

Mr. Hovdebo: Mr. Speaker, I want to ask the Hon. Member to expand a little on one area she commented on.

I have spent a large portion of my career as an educator. One of the concerns which is always before the educational system is the ability of the organization, or the parents in some cases, to be assured that the quality of day care they are receiving, or the quality of education in the case of a larger system, is monitored. To a great extent that seems to be one of the weaknesses of the commercial day care operation.

Is it her Party's suggestion that a course of studies or a monitoring system be put in place for commercial day care operations if they are retained?

Miss Nicholson (Trinity): Mr. Speaker, in Ontario, as the Hon. Member probably knows, all day care services, whether commercially operated, co-ops run by parents, or operations run by the municipalities, have to meet the same licensing requirements. That includes having qualified staff who are trained in early childhood education and who are able to provide appropriate stimulation and educational experiences for the children. In my view, commercial or profit-making centres should have to meet precisely the same requirements, which they are very often unwilling to do.

I referred to the fact that commercially-operated day care centres tended to have a higher incidence of breaches of provincial licensing regulations and usually those breaches have been along the lines of not providing sufficient staff or trying to get by with less than qualified staff. Obviously where there is a profit motive there is also a temptation to skimp on standards. However, not all commercially-operated day care centres have done this.

I think in theory a commercially operated centre has the capacity to meet the same good standards as a not for profit agency, but of course all day care centres should be very well supervised and subject to unannounced visits and inspections. This is true simply because the children are so very young, often infants, and they do not have a language ability and cannot say how they are being treated. Therefore, it is more important than ever that vigilant adults be there to ensure that the care is not only adequate but good.

Mr. Gauthier: Mr. Speaker, I want to thank the Hon. Member for her very interesting and well researched speech. We are both from Ontario and we both will be unable to tell our constituents that this Bill is a positive step, because it penalizes Ontario children in not having sufficient spaces available for those who are awaiting day care services and should be entitled to them.

I think she told us in her speech that there has been a growth from 1965 to 1980 of some four times the number of spaces, and that it doubled from 1980 to 1985.

• (1650)

This legislation does not even offer that much, Mr. Speaker. It offers 200,000 spaces from now until 1995. Is the situation in Toronto the same as it is in Ottawa where we have a scarcity of good day care centres at this time? Could the Hon. Member tell me about Toronto where the Hon. Member is situated and tell me whether the people in her riding feel the same as those in my riding, that day care access and quality day care is needed?

As well, we need subsidized day care spaces for those who cannot afford to pay. Specifically, does the Hon. Member have any statistics or information on Toronto to enlighten some of our colleagues on the government side who do not seem to be paying attention to this debate.

I would remind the House that this is only the second speaker on the Liberal side. We have had only one round and one speaker today, yet the Government has given notice of closure for this debate. We hope to get as much information as possible to the people of Canada so they will understand that this Bill is inadequate and not a good step.

An Hon. Member: We don't understand your position.

Mr. Gauthier: The Government does not care about day care. All it is worrying about is getting enough pork barreling to satisfy its needs in ridings.

The Acting Speaker (Mr. Paproski): I do not know whether the Hon. Member had a question or not, but if he did the Hon. Member for Trinity could answer it.

Miss Nicholson (Trinity): Mr. Speaker, Alderman Christie who is a Conservative, and I am sure he did not find any great joy in criticizing this, stated before the legislative committee that Toronto was now facing the longest application waiting list for day care in its history as more and more people were going back to work and as there were more and more one-parent families. If the people in Toronto had been able to continue to access the Canada Assistance Plan they would have foreseen being able to double the number of spaces in the next seven years, but with this instrument which caps growth, it really is creating a crisis. That has also been repeated publicly by the Mayor of Toronto.

Ms. Mitchell: Mr. Speaker, I must say that I share the Member's feelings of anger. I feel very strongly that this Government rammed through the Bill in committee in two days and is now allowing just one speaker per Party, as well as bringing in closure. The Government has had four years to bring in a decent child care Bill. I must say that in committee 100 per cent of the witnesses opposed this Bill. It is a regressive, restrictive, negative Bill that will make child care worse than it is now, and heaven knows it is bad enough.

I know my colleague from the Liberal Party has had broad experience in social policy matters and is familiar with child care. She is also very familiar with the Meech Lake Constitutional Accord. As she knows, in the Constitutional Accord all Parties agree that there must be a clause that when there is spending of federal moneys going to the provinces for social programs the provinces must conform to the national objectives.

What are the Member's views on this, since the Minister refused to push national objectives in this Bill? Does the Hon. Member feel that this denies the whole spirit of the Meech Lake Accord?

Miss Nicholson (Trinity): Mr. Speaker, I am very concerned about the lack of national standards in day care and have been for a very long time. I remember participating in a conference in Ottawa in the late 1960s when people were wanting to see the development of national standards. As I said in the course of my speech, although traditionally education has been under provincial jurisdiction alone, day care involves children who are so much younger and questions of safety arise, making a real need for national standards. I regret very much the Minister was not willing to do what was necessary to achieve national standards for day care or at least to begin working on them.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. On debate, the Hon. Member for Kamloops—Shuswap.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I am delighted to have the opportunity to say a few words regarding Bill C-144. I am delighted because I have an opportunity to speak to this legislation, but most Members of Parliament will not have that opportunity. I think it is absolutely disgraceful that the Government has decided to limit debate on this important social legislation to only a single day in Parliament. This is unheard of. Any progressive person listening, watching, or learning of this debate would say that it is absolutely disgraceful that the Government has decided to say that after a single speaker from the New Democratic Party, the Liberal Party, and the Conservative Party "that is enough. We want to shut down the House of Commons, muzzle it and close off debate. We are setting aside one single day now". It is the most hypocritical move and comment I have heard from this Prime Minister (Mr. Mulroney) and this Government for many months.

What makes it more hypocritical, disgraceful, and disgusting is that the committee decided to call witnesses and when all the witnesses came—

Mr. Fennell: Who is running the country, the witnesses or the Government?

Mr. Riis: I should not say "all" because the Government said: "We are rushing this thing through. We cannot afford to listen to all of the appropriate groups and all the regions of Canada that want to make representations. We will select a handful from essentially central Canada. Forget the rest, forget Atlantic Canada, forget the North, and forget western Canada. Let us go for a handful of those who wish to appear before the committee".

Mr. Belsher: I travelled with the child care committee.

Mr. Riis: Already there was, if you like, a muzzling of the committee looking into this legislation. What happened? We had a parliamentary first. This was the first time in my recollection of years and years in this House when every single witness said the legislation should be torn up. There were 40 witnesses and not a single one said that it was a decent piece of legislation. This has to be a parliamentary first. Who were some of these witnesses, Mr. Speaker? It is interesting. Let me cite a few.

The Child Care Committee of the National Advisory Council on the Status of Women, the Early Childhood Educators of British Columbia, the B.C. Daycare Action Coalition, the Anti-Poverty Group, the National Federation of Nurses' Unions, the Ontario Coalition for Better Daycare, the Inuit Women's Association of Canada, the Public Service Alliance of Canada, the Canadian Union of Public Employees, the Canadian Daycare Advocacy Association, the Kids First Association, the Canadian Ethnocultural Council, the Canadian Association of Social Workers, the Sunflower Co-Op Pre-school, the Ottawa-Carleton Daycare Association, and the Metro Toronto Child Services Group. I could go on and on and list all 40 different groups, all in their own way expert in the area of child care, which said that this legislation was wrong and needed to go back to the drawing-boards to start over. This is a bad initiative. Did the Government listen to these witnesses? It ignored all of their advice.

• (1700)

Then government Members came back to the House of Commons and said that they did not even want to hear debate on this matter from any of their own back-benchers or cabinet Ministers or from members of the Opposition. They want to shut down debate on this, the most critical and important social issue facing us in decades.

Why do government Members not want to have a debate on this issue? What is it that they are trying to hide? What is it that they are trying to cover up? What is it that they are trying to fool the people of Canada about? I want to share some of the reasons for this with the House.

At the moment there are 240,000 child care spaces in Canada. The Conservatives have said that over the next seven years they would like to add another 200,000 spaces. Over that length of time, on an annual basis, that is an increase of about 10 per cent per year. What about the provision of spaces in the past which we know was inadequate to meet the child care needs of the two million Canadian children who now need quality child care services of one kind or another? Spaces have been growing over the years at an inadequate level of 15 per cent.

We have seen a growth rate of 15 per cent under the *status quo*. Along comes a Conservative Government which says: "Hold it, this is too much, we want to bring that growth down to 10 per cent per year". If the Government had done nothing at all, if it had not even introduced legislation, we would actually have more child care spaces than we will have under this initiative.

What is worse is that the Government is putting a cap on it. It is saying that this is it, it will inadequately fund child care for the next seven years. This is absolutely insane in terms of leadership from a Government. This is not leadership. This is regressive legislation. It is a backward step in time. This Government will make the child care situation worse than it would be if the Government had not bothered to touch it at all.

Can you imagine, Mr. Speaker, what it would be like if the Government had introduced a medicare program that allowed every province to do whatever it wants with medicare? We would have a patchwork quilt. Something would be done in Newfoundland, something different would be done in Manitoba, something different would be done in Québec, something different would be done in British Columbia. What kind of a country would that be? What kind of a medicare program would that be? We would not tolerate that for a moment, and neither would any Canadian.

What about pension systems, whether Old Age Security, veterans' pensions, or disability pensions? What kind of a country would we have if, under pension legislation, each province could do whatever it wants, could set its own standards and guidelines? It would be silly to contemplate the kind of a pension system with every province having its own rules.

What about family allowance? What if we had a different family allowance system in every province of Canada? That would be nonsense, but that is exactly what this Government plans to do with the child care legislation. It is saying that it will provide the money, but Alberta can do what it wants, Saskatchewan can do what it wants, Ontario can do what it wants, and Newfoundland can do something different. What kind of a vision of a country is that? What kind of leadership is that? There is no leadership there.

This is what we have come to expect from this Prime Minister who has no concept of what a country means. He said he wanted to bring Canada together. What he meant was that he wanted to bring Canada and the United States closer together. His ideal child care system would be to have the McDonald's system of child care across Canada, child care for profit. That is the kind of vision that he has for meeting the needs of families across Canada who require quality child care facilities. He would love to see the McDonald's view of child care for profit.

This is a legislative initiative that lacks any national objectives. There is no other alternative but for the Government of Canada to provide very clear objectives for the kind of quality child care the Government would expect; whether in Prince Edward Island, on Vancouver Island, in Inuvik, it does not matter. Canadians ought to have access to the same quality child care no matter where they happen to live in Canada, but under this Government that will not occur.

As a Member from British Columbia, I will tell you why I am particularly concerned, Mr. Speaker. We have a premier there—I should not even call him a premier. Technically he was elected premier. He has turned the Province of British Columbia's political system into a laughing stock. He is a most unprogressive individual. The only book he ever read was a colouring book, and that he did not have to read.

What this person will likely do with federal money for child care is disgraceful. I know what he does when he gets money for post-secondary education. Does the Premier of British Columbia spend a single penny of the money he receives from the Government of Canada for post-secondary education? No, not a single cent. He uses it for other things. There is no matching. We can go on to a whole variety of other areas where there is supposed to be cost sharing.

Mr. Belsher: Nelson, that's false and you know it.

Mr. Riis: You stand up and make a speech if you have the courage of your convictions. When I sit down, you can ask me a question. Until then, I will ask you to be quiet and wait your turn. The Government of British Columbia does not match the money for—

Mr. Belsher: Say they don't match it, don't say they don't spend the money.

Mr. Riis: Maybe I should clarify that for my hon. friend.

Ms. Mitchell: Your Socred friend.

Mr. Riis: My hon. Socred friend from British Columbia. The Government of Canada gives British Columbia money for post-secondary education. That money is supposed to be matched to meet the needs of post-secondary education in British Columbia. The British Columbia Government does not match any of it. It does not spend any money on post-secondary education, and I am saying it will do the same thing for child care. It will not match those funds, and anyone from British Columbia who believes that it will does not understand the mentality of the Socred Government in that province.

Let us go on. This child care Bill fails to guarantee that even current levels of financial assistance available under the Canada Assistance Plan to help low-income families meet child care needs will remain in place, let alone be enhanced. Those families that need support most will not get it with this legislation.

Under this Conservative plan there are some tax credits so that about $200 per family per year will be used through the tax system to assist those people to provide child care. This is the same Government that goes on and on saying that we should not use the tax system to develop social or economic programs. At a time when tax dollars are hard to find, to be putting billions of dollars into the tax system without adequate funding for the development of new child care spaces is again an indication that the wrong priorities are being used.

Let us now look at some of the things that are needed in this legislation but are missing. When providing funds for child care, would it not make sense to use the hard to come by tax dollars to develop child care spaces through non-profit organizations? This legislation will provide support for private sector child care.

I want to make it very clear that there are some good private sector child care facilities. Child care for profit provides valuable services at a quality level in certain instances, but on balance the record is clear. The salaries and wages paid to those who work in child care for profit settings are significantly lower. The child to staff ratios are significantly lower. The training that staff members receive is less extensive. The staff turnover is greater. The health and safety standards are lower. The working conditions as well as the wages and salaries are significantly lower. Those are proven facts, and that is one of the points that this last set of witnesses and others before it made clear time and time again.

Also, and perhaps more important, in child care for profit situations there is little opportunity for parents to be involved in the decision making in terms of the curriculum and the kinds of programs being offered. They tend to be motivated primarily for profit. That is why they are there. They are there to make money for their shareholders or for the owners of the facility, whereas in the non-profit sector the primary motive, of course, is to provide quality care of a variety of types.

• (1710)

One aspect this legislation overlooks are those parents who are at home raising children. There is a lack of opportunity to develop the infrastructure that will support a mother or father who is staying at home raising children. I am thinking here of the funding of play groups, parent-child drop in centres, toy lending libraries, and in areas where there is part-time care for people who do not require day-long care but require care at certain times of the day or week. We would like to see more attention paid to that area. Those parents who have decided to remain at home to raise their children should have the appropriate support system to ensure that the upbringing of their children is facilitated and assisted by some of the programs that would be funded under a child care Bill.

I would also like to say that this particular Act undermines the incentive for have-not provinces to increase child care services significantly due to the rapid phasing out of needed variable cost sharing. I believe this is one of the points made by witnesses before the committee time and time again. Those families who happen to live in have-not provinces will really be prejudiced by this legislation. That is something, we as New Democrats certainly want to see changed, and we have tried to change it. As you know, Mr. Speaker, my hon. colleague from Vancouver East in committee and particularly at report stage consideration made numerous efforts to try to improve at least this extremely flawed legislation, but on virtually every count her suggestions were turned down by the Conservative majority in the House. We are very regretful about that.

There are two million young people in Canada who are presently in need of quality child care. I am talking by and large of licensed child care facilities where parents can feel secure that the quality is of a high standard, that the people involved are skilled in their profession, and that the necessary support systems are in place. It is woefully inadequate. The program of the New Democratic Party would put in place 200,000 new spaces, not over the next seven years with a cap on it after that but over the next four years. We would also put in place significantly increased sums of money to ensure that continued growth of child care spaces is provided and that those most in need of quality child care would have those needs met.

We do not feel at all enthusiastic about the use of tax credits. Under the present financial situation we face as a country, with the resources we are able to mobilize to provide support to our most valuable resource, the children of Canada, we would be well advised to focus those initiatives in the development of child care spaces.

Without national objectives, without clear national leadership to ensure the same level of quality of child care services across Canada from one side of the country to the other, this legislation is seriously flawed. For that and the other reasons mentioned, I think this Bill should go back to the drawing-board. Hopefully, with the election of a New Democratic Party Government after the next federal election, we will have an opportunity to bring in the kind of child care that the young people of this country deserve.

Ms. Mitchell: Mr. Speaker, I thank my hon. colleague for a fine dissertation on the evils of this Bill. I certainly agree with him that it is a very regressive Bill.

The Member referred to British Columbia. We have a number of Conservative Members from British Columbia in the House who support the Social Credit Party, for which they should hang their heads in shame. The Minister in British Columbia has made it official publicly that they are going to

use this Bill, but they are going to use it in the way they want. They are going to take the money for capital funds in order to build some new buildings, perhaps for day care, but they are not going to use any of the money available for operating funds to make it possible to put a program into those new buildings. They will not take any money to reduce the fees, to improve the wages, or to enrich the program, something which is desperately needed because most of the day care centres operate on a shoe-string.

Does the Member think that this is fair? What does he think should be done to ensure that British Columbia uses some of that money to reduce the fees? The fees are often $4,000 or $5,000 a year. That is bad enough if there is only one child, but if there are two children it is just impossible.

There is also no guarantee that British Columbia will use any of that money for infant care or care for children under the age of three years. There are no licensed services for that age group. There is nothing really, or very little, in the way of after school care for school aged children as well.

Furthermore, the Premier of British Columbia makes day care subsidies available under the Canada Assistance Plan, but then charges a user fee at the day care centres so parents cannot really use any available subsidies. That is his kind of philosophy.

Can my friend say whether this program will improve child care and make it more accessible to the children and parents from all income groups in British Columbia who need it?

Mr. Riis: Mr. Speaker, the Hon. Member's question reminds me of a number of very important issues raised in a report called "Caring for Canada's Children", put forward by the Hon. Member for Vancouver East (Ms. Mitchell). In that report she outlines not only the needs in a very specific way but, more important, the solutions. If there is a problem, there is a solution which she identifies. She mentions latch-key children. When school gets out at three o'clock or three-thirty, depending on what school one is attending, and the parents do not arrive home until six o'clock, perhaps even later, for two, three or four hours out of the day the children are home alone. That concerns us a great deal.

There are also toddlers and young children under the age of three years. There is virtually no mention of very young children in the legislation. One could go on and on. As Members of Parliament from British Columbia, my colleague from Vancouver East and I know that the premier said at the outset of this public discussion that he was not at all inclined to pass along these funds for child care. He said that there were other pressing needs in the province and that he would feel quite justified in using funds from child care to build bridges or whatever else.

When we reflect back on the comments made by the Premier of British Columbia we become very nervous, indeed. I cannot recall a single progressive comment he ever made with respect to child care, although I can recall a number of very unprogressive comments. All we have to do is look at the abysmal situation which exists in British Columbia in terms of those parents who so desperately need quality child care and there is simply no place to turn.

I know it is not only British Columbia. I know the problem exists in other provinces as well, but it is particularly acute in British Columbia where, over the years, many communities have actually regressed. There are fewer services in terms of child care per capita than in the past. When we have a provincial Government that has that kind of mind-set, that has policies which are anti-children, we cannot rely on that premier and his Government to develop and provide quality child care in that part of Canada. We know it is an impossibility. I personally would not have any faith that it would occur.

For those people who are interested in the details, not only in terms of what we believe as New Democrats are the critical concerns and needs with respect to child care but more important the solutions in terms of meeting those needs, I could not recommend more strongly the publication called "Caring for Canada's Children" which I mentioned earlier.

• (1720)

Mr. Nystrom: Mr. Speaker, I want to make a comment on behalf of people in rural Canada. Often child care is thought of as an urban issue because when people live in cities or neighbourhoods they can go very short distances to get child care.

Could the Member from Kamloops offer us some wisdom on how we could establish a child care system that would treat rural people in an equitable way in terms of providing child care for the sons and daughters of farmers, people in small villages, and people in hamlets where there are sometimes great distances between residences? Often in rural areas people think that the child care program is basically something for urban Canada, for big-city Canada, for people living in Edmonton, Vancouver, Montreal, Toronto, or Regina, rather than for people in small areas.

Could the Member give us any ideas on how we could organize a system that would be fair for people living in rural Canada; for farmers and ranchers and people living in small villages and hamlets?

Mr. Riis: Mr. Speaker, once again the Hon. Member for Yorkton—Melville (Mr. Nystrom) is asking thoughtful questions. He asks about child care for rural Canada. We will be hearing members of the New Democratic Party outlining their concerns in terms of child care, not only for rural Canada but also for native children and for disabled children.

Specifically in regard to the Hon. Member's question in regard to rural Canada, let us understand that we are not in a position to tell small communities or rural parts of Canada what they should do. That decision should be left to them. The funds should be provided at the community level so that small rural towns, villages, or areas that are unorganized can make the decision on what kind of child care best meets their local needs.

That might mean transportation services so that children or their parents can be moved into certain locations. It might mean a resource centre where materials can be made available to mothers or fathers who are at home or others who are caring for the children. It may mean day care centres of one kind or another.

We have to be extremely flexible and recognize that what is appropriate for a small northern Ontario community may not be appropriate for a rural community in southern Saskatchewan. However, the funds must be there. That is our commitment. We must provide appropriate and adequate funding, and then let the decision be made by those who live at the local level and best understand what needs must be met there.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I appreciate the opportunity to participate in this debate in regard to Bill C-144, the child care Bill. I want to state my conflict up front. I am one of those Members of Parliament who has children, who believes very strongly that we ought to have in Canada, throughout each and every province of this country, good quality, affordable, accessible day care facilities and individuals who can work with these young persons.

I noted with considerable interest that approximately 40 different groups made their presentations to the committee which reviewed the details and the specifics of Bill C-144. It ought to be noted for those Members who are present that of those 40 different groups appearing before the legislative committee not one was supportive of the substantive thrust of Bill C-144.

Those hearings, which were condensed into a two-and-a-half or three-day period, heard these witnesses on short notice. Nevertheless, the tenor and substance of their remarks ought to be examined fully by Members of Parliament who are in the process of either approving or disapproving one of the most important pieces of legislation to come to this Chamber in over two decades.

We are not dealing with cattle. We are not dealing with fish. We are not dealing with some abstract idea. We are dealing with Canada's most important resource, namely, the human resource. Those small individuals, the lives of whom we seek to protect, to embellish, and to enhance in this great country, ought to be reassured by Parliamentarians of all political persuasions that that which we are putting in place will fundamentally address the concerns which Canadians believe to be important in this debate.

The question of availability of child care spaces is of fundamental importance to all Canadians in all regions. It is not fair if spaces to be made available are more prominent in one area of the country than another because of the way in which this particular Bill is structured. It is not fair to the regions or the communities but, more important, it is not fair to the children who could be served by such child care facilities across the country.

Bill C-144 has targeted an increase of only 200,000 new child care spaces in Canada over the next seven years, which means that only one in four children who will need day care will get it. That is totally insufficient. For the Government and members of the Government to believe, in their own rhetoric, that it is sufficient is, in my view, both irresponsible and an abdication of their duty and responsibility to children across this country.

Bill C-144 may not even provide enough funding for the inadequate 200,000 subsidized spaces. Using federal government figures the National Action Committee's January 1988 analysis of projected costs predicted a shortfall of $1.5 billion in its estimate, even if capital cost contributions were held to $57 million per year.

Seven years, 200,000 spaces; that is what the Government is telling the people of Canada. The witnesses and the individuals who are involved in child care have repeatedly told the Government that that is insufficient, that it does not address the problem. The Government's response has been that half a loaf is better than no loaf at all. I suggest with great respect that, when one is dealing with young lives and the opportunities that we as a state and a nation can provide to them, that in itself is not an answer. It is not a fitting answer for a Parliament seized of a very important issue.

The issue of affordability is paramount in this particular debate. Although Bill C-144 uses the word affordability, it in no way addresses the problem and, in fact, it reduces current entitlements. Under CAP, for instance, child care fee subsidies are offered to low and middle-income families. Under Bill C-144 there is no guarantee that these families will continue to receive that assistance. Do we have a program here for the rich and no program for the poor? Is that what we are talking about?

Under CAP, assistance exists for integrated child care for children with special needs. Under Bill C-144 these entitlements could be bargained away, and no province has yet said that it will reduce special needs entitlements.

• (1730)

However, no provincial Government would be under any obligation whatsoever to maintain these entitlements according to how Bill C-144 is written. Those are important and fundamental issues to the debate on child care.

Bill C-144 recognizes the need for quality but does it establish the conditions that can encourage it? Are national standards defined within the parameters of the statute?

I believe in accountability for expenditures of public money. That is the issue for me. Just as our legislators in the various provinces have to be accountable to their people at election time, we in the federal Parliament have to be accountable to the people of Canada for the expenditures we make. Are we to revert to the days not so long ago when Parliament awarded money to provincial jurisdictions for the purpose of post-secondary education, a laudable purpose, only to find that at the end of the day the money the Government of Canada forwarded to those provinces was not being used for the purposes of post-secondary education for which they were meant but for building roads and drawing pre-election writs in the respective provinces? I suggest that is exactly what is happening with this particular legislation.

We as Members of Parliament are abdicating our responsibility on the fundamental principle of accountability. We have given the provinces so many millions of dollars to conduct child care, but we have not put in place national standards. We have not set pre-conditions and that is irresponsible. It is a breach of accountability and a breach of responsible government.

Joe Howe is a great Nova Scotian who campaigned vigorously across my province on the issue of responsible government, of accountability for the expenditure of taxpayers' money. That is the fundamental issue with Bill C-144. We give away the money without any national standards.

There are those in this Chamber who will say that the community of communities is our concept of Canada. If Ontario wishes to conduct its child care program in a certain way, so be it. If the people of Nova Scotia wish to conduct a program in that province, thank you very much.

But this is not just the use of provincial moneys from the respective provinces. It is the use of money of the Government of Canada, duly authorized by the Parliament of Canada. Therefore it is incumbent upon us to make certain that quality, accessibility, affordability, and those national standards are put in place by the Parliament of Canada and not some other level of government.

Let me try to put a human face on this particular issue of national standards. I recently spoke to constituents, a very dedicated and proud mother and proud father who are trying to provide for their children as best they can. I want to read parts of a letter, without referring to names specifically but to the substance of what this mother is saying. In my view, it addresses the issue of national standards and some of the major omissions in this particular Bill. She wrote:

> I am the mother of four children—

Two children are mildly autistic. She continued:

> I will briefly relate to you some of the problems we have faced trying to provide remedial help for our children. In 1976, while living in Ontario, our second child Shane, then two years old, was diagnosed as having autism. The prognosis was, to say the least, grim. He received help in a daycare-like setting that was fully funded by the Ontario Government. However, two years later, when we moved back to Nova Scotia, there were no such facilities and our only alternative, (albeit a good one), was the Town Daycare Centre.

The letter went on:

> Our problems resurfaced again in 1986 when our son Mitchell, then 21 months, also exhibited the same symptoms— specifically a developmental profile characterized by lack of communication and social passivity. On the advice of our pediatrician, we were referred to the Town Daycare Center. Even though it was a medical problem, we paid top rates again, our family income was over the set limit. Earlier that year, while working as a nurse, I sustained a severe back injury and, because I was not working I could not even claim the fees as a child care deduction on my income tax. Mitchell only attended daycare for eight months—

Listen to this:

> —but the results were dramatic! Today, at three and a half, he presents as a talkative, cheerful and sociable young lad with only a hint of his past problems!

That is the human face. There is one law for Ontario and another law for Nova Scotia. There is one law for Québec and another law for Prince Edward Island. There is one law for British Columbia and yet a different one for New Brunswick.

Who do we sacrifice in the process because we, as federal Members of Parliament, have abdicated our responsibility to the people of Canada? National standards have not been included in this legislation.

When I speak of the disparity that can, does, and will exist as a result of the consummation of Bill C-144, it is real. It is not a make-believe, hypothetical problem which is discussed in ivory towers here in Ottawa. It is a real, human problem.

Doctors and educators agree that a day care social setting would help solve the problems of these children to whom I have referred. This lady has been forced to come up with $650 per month to assist her children. It is a high price which she cannot afford. Canadian children deserve more and they deserve much more from their Government.

Are we here as Members of Parliament to be emissaries and diplomats for provincial Governments, or are we here in Ottawa to stand up for a national cause, the cause of children across this country? The Hon. Member standing next to you, Mr. Speaker, makes reference to the unborn, as do I, important as the issue is. However, when it comes to Bill C-144, there is not the intestinal fortitude to say to Bourassa in Québec, to Peterson in Ontario, that this is a national Parliament and these are national standards and if they do not comply they will get nothing. They will come running. They will have the wagons. They will have the vans. They will be parked out front waiting for their dollars. They will subscribe to the national standards of a national Government.

• (1740)

Mr. Harris: If we had one.

Mr. Dingwall: That is the issue, Mr. Speaker—if we had one. This Government is abdicating its responsibilities. Member after Member on the government side has stood up and talked about the wonders of this legislation. But for whom are the wonders? The wonders are for provincial Governments which may or may not share the objectives of the national Parliament or the will of the national Parliament. It is not the children we are talking about in this instance. The Government is not addressing the problems of child care for children. It is addressing the problems both fiscally and socially of provincial Governments. What could be more abominable, more revolting than Members of Parliament using the children of Canada to satisfy the political egos of provincial First Ministers and Governments across the country?

I would argue and debate with Liberal Premiers, NDP Premiers or Conservative Premiers across the country when it comes to the fundamental issues of our country, particularly as they relate to child care. But what does this Government do? It states: "We cannot do that. We have to wait. They are going to tell us what they want". Then, all of a sudden, we are supposed to accept that as being part of diplomacy within Canada, as part of the unity of Canada. For whom? Is it for this three and a half year old who resides in Glace Bay who, after access to day care, his mother writes in her letter: "—but the results were dramatic!" She continues: "Today", on August 17, 1988, "at three and a half, he presents as a talkative, cheerful and sociable young lad with only a hint of his past problems".

I am ashamed of Members of Parliament in this Chamber for not exercising their responsibilities, who put their Party before the children of Canada. That is what they have done. They have put partisan politics and re-election motives in front of standing up for the young people of Canada.

It was not my Party, it was not the New Democratic Party which took almost four years to introduce this legislation. The Government has waltzed, rocked and rolled with the provincial First Ministers. What has it done? It has said no to the children of Canada. That is not something I want to have on my political record, or to have said of me when I leave this Chamber, whenever that may be. I do not want it to be said that we abdicated our national responsibility, our national will for the young people of Canada to soothe the selfishness of a Government wishing to hold on to power, of provincial Governments which wish that the national Government would resolve its fiscal and, indeed, its social agenda.

In conclusion I say that I will vote against Bill C-144. I will campaign against Bill C-144. I will try to have others both at the national level and at the provincial level address the problems which I believe are germane to the subject matter that we debate here today. At the end of the day when the ballots are cast and when the decision is finally made, I hope members of the government Party can stand in front of a mirror and look themselves in the eye and say: "We did the right thing for the right people". I hope that they can say that, both in their heads and in their hearts. For it is they who are tampering with the fundamentals of this country, namely, our young people.

[*Translation*]

Mrs. Duplessis: Mr. Speaker, I listened carefully to the speech by the Hon. Member for Cape Breton—East Richmond (Mr. Dingwall), and all I can say is that the Hon. Member appears to be terribly homesick for the Trudeau era. He said the Government had not set any standards. When his own Government introduced its health care system, it did not set any standards either. He fails to realize that this is a matter of provincial jurisdiction, and that under the present Conservative Government and tomorrow, under that Government's next mandate which is fast approaching, we will always respect the rights of the provinces. This is a time of reconciliation, and that is even reflected in our legislation and in the child care Bill. I took part in a number of hearings, not all hearings across the country, but I was at the hearings in Quebec and British Columbia, and in those two provinces, I noticed when I was at the hearings with my other colleagues that people from Quebec and British Columbia who wanted a universal day care system, the same kind of system across this country, were not in the majority.

As I said before, the Hon. Member seems to be yearning for a return to the Trudeau era. Those were my comments.

[*English*]

Mr. Dingwall: Mr. Speaker, I do not make any apologies to the Government of Canada, the Progressive Conservative Government of Canada, for my views with regard to child care. I do not make any apologies to the provincial First Ministers, some of whom I know personally, with regard to this important matter. I do not make any apologies for standing in my place and fighting for the cause of children. If it means that we have a debate, that we have some words exchanged between the national Government and the provincial Governments, then so be it. I think the children of this country are worth fighting for.

As I said in my opening remarks, I have a conflict. My conflict is that I have three children who have gone to day care facilities. Thank goodness that the quality of child care that they were provided during that period of time was as superb as it was. But I want that same right, that same opportunity for all the children who are out there, whether their father is a lawyer, a doctor, or a politician. I think they ought to be given that opportunity, even if it means in the darkness of night or the earliness of morning that we have to say to the provincial capitals and those individuals who lead them that these are the national standards. I am prepared to do that. I am prepared to suffer the consequences, whatever they may be. I am not prepared, as is the Conservative Member of Parliament, to go back to the days when we just gave the money away to the provinces, when we would have had 10 different systems in operation.

Ms. Mitchell: Mr. Speaker, I certainly agree with the remarks made by the Hon. Member. He is quite correct when he says that he was fortunate to have had good quality child care for his three children. I suppose that he was probably able to afford it. Yet I think of those single mothers out there who are on poverty wages or on welfare and how little resources there are for them. In light of that the Minister would not agree to retain the Canada Assistance Plan in order to protect those children and ensure that there are extra services for them while the general program could be expanded for other families.

• (1750)

I am not sure whether he is aware that when we had witnesses at the legislative committee two things happened. First, Conservative Members insisted that it be only for two days, and there was hardly any notice to get in touch with people from the different regions in order for them to come. The second thing that the Conservative Members insisted on was a limited budget for travel. It meant that even if one or two people from his province, or from my province on the other side of the country, heard about this option, they still did not know whether or not they were going to receive payment for travel expenses to come.

As a result, we did not have one single witness from the Province of Nova Scotia, from P.E.I., from New Brunswick, from Newfoundland, from the Northwest Territories, from the Yukon, or from Saskatchewan. We only had one witness from British Columbia, one from Alberta, and one from Manitoba. The rest were all either national groups or from central Canada. Every one of them, of course, opposed the Bill.

Does the Member think that the kind of process imposed on this committee, which is now being imposed on this House whereby Members from all regions are not able to be heard is grossly unfair and undemocratic? Certainly witnesses from all regions did not have a chance to appear before committee. He knows very well, I am sure, that the situation is very different in his province than it is in other provinces and that we should be hearing from regions on this Bill.

Mr. Dingwall: Mr. Speaker, the Hon. Member raises a very valid point in terms of the process that has been put in place for debate on this particular subject matter.

Not only was the process expedited to suit the political agenda of the Government of the day, but in doing so it has not only affronted, in my view, the regions of Canada, but it has also denied itself the opportunity to make concrete and substantive amendments in the name of the Government to the Bill, if it would have heard a wide variety of individuals and groups across Canada.

I have read with considerable interest about those who have appeared, but there are a number of individuals who would have liked to have had the opportunity to come before a public hearing and share with Members of Parliament the human face and the human tragedy that they are confronted with.

The Hon. Member's question is indeed very valid, but what is not valid is for the Government of Canada, in exercising its political agenda, to short-change Canadians of all walks of life. We may have had some individuals who would have come before us to speak in favour of the Bill. There was one or two, I think, that would have come from the United States to support this Bill, but it would have been equally important to hear those individual Canadians and other groups from across Canada express their views.

I do not know why government Members on that particular committee refused to share in the suggestion being made by my hon. colleague.

Mr. Crosby: Mr. Speaker, on question or comment, I would like to make a comment on both the speech made by the Hon. Member for Cape Breton—East Richmond (Mr. Dingwall) and the previous speaker from Kamloops—Shuswap. They both made comments which I think are totally unacceptable. In the case of the Hon. Member for Kamloops—Shuswap (Mr. Riis), he said that Bill C-144 contributes nothing to child care in Canada and that we would be better off without the Bill.

The Acting Speaker (Mr. Paproski): I must stress to the Hon. Member that he should only comment on the speech of the Hon. Member for Cape Breton—East Richmond. The Hon. Member for Halifax West.

Mr. Crosby: It is pretty hard to tell these people apart, because they get up in the House of Commons and just go on with unjustified criticism after unjustified criticism. I merely want to make mention of the fact that child care in Canada is a continuing thing. They perhaps do not know this. They do not remember the days of orphanages and when children were carted away and placed in institutions. It took a long time to evolve to this point before the Parliament of Canada, where we have a valid child care legislation. In Nova Scotia and in British Columbia, what we had 20 years ago—and through the last 15 years of Liberal administration—was orphanages. Children were put away. We are trying to break out of this situation to try something new.

What has evolved is day care centres, institutions for child care, and we are trying to advance this. I cannot believe that people would say that this is not a good thing to do and that we should do nothing. I cannot believe that people do not understand the federal-provincial relationship and the responsibility of the provinces versus the responsibility of the federal Government in this area.

I say to my colleague from Cape Breton—East Richmond, does he not understand the role of the provinces in this field? Does he take away from the Province of Nova Scotia the right to run child care institutions? Is that what he is saying? Does he want the Government of Canada to enforce on the Province of Nova Scotia and all other provinces of Canada its view of child care? Is that what he wants?

Mr. Dingwall: Mr. Speaker, the Hon. Member can rock and roll and he can do the limbo. He can do any kind of dance that he wants, but the fact of the matter remains—and he knows it, from the representatives that have gone to him—that this particular Bill C-144 is a mere abrogation of the responsibilities of Members of Parliament to children across Canada.

Yes, I believe in consultations with provincial Governments. I agree with meaningful consultations with the people in the various provinces across Canada. But when it comes to child care, first and foremost, what must be paramount in any legislation is quality, affordable, accessible day care with national standards to make the Government of Canada accountable to the people of Canada and not to a select club of 10 or 11 First Ministers across Canada.

If the Hon. Member had the intestinal fortitude, he would stand in this place and disavow his association with this Bill and with his Party, which he knows is negatively affecting the children across Canada.

The Acting Speaker (Mr. Paproski): Questions and comments are now completed. On a point of order, the Hon. Member for Kamloops—Shuswap.

* * *

BUSINESS OF THE HOUSE

PRIVATE MEMBERS' BUSINESS—MOTIONS

Mr. Riis: Mr. Speaker, there have been further discussions this afternoon and there seems to be a willingness to allow the Hon. Member for York Centre (Mr. Kaplan) to exchange his private Member's motion with my own, and we basically switched Thursday's private Member's hours issue with Friday's. It is vice versa. I am seeking unanimous consent to have that accomplished.

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

Some Hon. Members: Agreed.

* * *

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Epp (Provencher) that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the third time and passed; and the amendment of Ms. Mitchell (p. 19454).

Mr. Howard Crosby (Halifax West): Mr. Speaker, I only have two minutes, but I think it would only take me that long to destroy the Hon. Member for Cape Breton—East Richmond (Mr. Dingwall), because his abysmal knowledge of day care and child care in Nova Scotia has just been demonstrated in this Chamber for all to see.

The Acting Speaker (Mr. Paproski): On a point of order, the Hon. Member for York South—Weston.

Mr. Nunziata: Thank you, Mr. Speaker, for providing me with the opportunity to raise my point of order. I believe when the Hon. Member for Cape Breton—East Richmond (Mr. Dingwall) had made his speech that you indicated that I would have had an opportunity to ask—

The Acting Speaker (Mr. Paproski): That is not a point of order. The Hon. Member for Cape Breton—East Richmond had 12 minutes in questions and comments, but I will recognize him the next time that we have questions and comments. The Hon. Member for Halifax West.

Mr. Crosby: The next time that we have amateur hour in this House of Commons, perhaps those Members can come back and speak. In the meantime, I want to finish this one minute of time.

The Acting Speaker (Mr. Paproski): On a point of order, the Hon. Member for York West.

Mr. Marchi: I am not sure if the Speaker heard it, but I believe that the Member from Halifax used the words that he will destroy the Member. I am just wondering whether the usage of that word is in fact unparliamentary and that he should perhaps withdraw it.

The Acting Speaker (Mr. Paproski): I do not see any problem with the euphemism used by the Hon. Member. I would like the Hon. Member to carry on with his debate.

Mr. Crosby: Thank you, Mr. Speaker. It is not within my power to destroy him in that physical way, but I invite Members to come back for amateur hour, which commences after six o'clock.

The Acting Speaker (Mr. Paproski): The Hon. Member for Halifax West has 45 seconds.

Mr. Crosby: Mr. Speaker, let me just say, they can give it but they cannot take it. They have to stand up. Just come back tomorrow and I will give you the facts on child care in Nova Scotia and across Canada.

Some Hon. Members: Oh, oh!

[*Translation*]

The Acting Speaker (Mr. Paproski): It being 6 p.m., this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6 p.m.

HOUSE OF COMMONS

Thursday, September 22, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

VISIBLE MINORITIES

JAPANESE CANADIANS INTERED DURING WORLD WAR II—NATIONAL REDRESS

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, nearly half a century ago, in the crisis of wartime, the Government of Canada wrongfully incarcerated, seized the property, and disenfranchised thousands of citizens of Japanese ancestry. We cannot change the past. But we must, as a nation, have the courage to face up to these historical facts.

The issue of Japanese-Canadian redress is one which I raised in the House of Commons more than four years ago with the Prime Minister of the day when I was Leader of the Opposition. I said then in this House:

> There is a world of difference between regret and a formal apology. Canadians of Japanese origin had their rights trampled upon. The reputation of this country was besmirched.

Since then, Mr. Speaker, the present Government has sought a settlement with the Japanese-Canadian community to put things right between them and their country; to put things right with the surviving members of the Japanese-Canadian wartime community of 22,000 persons; to put things right with their children, and ours, so that they can walk together in this country, burdened neither by the wrongs nor the grievances of previous generations.

It is fitting that representatives of the National Association of Japanese Canadians are present in the visitors' gallery on this solemn occasion because today I have the honour to announce, on behalf of the Government of Canada, that a comprehensive redress settlement has been reached with the National Association of Japanese Canadians on behalf of their community.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Perhaps the most important element of this redress is the official acknowledgement of the wrongs of the 1940s. But redress must go beyond words and laws—important as they are for our present understanding and our future actions. The Minister of State for Multiculturalism and Citizenship (Mr. Weiner) will be announcing the details of the settlement, and I pay special tribute today to his skill and resolve in this matter, and to the Secretary of State (Mr. Bouchard) who, immediately after his swearing in as a Minister of the Crown, made the resolution of this important moral issue a matter of the highest priority for him and his colleagues. In a special way, I readily acknowledge the strong moral leadership on this particular question and, indeed, others, that has long been provided by the Hon. Member for Vancouver South (Mr. Fraser), the very distinguished Speaker of the House of Commons.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Mr. Speaker, I think all Members of the House know that no amount of money can right the wrong, undo the harm, and heal the wounds. But it is symbolic of our determination to address this issue, not only in the moral sense but also in a tangible way. In that spirit, we will accept applications for the granting of Canadian citizenship to eligible persons of Japanese ancestry who were expelled from Canada or had their citizenship revoked during these years. We will also accept requests for the clearing of names of eligible persons of Japanese ancestry who were convicted of violations under the War Measures Act—thankfully now gone from our texts of law in Canada—and the National Emergency Transitional Powers Act.

As well, in commemoration of all who suffered these injustices, we will establish a Canadian Race Relations Foundation to foster racial harmony and cross-cultural understanding in Canada.

• (1110)

[*Translation*]

Mr. Speaker, not only was the treatment inflicted on Japanese—Canadians during the War both morally and legally unjustified, it went against the very nature of our country, of Canada. We are a pluralistic society. We each respect the language, opinions and religious convictions of our neighbour. We celebrate our linguistic duality and our cultural diversity. We know that the strength of our country lies in the collective energies of its regions. We are tolerant people who live in freedom in a land of abundance. That is the Canada of our ancestors. That is the Canada our ancestors worked to build. That is the kind of country we want to leave our children, the Canada of the Charter of Rights and Freedoms,

the new Official Languages Act and the Canadian Multiculturalism Act. A Canada that at all times and in all circumstances works hard to eliminate racial discrimination at home and abroad.

[*English*]

A Canada, Mr. Speaker, that is able to face up to the mistakes of the past, and so become better prepared to face the challenges of the future.

I am tabling at this time the specific terms of the Government's historic agreement with the National Association of Japanese Canadians. I will meet later this morning with the President of the National Association of Japanese Canadians and some of his colleagues who are with him today to formalize this special agreement.

Most of us in our own lives have had occasion to regret certain things that we have done. Error is an ingredient of humanity, so too is apology and forgiveness. We all have learned from personal experience that as inadequate as apologies are they are the only way we can cleanse the past so that we may, as best we can, in good conscience face the future.

I know that I speak for Members on all sides of the House today in offering to Japanese Canadians the formal and sincere apology of this Parliament for those past injustices against them, against their families, and against their heritage, and our solemn commitment and undertaking to Canadians of every origin that such violations will never again in this country be countenanced or repeated.

Some Hon. Members: Hear, hear!

Mr. Sergio Marchi (York West): It is an honour for me to rise on behalf of my colleagues in the Liberal Party caucus in response to the very historic announcement made only moments ago by the Right Hon. Prime Minister (Mr. Mulroney). My Leader finds himself in Vancouver this morning and, unfortunately, will not be in a position to respond in kind on the floor of the House of Commons. However, he will be making a statement from Vancouver on this very historic announcement later in the day.

As the Prime Minister indicated, the Minister of State for Multiculturalism and Citizenship (Mr. Weiner) will be revealing the details of this redress package later today. I have yet to see those details, but I trust that they will be in keeping with the aspirations articulated so well for so long by the National Association of Japanese Canadians, and agreeable to the Japanese Canadian citizens and residents in that very proud community.

Towards that end, I am pleased today that the federal Government and this Parliament has moved to redress the injustices that were inflicted against an important and integral part of our Canadian society, Canadian citizens who happen to be of Japanese ancestry. In doing so, it closes the chapter of what was a very sad and sensitive memory in our history.

While one's home, land, and business once lost can never be replaced, and while being evicted from one's own community and separated from one's own family and friends leaves a deep and emotional scar that can never be completely erased from the soul of those Canadian citizens, today's commitment by Government and by Parliament will serve as best as possible to heal those very deep wounds and concerns.

Moreover, today's actions are underlined by an important and symbolic message, a message of fairness and justice for all, that this nation stands for equality for all Canadians, and that there can only be, and must only be, one first-class citizenship for all Canadians.

It is with a great sense of pride and history, therefore, that I am able to speak on behalf of my Party and join the Prime Minister in issuing this most important apology to the Japanese Canadian community of Canada.

It is not a sign of weakness for a country to render this apology. Instead, it is a sure sign of strength and a sign of reflection of our country's commitment to try wherever and however to right our wrongs, not merely for the sake of correcting the history books but, more important perhaps, to establish important standards that will serve Canadians today and future generations of Canadians tomorrow. In addition, today's actions are not so much about a multicultural issue as much as about an issue of Canadian justice.

In closing, I wish to pay a special tribute and commend Mr. Art Miki, his colleagues from the National Association of Japanese Canadians, and its members and friends in the Japanese Canadian community at large, for their never ending determination and deep belief in the cause that they carried so well for so long. Today's resolution, no doubt, is a tribute to their sense of purpose, but it is also an appropriate response to those who continue to question the legitimacy and motivation of the leadership of the National Association of Japanese Canadians.

It is also fitting that the Prime Minister pointed out the pivotal role played behind the scenes by our Hon. Speaker who, to I can say publicly to him, offered us a sense of encouragement in the day-to-day questions that we posed on the floor of the House of Commons over the last four years. I join in saluting our Hon. Speaker, and indeed the other Members of Parliament who may not be making a statement this morning but who nevertheless played a significant role.

Finally, on this historic day, we cannot forget the many Japanese Canadians who were interned but who are no longer with us, unfortunately. Their children refuse to forget the hardships of their forefathers. It would have been my hope, indeed it would have been our collective hope, that they too could be with us today to witness and be part of the day that they had dearly longed for.

However, I say today, and I believe all Members share this, that their struggles were not in vain for their efforts kept that flame of hope alive and bright. It was the strength of that flame that provided the foundation for today's resolution. This agreement, in large part, is their agreement as well.

Some Hon. Members: Hear, hear!

• (1120)

[*Translation*]

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I listened with great pleasure to the Prime Minister's speech today. Forty-six years ago, the Government of Canada took measures against Japanese-Canadians that were unjust and unacceptable. Today, at last, we have started to make amends.

[*English*]

In the 1940s our Government, a democratically elected Government, did a great injustice to some 22,000 of our citizens, a permanent injustice to those who are no longer living. This was done, not because of what they had done, but because of who they were. These Japanese Canadians had their families broken up, their property confiscated, their businesses destroyed. They were forced to abandon their homes on the coast of British Columbia and they were forced to move to the interior and to elsewhere in Canada.

They, as Canadian citizens, had done no wrong. They were the victims of intolerance and racism brought about, not because we were at war with them but because we were at war with the land of their ancestors. They had done no wrong to any of their fellow citizens. It was an inglorious moment in our, on the whole, proud history.

Today we are formally acknowledging this wrong, and I am pleased that today's representatives of Canadians of Japanese ancestry have been able to reach an agreement with the Government of Canada. On behalf of all members of my Party and, I am sure in a sense I speak for everyone in the House of Commons and Canadians wherever they may live, I bid a special welcome to those Canadians of Japanese ancestry who are with us today in the House of Commons.

Some Hon. Members: Hear, hear!

Mr. Broadbent: I would like to stress that when we talk about the grievous injustice that was inflicted, we are not talking about an abstract breaking of an abstract right. We are talking about profound, serious human suffering. As an example, I would like to cite a quotation from an extremely moving Canadian novel by a Canadian of Japanese ancestry. It is called *Obasan*, and it is written by Joy Kogawa. It is a story of the life experience of families at this time. It is noted that the families are fictional but all experiences are very real. At one point the heroine of the novel, who is in her thirties, describes the impact this has had on her life. I know it is a true story. She says:

> The fact is I never got used to it and I cannot, I cannot bear the memory. There are some nightmares from which there is no waking, only deeper and deeper sleep.
>
> There is a word for it. Hardship. The hardship is so pervasive, so inescapable, so thorough, it's a noose around my chest and I cannot move anymore.

I repeat, Mr. Speaker, these have been real experiences in real lives for which our parliamentary ancestors have to assume responsibility because they made those decisions that led to that experience. As the Prime Minister (Mr. Mulroney) has said, we all make errors. Our predecessors in this great Chamber of ours made errors. One of the important and fundamental ways of addressing these errors is at least to apologize publicly and acknowledge the serious wrong that was done, and that we are doing. However, in so doing, we must keep in mind that it does not mitigate at all the horrible experience that has been inflicted upon those victims.

The Prime Minister quite appropriately alluded to the work that has been done by present generations in redressing this wrong here in the House. I think it might have been appropriate to cite those people who stood up at the time because they were present. They were Canadians who said it was wrong, who went against the force of public opinion, who fought for civil liberties at a time when it was important to do the fighting and not talk about redressing wrongs that were done by others. It is easy for us in one sense, although appropriate, to do that. I would like to cite a few words of a distinguished Member of Parliament at that time. He had this to say, clearly in the face of public opinion:

> If we are to have harmonious and friendly relations between the oriental population and the rest of our British Columbia citizens, we must stop discriminating against and abusing the orientals. We must find some common ground on which we can work, and I think it can be found . . . I am satisfied that if we treat the Japanese and our other oriental citizens right, we shall get their loyalty, . . .

He went on to say:

> I know them, speak to them; I visit them and have them in my home, and I have not the slightest doubt that what I say is correct. If we are to avoid the troubles that other countries have had with racial minorities, then we must take a realistic view of the situation in British Columbia and attempt to make these people feel at home among us. We will secure their loyalty by fairness and kindness and by the practice of those other attributes which we exercise in our relations with other people.

He was speaking of fellow Canadians citizens. That speech was given in this House on February 25, 1941, by Angus MacInnis, the then Member for Vancouver—Kingsway.

I want simply to conclude by complimenting the Government of the day on behalf of my Party in reaching this agreement and by saying, as one politician: I hope this kind of experience for us as a nation will never ever be repeated.

Some Hon. Members: hear, hear!

Statements by Ministers

• (1130)

DANGEROUS PRODUCTS

TRANSPORT ACROSS METROPOLITAN TORONTO—REPORT OF TASK FORCE—STATEMENT BY MINISTER

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I have the pleasure to table, in both official languages, the final report of the Toronto Area Rail Transportation of Dangerous Goods Task Force.

This report was commissioned by the Government in March, 1986, to investigate the feasibility of rerouting or relocating the movement of dangerous goods around Metropolitan Toronto. The task force was also requested to investigate and make recommendations on the relationship between train speed and safety.

This report finds rail movement of dangerous goods in Metro Toronto safe, not only related to other modes but compared to other countries as well. CP Rail is the safest railway in North America; CN currently ranks fifth. This is a tribute, not only to the employees of each railway but also to the commitment the Government has to ensuring safe transportation systems for all Canadians.

When I received the report last night from task force Chairman Harold Gilbert, we had the opportunity to discuss its consultations, findings, and recommendations.

[*Translation*]

Although the task force submitted 130 recommendations, my comments today will be limited to the two most important aspects of its mandate: train speed and rerouting of traffic.

The task force asked a consulting firm to investigate the relationship between train speed and safety. Although the report is technical in nature, it implies that from the safety point of view, speed reduction might not be necessary. The task force recommends further studies in this area.

[*English*]

I have considered carefully the representations made by citizens, municipal Governments, and Members of this House. Further, I note that three members of the task force expressed the view that lower speed limits were desirable on the tracks identified as high risk.

I have considered these matters in light of my primary concern, which is safety. I think that the best course is to lower the speed limits on the high-risk routes. I shall immediately take the necessary steps to set and enforce the lower speed limits on the following rail lines: from Weston Road on Canadian National's Weston Subdivision and from Starview Drive on the Canadian Pacific's McTier Subdivision to the West Toronto Diamond, from Kipling Avenue on Canadian Pacific's Galt Subdivision to the West Toronto Diamond, from the West Toronto Diamond along the Canadian Pacific's North Toronto Subdivision to their Agincourt Yard in Scarborough, and from Canadian National's McMillan Yard along their York Subdivision eastward to Doncaster.

The task force recommends that all levels of Government collaborate in approaching the issues of rerouting and relocation. The task force does not see this as an issue solely of safety. It states that relocation has an economic effect, and it has a primary effect on land use and zoning policies on the provincial and municipal Governments.

I could not agree more, and since this is a matter of provincial jurisdiction I would like to inform Hon. Members that I will be writing today to the Hon. Ed Fulton, Ontario Minister of Transportation, seeking the province's position.

[*Translation*]

During the last four years, the Government's commitment to safety has lead to a number of initiatives, including the regulations on the transportation of hazardous materials, adopted in 1985; the Railway Safety Act, which received Royal Assent on July 28 this year; and the Bill to establish the Transportation Accident Investigation Board, tabled in the House not long ago.

[*English*]

The Standing Committee on Transport has played a vital role in all these matters, many of which bear on the task force's recommendations. With its knowledge, expertise, and accessibility to the public and industry, I believe, Mr. Speaker, that the standing committee can best advance the work of the task force. Therefore, I am referring this report to the standing committee.

The report I have received includes all public submissions made to the task force. I shall provide these to the standing committee along with a minority report prepared by a member of the task force. As well, I would advise the House that the report of the Vancouver Task Force on Dangerous Goods is expected to be completed in the next few weeks. It is my intention to refer that report to the standing committee.

I would like to take this opportunity to thank Harold Gilbert for his excellent work and dedication to this project. This has been a very intensive and demanding study, and all task force members are to be congratulated for their commitment of time and expertise.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, we received the report today with a sense of happiness because the process has been completed. Having listened to the Minister of Transport (Mr. Bouchard), I think there are a few remarks that have to be made from this side of the House.

The report is finished. The process was a lengthy one but was very thorough. It had to delve into very complex and difficult issues. Out of that process, 130 recommendations have emerged. Now the Minister must act. We have mixed feelings because this report is vague and in some respects requires further studies. Here is where the political crunch comes. The Minister of Transport must make certain difficult decisions very soon because the process has now come to an end and further studies are not desirable.

It is curious that out of 130 recommendations the Minister has pulled out two to comment upon today. They are, of course, very political and very urgent. These are issues which have been the object of engagement, attention, and battles by individuals and organizations in Metro Toronto over several years in this decade. They have initiated this process and participated in it. I refer in particular to the Metro-Toronto Residents' Action Committee.

The question of speed leaves a lot to be desired in this report. It is true that on page 61 the report focuses on the importance of looking at other factors and urges that attention be given to addressing and removing, on an utmost priority basis, the track, equipment, operational, and track defect causes of accidents. That is good stuff and we concur with that. Those would be, in other words, preventive measures and good and intensive maintenance for every train entering the Metro Toronto area. I suppose that applies to any urban centre across the country.

We agree with that, but why has the speed limit not been spelled out, both in the report and in the statement by the Minister here today? They only refer to lower speed limits, leaving us, the organizations, and the citizens in the dark as to what the speed limit will be. Will it be one kilometer per hour, or will it be 30 kilometers per hour? Will it be 40 kilometers per hour, as suggested by M-TRAC in a number of submissions even before this commission, or is the Minister's limit a faster one? In other words, this vague commitment is not enough and it is not worth very much.

• (1140)

Let me deal with relocation. In this case we see the Meech Lake values emerging again. The Minister will write a letter to the Minister of Transport of the province today, and that is all. The Minister said in his statement that transportation of this kind and relocation has an economic effect and a primary effect on land use and zoning policies of the provincial and municipal Governments. What about the federal Government? Does the federal Government not exist as well? Does it not have an interest as well in this debate and therefore require the leadership of the Minister of Transport of the day rather than a letter to the Minister of Transport of the Province of Ontario? That is not good enough.

I doubt very much that Toronto residents will sleep any easier because the Minister has written a letter. It is a pathetic response to such an important issue that affects millions of people in the Metropolitan Toronto area.

Instead, the Minister should convene a meeting and discuss this with his provincial colleague and municipal authorities in such a fashion as to take leadership on a very complex matter. Canadian National and Canadian Pacific would not have been built if the attitude of the Government of the day were such as the Minister put forward today in the House, saying that it is a provincial and municipal responsibility. It is a federal responsibility as well.

I referred to M-TRAC for a very good reason. It has long been involved in the issue of transportation of dangerous goods. In a way, this report is a result of the efforts of the citizens' organization. These efforts have been persistent and have made the question of public safety the first priority in the transportation of dangerous goods. Progress has been made over the years as a result of that.

Of the recommendations that M-TRAC has made, four were ignored. One recommendation is to treat empty railcars that have carried dangerous goods as full for the purposes of safety restrictions. That has not been dealt with yet.

The second recommendation was to limit the number of hazardous goods cars to 20 per train. I know that the report takes a different position on that, but it remains extremely vague as to what is the optimal length of trains transporting dangerous goods. Again, the Minister must give leadership on this question and come up with an answer that will strike a balance that will give priority to safety.

The third recommendation was that the length of trains with hazardous goods cars that are full should be limited. The report does not seem to deal with this question. The recommendation was that it should not be longer than 1,600 metres, which is more than one and a half kilometers.

Finally, the recommendation to ensure that there are enough inspectors to monitor and enforce safety standards is a crucial issue. It is a preventive measure and a recommendation I would particularly stress to the Minister so that he has in his budget the means to hire the inspectors for trains entering metropolitan areas across the nation. That is where the entrance of the train becomes crucial. That is partially dealt with, although not in a conclusive manner, when talking about train gateways inspections at page 58. However, we must ask whether the inspectors are there and whether the number is adequate. Is the quality of the inspection sufficient?

In conclusion, the Minister has only addressed the first two of many issues. The speed of trains remains unclear. I hope the Minister will soon make a statement as to the speed he envisages when talking about lower speed.

We want the Minister to address the other substantive issues in this report, in particular, the issue that M-TRAC has persistently raised over the years and which, in a way, triggered the process that led to the writing and tabling of this report today.

Mr. Les Benjamin (Regina West): Mr. Speaker, of course I have not had time to examine the report. I will keep my remarks general in nature and begin by saying that railways are still the safest form of transport for the handling of dangerous goods.

I know that railways receive many headlines and much coverage when there is a train mishap because it is more spectacular. There is little or no reporting and little public knowledge about the thousands of mishaps in the trucking industry that occur on our highways every year.

I suggest to the Minister and the Government that the continued acceptance of rail line abandonment means an ever greater shift of the amounts of traffic of dangerous goods to our already congested urban streets and main highways.

Both railways want to abandon another 15,000 miles of track over the next seven years. They have already abandoned several thousand miles of track in western Canada. Now it is occurring in central and eastern Canada. Would you believe, Mr. Speaker, that one of the railways wants to abandon the line from Montreal to North Bay through Ottawa?

The continuing trend to allow the elimination of siding and spur tracks in our industrial and warehouse areas in cities all over Canada, not only Toronto, increases the concentration of truck movement of all those commodities, including dangerous goods, on our urban roads system and our main highways. That increases the number of accidents and risks involving trucks.

Many people may not realize in our society that thousands of truckloads or partial truckloads of dangerous commodities move on our streets every day out of sheer necessity. Trucks haul explosives like gunpowder and ammunition to hardware stores. They haul various kinds of solvents and cleaning fluids to stores all over our cities. This occurs every day with thousands of vehicles everywhere in Canada. Let us not delude ourselves into thinking that by doing something about the movement of dangerous goods on railways through our urban centres we will suddenly reduce the risk. Frankly, I do not think it will.

We can handle much of this with present infrastructure along with some modifications, better operating rules, a better system of inspection and better enforcement by the Government of Canada over the maintenance of railway rolling stock and all transportation vehicles, including the trucking industry.

• (1150)

When one sees the railroads reducing their track forces, reducing the number of inspectors and carmen they have at many locations across Canada, one would think that the Government and the National Transportation Agency would show some alarm. But it is always the bottom-line syndrome that takes over. The trucking industry is in regulatory shambles. We were promised, with the introduction of Bill C-19, that there would be an agreement reached among the 13 jurisdictions—the two Territories, the 10 provinces and the federal Government—on a standardized regulatory regime across Canada, whether it was with respect to licensing, load limits, speed limits, handling of dangerous goods, or whatever. The agreement still has not been arrived at. In that respect one of my colleagues mentioned the Meech Lake Accord again.

The federal Government has complete and total jurisdiction and legal authority, constitutional authority, on all trucking that moves inter-provincially and internationally. If the provinces do not want to or refuse to co-operate with respect to a standard set of rules, regulations and practices, then it seems to me that the federal Government must exercise its responsibility and do it.

I want to mention another item about the whole matter of safety. I want you, Mr. Speaker, to visualize something that has occurred and can occur again. In Canada there are thousands and thousands of vehicles carrying dangerous goods which travel our roads and which go over something in the order of 100,000 level crossings. If a locomotive hits one of those vehicles on the Prairies—the thousands of farm fuel vehicles—travelling over all our roads, or in the cities, and a truck bursts into flames with an entire crew in the locomotive, and with them are all the documents that say what are the contents of that train, including which cars have dangerous goods and what kind of dangerous goods, and that locomotive also bursts into flames, who is going to notify whom about what? There is nobody in the caboose because there is no caboose to put up a phone and call the fire department, the police and the ambulances, and to notify the nearest Dangerous Goods Directorate. Mr. Speaker, they would not listen, and the Government has authorized this high risk and unsafe practice.

I want to say one final thing, Mr. Speaker, about rail line relocation, which is fine when you get it in the right location. My own City of Regina is a classic case of approval being given by Government to relocate track and rail yards in the wrong place, and at a cost beyond the financial capacity of the city. I hope the Minister will review and overturn the CTC decision and make that city and the railroads go back to the drawing board. Unless there is a fully informed and consulted public on rail line relocation, then the NIMBY, "not in my back yard", syndrome takes over, similar to what happens with waste disposal sites.

I think the standing committee will welcome the opportunity to deal with the report. I hope it will deal with it with relative speed and hear from people right across Canada. I hope that there will not be any question about the committee being provided with the fullest resources, both financially and staffwise, as well as reasonable time to do a thorough job.

Something that the Minister might wish to consider when he is looking over the Toronto situation, but something which also concerns Thunder Bay, Windsor and Vancouver as well as a lot of other locations, is one wide multi-track corridor with both railroads being required to use it as a possible solution. I think that in many locations in the country this is something that could be looked at which would probably in the long run be cheaper to put in and to keep operating.

INTERPARLIAMENTARY DELEGATIONS

TABLING OF REPORT ON RESIDING OFFICERS' VISIT TO CANBERRA

Hon. Steven E. Paproski (Edmonton North): Mr. Speaker, pursuant to Standing Order 101, I have the honour to present to the House the report, in both official languages, of the visit by residing officers to Canberra for the inauguration address and first meetings of the Senate and the House of Representatives in the new Parliament House, August 21 to 24, 1988.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

PRESENTATION OF REPORT OF LEGISLATIVE COMMITTEE

Mr. Gordon Taylor (Bow River): Mr. Speaker, I have the honour to present the report of the Legislative Committee on Bill C-152, an Act to establish the Canadian Heritage Languages Institute. Today is a very appropriate time to report the Bill establishing the Canadian Heritage Languages Institute.

I want to thank the members of the committee for their co-operation.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

PETITIONS

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, it is my honour to present a petition pursuant to Standing Order 106 on behalf of a number of constituents from western Canada who believe that the present Government lacks a mandate from the people of Canada to conclude a trade deal with the United States.

They believe very strongly, Mr. Speaker, that as a result of the trade deal Canadian sovereignty would be seriously compromised. They believe also that the deal itself would deny Canada the policy freedom to determine its own economic future and undermine Canada's ability to build a society distinct from that of the United States.

They actually have a whole number of other concerns. Let me simply summarize by saying that they are asking for Parliament to dissolve now to allow the people of Canada an opportunity to accept or reject the proposed trade deal during a national general election.

INSTALLATION OF CANADA POST SUPERMAILBOXES IN MAPLE, ONTARIO

Mr. Anthony Roman (York North): Pursuant to Standing Order 106, I have the honour to present a petition on behalf of

constituents asking the Government to intercede with Canada Post regarding the installation of supermailboxes in Maple, Ontario.

These petitioners live in an old, established community which never has had door-to-door delivery and which does not wish to see the problems associated with supermailboxes.

They are much more willing to continue their tradition of general mail delivery and pick up, and estimate that 90 per cent of their community is in agreement. Many of these individuals are angry. They, all of them, look to our Government for an ear to their needs and a stop to this construction.

CHILD CARE—REQUEST FOR WITHDRAWAL OF BILL

Mr. John Parry (Kenora—Rainy River): I have the privilege, pursuant to Standing Order 106, to present a petition on behalf of the residents of Fort Francis and Ignace in my riding.

Mr. Speaker, your petitioners today call upon the Government to withdraw what they see as an inadequate child care Act which contains neither national standards nor adequate funding arrangements.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 397 and 410.

[*Text*]

CANADA POST CORPORATION

Question No. 397—**Mrs. Sparrow:**

Has the government ever granted a postal franchise in the Lake Bonavista Shopping Centre in Calgary and, if so (*a*) during what period of time (*b*) was there any (i) profit involved (ii) loss to the government and, if so, in what amount?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): 1. No. Providing postal services through a "franchised" outlet is a relatively new approach for the Corporation. A "postal franchise" has never existed at the Lake Bonavista Shopping Centre. However, until recently there was a private sector postal outlet located in the Shopping Centre—known as a Retail Postal Outlet.

In the immediate vicinity of Lake Bonavista Shopping Centre, there are two Retail Postal Outlets currently operating. These include RPO No. 122 in Southcentre Mall, located at Macleod Trail and Anderson Road, and RPO No. 156 in the Deer Valley Shopping Centre, located at Canyon Meadows Drive and Bow Bottom Trail.

The Southcentre Mall and the Deer Valley Shopping Centre have been identified as future full service sites, which will improve the accessibility of products and services in the immediate area. Currently, customers must travel approximately 2.5 km from the Lake Bonavista Shopping Centre, to Postal Station "F" for full service.

In addition to these two full service sites, there will be approximately 12 stamp shops in the area, including one at the Lake Bonavista Shopping Centre.

In keeping with Canada Post Corporation's commitment to providing improved customer access to postal products and services, this new configuration of postal outlets means better service for residents in the Lake Bonavista area.

(a) The Lake Bonavista Shopping Centre Retail Postal Outlet (formerly known as a sub-post office) was in operation for more than a decade, until its recent closure by the operator in early 1988.

(b) Financial arrangements between Canada Post Corporation and its private sector operators is considered proprietary information. The outlet located at the Shopping Centre was a private sector outlet and, therefore, the operator's remuneration was based on revenues at the outlet.

GRANTS/LOANS TO METROPOLITAN TORONTO

Question No. 410—**Mr. Redway:**

Since September 4, 1984, did Canada Ports Corporation make grants and/or loans to persons or corporations, non-governmental organizations and governments within Metropolitan Toronto and, if so, to which ones and, in each case, in what amount and for what purpose?

Hon. Benoît Bouchard (Minister of Transport): The management of Canada Ports Corporation advises as follows: No.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURN

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): If Questions Nos. 388 and 390 could be made Orders for Return, these returns would be tabled immediately.

Mr. Deputy Speaker: Is it the pleasure of the House that Questions Nos. 388 and 390 be deemed to have been made Orders for Return?

Some Hon. Members: Agreed.

[*Text*]

FEDERAL EXPENDITURES IN KENORA—RAINY RIVER

Question No. 388—**Mr. Parry:**

Between February 18, 1980 and September 4, 1984, did any government departments or agencies spend money or provide grants in the constituency of Kenora—Rainy River, and if so, by what departments or agencies and, in each case (*a*) on what dates (*b*) in what amounts (*c*) under which programs was the money spent?

Return tabled.

FEDERAL EXPENDITURES IN CALGARY EAST

Question No. 390—**Mr. Kindy:**

Since September, 1984, have any government departments or agencies awarded grants or loans to individuals, corporations, or non-governmental organizations located in the constituency of Calgary East and, if so, to which ones and, in each case (*a*) in what amounts (*b*) for what purposes?

Return tabled.

[*English*]

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): I would ask that the remaining questions be allowed to stand?

Mr. Deputy Speaker: Shall the remaining questions be allowed to stand.

Some Hon. Members: Agreed.

• (1200)

Mr. Deputy Speaker: I wish to inform the House that because of the ministerial statements, Government Orders will be extended by 50 minutes, beginning at one o'clock.

Mr. Riis: Mr. Speaker, earlier today the Hon. Member for Regina West (Mr. Benjamin) submitted to the Chair a request for an emergency debate on the issue of the truckers and the others that have lost their jobs as a result of the privatization of CN Trucking.

I wonder if I could get some direction as to when the Speaker would be making a decision as to whether or not that emergency debate will be granted.

Mr. Deputy Speaker: The Chair has had no notice of that request, but we will inquire immediately and report back to the House as soon as we have it.

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

ALLOCATION OF TIME TO CONSIDER THIRD READING STAGE OF BILL C-144

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I move:

> That, in relation to Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, not more than one further sitting day be allotted to the third reading stage of the Bill; and
>
> That fifteen minutes before the expiry of the time provided for government business on the day allotted to the consideration of the third reading stage of the said Bill, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose of the stage of the Bill then under consideration shall be put forthwith and successively, without further debate or amendment.

I should not take too long in my remarks in this debate. We have brought forward, I believe, historic, innovative social legislation which, for the first time in Canada, will set up a child care system. It is very much in keeping with the direction of this Government to give people a hand up and not a hand out.

It is innovative in that it has various ways of applying the funding. I appreciate that some will say that it is not enough and others will say that it should be done differently, but we think we have a good start on this social legislation and we want to implement it. We want to proceed as quickly as we can to get this to the Senate, in the hopes that the Senate will move quickly on this legislation.

We have suffered a delay on the Bill at other stages of debate. I am speaking of the days when it was called at second reading, where we considered the Bill in principle.

I would draw to the House's attention the remarks of my friend from Kamloops—Shuswap, who said, as reported on page 19481 of yesterday's *Hansard*:

> I do not see any reason for wanting to rush this legislation through. We will debate for the rest of the week, all of next week and the following weeks, until it is appropriately debated.

I find that unfortunate. It indicates that my colleague from Kamloops—Shuswap has no care or feeling for the children of this country or for single parents or for parents who work. I know that that Party makes a great to do about looking after ordinary Canadians, but with that one statement my friend has abandoned Canadians with children and Canadian children. I am not sure whether that is now NDP policy or whether he will wish to retract it in his remarks. I would hope that he would, because I know him to be a caring person, and I find that remark to be completely out of character with his normal conduct. Hopefully, during his comments he will retract that.

I do not need to spend any more time on my feet than is necessary. I would say this to the Opposition, that it would be our intention to call this on Monday, and if my friend wants to sit through lunch on Monday and get an extra hour's debate in, we would be amenable to that. We do intend that the Bill will be called Monday, that the debate at third reading will be wrapped up, and this important piece of legislation will be sent to the Senate.

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, we have here another example of the most hypocritical, double-talking Government in recent history. On the one hand we have a Government which continually talks about parliamentary reform, parliamentary democracy, but on the other hand the same Government has used closure more than any other Government in Canadian history. It has used closure and allocation of time to crush debate in this House of Commons more than any other Government. But they are talking out of both sides of their mouth. One minute it is "what a great job we are doing to enhance parliamentary reform and parliamentary democracy", but in Bill after Bill they crush the debate, close off debate, before there is a chance for the debate really to get under way.

In this case, the Minister of State introduced a motion for allocation of time, a motion to close debate for third reading, after only three Members had spoken in this House.

The only people who had spoken were the Minister for National Health and Welfare (Mr. Epp), who introduced the debate on third reading, then the critic for the Liberal Party, then the critic for the New Democratic Party, and right away the Minister introduced a motion to close the debate.

Once again, the Government, with its large majority, the largest parliamentary majority in Canadian history, is using that majority to crush parliamentary debate in Canada and to stop a discussion on what is one of the most complex and controversial Bills to come before this Parliament in this session.

What is the history of this Bill? The Government promised legislation on day care in the all-Party debate during the election of 1984. It was in the summer of 1984 that this Government promised new legislation on child care. Yet, we only got the Bill on July 25, 1988. We only got the Bill this summer, in a situation where the Government moved that the House sit all summer, because it could not manage its own legislative program. It decided to introduce the Bill on July 25, 1988. The Government is now accusing the Opposition of delaying.

If this Bill is not passed prior to an expected fall election, then surely the fault is not with the Opposition. The fault is surely not with the Senate. The Bill has not even been sent to the Senate yet. The fault is with the Government. It is the Government that delayed the Bill from 1984 until July 25, 1988.

There has not been a filibuster on this Bill. How can the Government say that there has been delay on this Bill when it introduced the motion, when all we had was the Minister and the chief opposition critic speaking?

On second reading, we only had three days of debate. In the legislative committee on this Bill, a very complex and controversial Bill, as I said, we only had three and a third days of discussion and hearings, despite a demand by groups from all over the country that they be heard on this Bill and be given adequate time to be heard.

On report stage, we only had two days, because Your Honour had ruled out of order many of the amendments that had been proposed. We are at third reading and the Government has just put a motion that we limit debate to one more day.

This attempt by the Government to limit debate on this very complex and controversial Bill is totally, totally unacceptable. I want to point out, so that Canadians will know, that in the three and a third days of committee hearings the Government again used its majority to force all the witnesses to be heard in those three and a third days. There were 40 groups that came before the committee to be heard and the Government gave each one of those groups a half an hour or less. Can you imagine, anyone with any experience in Parliament saying to a group that might come from Montreal, Vancouver or the Atlantic provinces, "We want to hear you but you only have 30 minutes to make your presentation and answer questions from members of the committee"? What nonsense. Usually we give the witness groups at least one hour in committee.

• (1210)

These witnesses and members of the committee were forced to deal with this Bill in just half an hour. I say forced, because a motion was passed by Conservative Members cutting off debate in committee, forcing 40 groups to make their presentations within that very short period of time, and all in Ottawa. The committee did not seek opinions outside Ottawa. The groups had to come to Ottawa.

This Bill is supposed to be so good, but what was the unanimous opinion of those groups? Of those 40 groups that received very short hearings before the committee, not one supported the Bill. The Government could not find one group to appear before the committee to support the Bill. The only witness who supported the Bill was the Minister who is sponsoring the Bill.

Forty of the groups in Canada interested in child care came to the committee and said that the Bill was not adequate, that it does not fulfil the needs of Canadian children. Some of them even suggested that the Bill was a step backward, a regression over what we already have. They criticized this Bill first because it has no national standards. It provides money for day care, but there are no standards as to how the provinces, the municipalities and the various groups must perform in providing day care.

The Bill does not meet the needs of Canadian children. There is no provision at all for latchkey children, young children who must come home after school without parents to take care of them. It only provides for 200,000 new day care spaces over seven years. The need right now is for two million day care spaces, due to the fact that there have been radical changes in society, starting in the sixties, with more and more single mothers, more and more mothers working because of the attitudinal changes in society and the need for both father and mother to work because there is not adequate income with only one parent working to cover the housing, food, clothing and educational needs of the family.

This is a controversial, complex Bill. It was opposed by every day care group that appeared in the very short and compressed time before the committee. More debate and more hearings are needed in order to clarify the weaknesses and shortcomings of the Bill and in order to put before the Canadian people the various alternatives on day care.

The Government has a false idea of the role of Parliament. The Government feels that because it has a majority in Parliament, the outcome of a vote is a foregone conclusion. Unfortunately, that is so. We know there are very few independent-thinking Members of Parliament on the Conservative side who will break ranks from time to time on a question of conscience. They will vote in a bloc and defeat the positions of the two opposition Parties.

We know we will be defeated on every vote put to the House, but the purpose of debate, I repeat again and again, is unfortunately not simply to convince Members on the government side. We know we will not convince them. The purpose of the debate in this House is to send arguments on different issues out of the House so the Canadian population can understand the issues. That is why the debates of this House are televised. That is why the proceedings are reported in *Hansard*. That is why we have a Press Gallery.

We do not expect to convince those stone-age Tories over there. By having a reasonable debate, we want to let Canadians understand the issues behind the Bill. It is a travesty of parliamentary democracy and justice that the Government should give only one more day to this debate on third reading.

Mr. Deputy Speaker: I will give the floor to the Hon. Member for Kamloops—Shuswap in a moment, but I have been notified, concerning the question raised by the Member for Kamloops—Shuswap as to the emergency debate, that the Chair did receive notice at 9.51 this morning, so we do apologize for not bringing it up. The Speaker will deal with it immediately after Question Period.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, you may have noted that it is dull in the House of Commons. A cloud hangs over the House of Commons once again, the cloud of closure, the cloud of a Government that has betrayed the principles of parliamentary democracy as we have come to know it in Canada.

This is a closure-crazed Government. There has never been a Government in the history of Canada that has so repeatedly decided to muzzle Parliamentarians, those who are elected to represent the people of Canada. As a matter of fact, I remember the day when Conservative Members of the House rushed the Speaker's chair and stopped the House of Commons from performing. I remember other days when, through a misuse of parliamentary tactics, Conservative Members closed down the House of Commons for day after day. The one place where Canadians could speak their minds without fear of reprisal was taken away from them. Those who were elected to represent the people of Canada had no opportunity to express the views of their constituents.

Once again, on one of the most important social issues that has faced this House of Commons in the last four years, the Government has decided not to tolerate any more discussion. As my hon. friend who just spoke indicated, the importance of this discussion is not to try to convince the parliamentary eunuchs across the way, and I call them parliamentary eunuchs because they have no power, they have no influence. Their voices are worthless.

What we are really seeing is the Prime Minister (Mr. Mulroney) deciding that now is the time to jam, to rush, to push this legislation through the House of Commons, and he does not want to hear anybody on the government side speaking on the most important social issue to face us. That is why I call all of those Members across the way government eunuchs. They have no life, no voice, no muscle. We do not hear them represent their constituents.

I would think that there should be a revolt on the backbenches of the Government. Surely to goodness there is someone over there who believes that this is not good legislation. When this was before committee, the Conservative, Liberal and New Democrat members of the committee wanted to have experts come before us. We wanted to bring in the best the country has to offer to advise us on child care, and they came. Not many were allowed to come, because government Members wanted to rush this through the committee in only two days of committee debate.

We brought before us a whole set of witnesses, 40 different witnesses, the best and most expert voices on child care in the country. Do you know what every single witness said, Mr. Speaker? They all said we should tear up the legislation, send it back, throw it out, not proceed with it. This legislation is wrong-headed, this legislation is anti-children.

Where are the compassionate people on the government benches? Are there any? All I hear is sheep-like sounds, just "Baa, baa, baa, tell us what to do, we will cheer, we will clap like seals if that is what we have to do. We are not going to speak out on behalf of our constituents, we are not going to listen to the experts on child care".

This is not democracy. This is a dictatorship. This is dictatorial. The Prime Minister says, no more debate, no more discussion, ignore all of the expert advice on this issue and ram the legislation through. The Government has the numbers to do that, but it abuses the very principles that Canadians hold so dear, the principles of democracy and of open and free debate.

We feel very strongly about this legislation. We think this legislation should be sent back to the drawing-board and drafted properly because it was a rush job. More than four years ago, the Prime Minister said that he had as a priority the introduction of decent child care in Canada. Then 1984 went by, 1985 went by, 1986 went by, 1987 went by and 1988 nearly went by. Then, in the dying moments of this Parliament, the Prime Minister rushes in and says, "Oh, we have to jam some kind of child care legislation through the House of Commons with no decent debate, no decent examination of the legislation". Just get something through because I promised it a little over four years ago. We are dealing with legislation that makes no sense in meeting the really serious needs in Canada.

• (1220)

There are two million children in Canada today, Mr. Speaker, who require quality child care of one kind or another. This legislation before us is providing 200,000 child care spaces over the next seven years to meet an immediate two million space requirements. The situation will have doubled at the end of seven years in terms of need. If the Government of Canada did absolutely nothing, took the legislation and put it in a drawer or threw it away, we would be better off because in several years from now we would have more child care spaces than this legislation will provide. That is why we say it is regressive and bad legislation. It is worsening the situation from the *status quo.*

It is important that the people of Canada hear about this, and the only way they will be able to evaluate the situation is to hear two sides of the debate. He should provide an opportunity for opposition Members to voice their concerns and then hear from government Members why they think this is good legislation. But to do that, Mr. Speaker, you have to have a debate in the House of Commons on the most important social legislation the Government has introduced. Are we having that important debate? No, we are absolutely not. The Government has decided after one speech from each of the three political Parties—there are 282 Members of Parliament—that enough is enough. The Government has said: "We are cutting off debate and muzzling Parliamentarians, but we will set aside one more day". Can you imagine one more day of debate on the most important social legislation introduced in this House in years and years?

But that is the kind of view that presumably the Prime Minister has of democracy. I am not criticizing my friends opposite. I do call them political and parliamentary eunuchs. I say that because I really do not believe that they can sit there hour after hour and say nothing on this important issue. Yet they are not going to be given that opportunity, thanks to our Prime Minister.

It is undemocratic that this Bill is being rushed through. It is unparliamentary that we are jamming legislation through the House of Commons, using parliamentary Rambo-like tactics to close off debate. People say they keep hearing the distant echo of jackboots time and time again as closure is introduced this week, closure next week and closure again. There is not a Government in the history of this country that has used closure of one form or another more than this Government has.

What does that tell us about the Government? Does it tell us that this Government believes in open, free debate? Of course not. It tells us that this Government does not believe in the most fundamental principles of free speech where those who are duly elected to serve Canadians in the House of Commons have an opportunity to express the views of their constituents. But we are being denied that opportunity. We are having that fundamental responsibility of Parliamentarians to reflect the views of our constituents taken away. We have been trying to reflect the views of the experts from all of the child care groups, the coalitions and the individuals who are respected from one side of Canada to another. They came to the committee and said: "Please, Mr. Prime Minister, start again. Please, Mr. Minister, don't proceed with this backward, regressive legislation. Put the interest of Canada's young people foremost rather than your political interest in terms of jamming some legislation through in the moments before an election call".

I say this is not only a dark day for Parliament but, worse, it is a dark day for the children of Canada that we have a Government that is so uncaring, so callous, so crass in its political efforts that it is prepared to set aside the interests of Canada's young people in order to play a political agenda at the expense of the young people of Canada.

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I hear my colleague across the way saying I will have nothing to say because I agree.

Mr. Gauthier: You agree to everything. You are part of the seal pack.

Mr. Hawkes: Three-quarters of the Members of this House have agreed on second reading, on report stage and on this motion, I anticipate, and they will agree on the passage of third reading.

Mr. Gauthier: It's called dictatorship!

Mr. Hawkes: Three-quarters of the democratically-elected people of this country agree.

Mr. Gauthier: Call an election. We will take care of that.

Mr. Hawkes: What do they agree on, Mr. Speaker? They agree that children need better quality care. They agree that our children are a tremendous asset to this nation.

What is this Parliament asked to agree on in this piece of legislation? The New Democratic Party Member who just spoke said it is regressive legislation. I will tell you what he believes is regressive, Sir. It is regressive to put more money into child care. That is his view.

Mr. Gauthier: That is dishonest and you know it. You are twisting the facts again.

Mr. Hawkes: This is an absurd point of view from my perspective, but that is the view. This legislation is categorized as regressive because we are putting more money into child care. That is a regressive step from a regressive Party which has a regressive view of this country.

What is the next principle in the Bill which the New Democratic Party and the Official Opposition find regressive? That parents should have a choice on how to take care of their children, that parental choice lies at the heart of the policy of our Party and at the heart of this legislation. The opposition Parties say that this is regressive, that more money is regressive, and that it is regressive that parents should have a choice about their own children.

What is the third principle involved in this Bill? That the federal Government respects the rights and the constitutional jurisdiction of the provinces. We hear that that is regressive, that it is regressive that we should have a nation in which there is co-operation between the federal Government and the provincial Governments in the provision of social services. That is not surprising for any of us who sat in this House under the last Government from 1980 to 1984. That Government cared not one whit. It was a Liberal Government which was supported by the New Democratic Party far too often. It cared not one whit for the constitutional arrangements of this country and jurisdiction. Give them half an inch and both Parties would take over education, health care, and the courts in this country. It is also consistent with their philosophy. They want to run the world and forget about provincial voters and provincial Governments.

They say the federal Government can run everything. My experience tells me that is not correct. Decisions made in Ottawa that affect the people in Trochu, Alberta are quite often not very sensitively done. When we are talking about the parents of this nation and their children, we should not have a group of elected politicians in Ottawa or bureaucrats who live in Ottawa telling the people in Newfoundland how to raise their kids. That is really what they are after. The only reason they believe this Bill is regressive is because it does not give central control about how parents should deal with their children. That is what they want, Mr. Speaker.

Mrs. Finestone: Garbage.

Mr. Hawkes: They want their view of what is right for the children of this nation to prevail. That is what bothers them the most. If it is not that, are they concerned about more money coming into the system? Surely they are not against that?

Ms. Dewar: I don't think you have read the legislation.

Mr. Hawkes: Surely they cannot be against parental choice? But they are. They are against more money. They are against parental choice and against respecting the Constitution of Canada and the jurisdictional arrangements between the two levels of Government.

Mrs. Finestone: Not true.

Mr. Hawkes: To highlight their lack of respect for the democratic process and the issue of choice for people, we had a statement yesterday by the Liberal Leader in the Senate. How much respect does that unelected Chamber, full of well paid people appointed by the previous Government have for the democratic process when it tells us in advance, simply on the basis of a Liberal caucus meeting, that it does not matter what democratic people do in the Chamber, it does not matter that three-quarters of the people elected to this Chamber by the voters of this country want this legislation, the Senate will stall and stall and stall and it will not see the light of day?

• (1230)

Mr. Gauthier: That's a lie, and you know it.

Mr. Hawkes: The Whip for the Liberal Party says that that's a lie and I know it. Members of the Liberal Party probably cost the taxpayers of this country $500 million on the immigration Bill alone.

Mrs. Finestone: Look at the mistakes that you made all the way.

Mr. Hawkes: Stalling on Bill C-55 cost $500 million of the taxpayers' money. There was failure to put in place something that the democratically elected people of this country said was right and proper. They stalled for a year. The cost of that, Mr. Speaker, was enormous.

That unelected Chamber is costing Canadians today in the form of higher interest rates. Every time somebody's mortgage goes up a little, or their credit card rate goes up, they should look at the Liberal Party of Canada and its control of the Senate. It is the threat by the Leader of Liberal Party to tear up the free trade agreement, the decision by the Senate to stall the will of the democratically elected Chamber, that is causing problems in the market, higher interest rates, and a devalued dollar. The only antidote to that is the polls. The polls are saying that Canadian people understand that democracy should prevail, appointed people should not.

Mr. Deputy Speaker: On a point of order, the Hon. Member for Mount Royal.

Mrs. Finestone: I was concerned with the relevancy of the remarks made by the previous speaker to the child care Bill. However, as he has terminated his address, we will leave it at that. I hope he will be more relevant next time.

Mr. Hawkes: This is not a debate on the child care Bill, Mr. Speaker, it is a debate on the motion to allocate time, and all of of these comments are relevant to that motion. The opposition Members consistently filibuster things that they do not agree with. It does not matter if it is good for Canadians. If they believe it is good for their electoral chances they filibuster.

I just came out of a committee meeting this morning on conflict of interest legislation. We met yesterday to attempt to organize the committee. We met again today, and we are going to meet again at 3.30 p.m. because the opposition Members are filibustering. They do not want conflict of interest legislation that governs their behaviour as well government Members' behaviour, and they are trying to be clever about it. They simply waste time, waste time, waste time. On this Bill they have wasted lots of time.

It should be clear that the most significant protection that Canadians have in terms of the actions of their Government is their vote. It is their ballot and their opportunity to toss a Government out, put in a new Government, or to continue a Government.

Mr. Gauthier: They are going to boot you out so fast, Jim, you would not have a chance to say anything.

Mr. Hawkes: No Government can afford to be held hostage to the views of a minority in this Chamber. The majority must prevail. That is what democracy is all about. Democracy says that it is time to pass this legislation to put more money in the hands of children and to give more choice to parents to respect the nature of this country and its jurisdictions. That is what the Bill and the policy is about. The majority of Members in this Chamber want that policy in place, and I hope that the other place, controlled by Liberals, will smarten up, respect the voters of this country, and respect the democratic process.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to make a few comments on the Government's motion to limit the debate on Bill C-144.

I think it is the height of hypocrisy for this Government to tell Canadians that it is so concerned about day care, and then turn around and say it is not interested in hearing the views of their elected representatives.

Mr. Speaker, in fact it has acknowledged its incompetence in this area by letting Members like the Hon. Member for Calgary West (Mr. Hawkes) speak to the Bill. He talked about everything except the Bill and why it was necessary to discuss it in the House. He did not explain why the Government is imposing closure. He did not explain why this Government wants to rush the Bill through the House. He did none of these things. He simply talked about matters that had no connection whatsoever with the business before the House.

[*English*]

We have before us a motion to limit debate. It is true, as previous speakers have said, that this Government has used time allocation, limitation, and closure more than any other Government. It has a massive majority in this House, yet it cannot control the agenda, or make up its mind so that we can come to terms with the work.

The Government brought in this bill on July 25. I will go through the chronology of how the Bill went through the House. On July 25, 1988, first reading of the Bill; on second reading three days of debate on August 11, 17, and 23. Government Members are the ones who called Orders of the Day. They are the ones responsible for waiting, waffling, and for not being able to make up their minds on this issue. They come in here in August and put in three days of debate.

There were 11 Conservative back-benchers, including the Minister speaking on this Bill at second reading, and there were six Liberal Members, and six New Democratic Members. Is that a filibuster on second reading? No. This Bill was flawed and the Government knows it. We tried to correct it in committee. There were 40 witnesses who were given half an hour to present their points and arguments to improve the Bill. It was railroaded. There were three and a half days in committee from August 24 on. The Bill was reported back to the House on September 15. There were 13 amendments ruled in order. There was one amendment accepted by the Government. On September 22, two days ago, we started third reading of the Bill, which is the last phase of any legislative process. There was one speaker from each Party, then the Government rose and gave notice that it will invoke Standing Order 117, and limit debate to one additional day.

Yet government Members have the gall to rise today and call this a filibuster. I hope that the Member for Calgary West (Mr. Hawkes) will grow and mature a little before he uses the type of silly arguments that he was using this morning. Regressive legislation; indeed it is regressive legislation, distorted legislation, unresponsive.

Come the next election I hope the Member for Calgary West will self-destruct with the nonsense he has put to us today. The arguments he put were as silly as I have ever heard. He said that the Senate will filibuster and block the Bill. The Senate said no such thing. The Senate has not had the Bill yet, it is still here, so it cannot possibly know when it will get the Bill, unless the Government has decided once and for all to bully and bulldoze its way through and get the Bill to the Senate next week sometime. Until the Bill is there, how can the Government tell the media that it is filibustering and that it will block the Bill? I suspect that the least the Senate would want to do is to spend as much time as the House of Commons has, that is, three days at second reading and possibly some good committee work where they would hear these 40 witnesses who were against the Bill. There was not one witness before the committee who was in favour of the Bill, not one.

• (1240)

Mr. Allmand: And they were only given half an hour to respond.

Mr. Gauthier: Yes, the Member for Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) says they were only given half an hour. That is true. They had half an hour to comment on a very important Bill, one which may have direct consequences on the future of our children. I would like to talk about the mentality this Government has developed over the last four years. It is called a jackboot mentality, and I think it is appropriate. Government members are running the show like dictators. If they do not have it their way, they bulldoze everything, call time allocation or closure in order to put through whatever legislation they have. They cannot debate. I have not heard one Member from the government side yet make a reasonably good argument in favour of the Bill, except for the Minister who is trying to bootleg this Bill through the House so that he can get out there and snap his suspenders or whatever they do in trying to mislead Canadians into thinking this is a good Bill. It is not a good Bill, I regret. It needs to be improved.

In Ontario it will be absolutely impossible for the Government to meet its requirements. The Government of Ontario had planned to expand by 12,000 spaces, but with this Government's legislative capping it at 200,000 spaces, Ontario will not be able to do it. Ontario has already announced that its expansion plans have been cut because the federal Government is refusing to fund its share over and above what Bill C-144 allows. In Toronto there are 4,000 families waiting to get into these day care spaces. Four thousand families are waiting to get their children into an environment which is conducive to good care and good education. But this Government does not care. It will promise 200,000 spaces over the next seven years, but debate has shown that that is very, very inferior to what we need. It is not even coping with the requirements of the day.

If one looks back over the previous years, one can see a doubling, a quadrupling of spaces under the CAP program, but CAP, the Canada Assistance Program, will not work any more because it has been taken out. The Government has put a ceiling of 200,000 spaces so the Canada Assistance Program will not be able to help the provinces cope with the problem of subsidies.

This Government has delayed continuously. It has not wanted to accept its responsibilities. Yet when it gets an idea, and in this case a bad idea, it bulldozes. I want to say a few things about my own preoccupation with my riding.

[*Translation*]

Mr. Speaker, in the riding of Ottawa—Vanier there is an urgent need for day care centres. There is an urgent need for spaces for our children, but under the present program, we will have to tell parents: Sorry, the Conservative Government had to set a ceiling, so there will be no room for your children. Come back in a few years, and we might get a grant under the program.

Mr. Speaker, I must say hundreds of families in my riding will be shocked to hear this Government has ignored their needs and turned down their very reasonable request for day-care spaces so that their children will be properly looked after and properly taught. I think it is incredible the Government could be so insensitive as to want to push a Bill through in one day, and I object to this positively odious procedure, there is no other word for it, this use of a bulldozer to get a bad Bill through the House. I wish the Hon. Member would rise in the House and explain in the course of the debate why he intends to vote for this Bill, because I intend to vote against it, Mr. Speaker.

[*English*]

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, it is not a happy occasion to have to stand and speak again on a closure motion in this House. I represent the constituency of Prince Albert. That was the seat in this House represented by the Right Honourable John George Diefenbaker for 26 years. I can just imagine what that Hon. Member of Parliament would say if he were here today and saw what his colleagues, the people in his Party, are doing to Parliament. John George Diefenbaker loved this Parliament. He believed that this Parliament was the epitome of democracy and that how it operated was important to the country and to the world. He spoke out often and long about closure when he was in this House. He would abhor the approach the Government is using today in taking away the right of Parliament to investigate and speak about a Bill with which most of the people, we now believe, do not agree.

The Member for Calgary East (Mr. Kindy) made much of the fact that 75 per cent of the Members in this House want this Bill. That is a little bit of a sheepish approach to what happens in this House. Seventy-five per cent of the Members happen to be Conservatives. However, 75 per cent of the people did not vote for them. In fact, only approximately 50 per cent of the people across Canada voted to elect these 75 Members, so they cannot in any way say they represent more than 50 per cent of the population. In fact, their support has declined so much in the last little while, they would have a great deal of trouble suggesting that they now represent more than 30 per cent or 35 per cent of the population. Perhaps a third of the people in the country would agree with the Government, but we do not think that even that many would agree with the Government on this particular piece of legislation. When 40 advocacy groups felt they had some need to speak to this Bill and came before the rushed hearings, not one of them expressed support for this particular piece of legislation. Forty groups came before the parliamentary committee and not one expressed support for this particular piece of legislation.

I spoke about my predecessor from Prince Albert. He spoke loud and long against closure in this House. He believed that this kind of approach to legislation, this kind of closing off of Parliament, was anti-democratic. He would be aghast if he saw what was happening today. Many people who are watching this debate today will remember the pipeline debate on which Mr. Diefenbaker spoke quite often. He took the idea of closure to the people of Canada and they rejected that as a method of getting legislation through Parliament.

The Right Hon. John George Diefenbaker was not the only Conservative who thought that closure was not a good idea and who spoke against it. Not too long ago, on June 9, 1981, one of the members of this particular Government, the Party that controls this House right at the moment, one of the front-benchers, made a few statements about closure. It was the Member for St. John's West (Mr. Crosbie), the Minister for International Trade. He stated:

> This comes from a closure-crazed government—

One would think he was talking about his own Government—

> —a government which suffers from the crime of parliamentary bestiality. It cannot wait to force these kinds of things through the House.

He went on to say that it is a betrayal of the parliamentary system. We have a parallel here today. The Prime Minister (Mr. Mulroney), when he was running for the leadership of his Party, told the people of Canada and the people of his Party that under no circumstances would he support trade with the United States. He has now betrayed this Parliament and the people of Canada by pushing through a policy on free trade which he, at one time, said he would not do under any circumstances.

• (1250)

To go on with the comments of the Member for St. John's West on the subject of closure, he said:

> This is an illustration of what has happened to Canada. Today we have a parliamentary system of government without any checks and balances and without the separation of powers. The Prime Minister has a group of docile sheep in his caucus who keep him in power, no matter what he is doing. They just say, "Baaa, sir, baaa, sir, pass it through the House, sir". As long as they do that, he has absolute power.

That sounds very much as though he were speaking about his own Government, doesn't it, Mr. Speaker? He continued:

> This Prime Minister has absolute power as long as the majority in his caucus give him that unlimited power. They are so busy with their noses in the patronage trough and power trough that they neither know nor care what happens to this Parliament, and we can expect nothing from them.

That is what the Member from St. John's West, the present Minister for International Trade, thought of closure when he sat on the opposition side of the House.

I will go on with further comments by that particular Minister. He said:

> Where are all the defenders of the people on the other side of the House? They are going to come out of their trough in a few minutes. They will hear the bell and they will have to break away from whatever trough they have their noses in at the moment. They will have to come into this House and say "Oink, oink". They will have to say "Aye, aye". They will have to say "Yes" to the stampeding of Parliament, to rushing this bill through the House. They will have to say "Yes" to the gutting of Parliament. They will have to do the dirty work that the parliamentary assistants, assassins and eunuchs have asked them to do.

I think that most of the Members of this House would agree that what is being done here is not good parliamentary procedure. This particular Bill is probably a good example of the inadequacy that the Government has shown during its four years in this House. It promised that it would do something about child care four years ago in the election campaign. It has been in office for four years now and it did not move on this issue until just lately. The Bill was introduced for second reading in the middle of the summer when the election call was imminent. Parliament was asked to give it second reading in the middle of the summer, and the Government is now moving closure on a Bill that had only one speaker from each Party at third reading.

Why is there such a rush to push this legislation through this Parliament if it is so unpopular? Could it be that the Government does not want the people of Canada to hear too much about this legislation because it happens to be a centre-piece of its election program, that it wants to put it before the people of Canada as a plank in its election program? If the people hear too much about how poor this legislation is, they will not support the Government in this particular area.

I abhor, as did the Right Hon. John G. Diefenbaker, a Government that will push through Parliament, without adequate debate, any legislation which should have a full airing before the people of Canada.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I rise to speak to the time allocation motion that has been brought forward by the Government to limit debate and to effect closure. This abuse of the democratic process by a majoritarian Government is the worst in the history of Canada. Most people who watch Parliament or are interested in Parliament are really not aware of the procedures of the House. I would like to say a few words based on that lack of awareness of some, or perhaps of the majority.

I believe that we have abused the democratic process through the Government's operation in more than one instance. In fact, most Bills that have been of prime importance have ended up with time allocation. Why, with such a massive majority, has the Government not been able to manage its own business? When it cannot manage its own business it tries to scapegoat. It tries to scapegoat the Senate. The amusing yet sad story is that the Senate has not yet even seen this Bill and yet the Government is saying that it is blocking it. That is perfectly ridiculous.

What has been the procedure on this very important piece of legislation, this basic building block to equality, stature, and opportunity for all Canadians? Let us look at what has taken place in order to know where we stand. Twenty years ago a Royal commission under Florence Bird, now Senator Bird, took a good look at what was happening with equality of opportunity for women and families in this land. She noted that one of the important measures to effect equality for women and for families was the application and implementation of child care.

The Canada Assistance Plan then came in which allowed for the growth and development of a child care policy for those who wished to apply for it. We had an evaluation done by Judge Abella. She was looking at equality of opportunity in the workplace and she developed the term "employment equity". That term related to the basic building block which was child care.

Then we had the report *1*Equality For All* which looked at the application of Section 15 of the Canadian Constitution. We addressed the question of child care in that. We then had a parliamentary committee study child care. I sat on that parliamentary committee. I went to British Columbia and heard what they had to say out there.

There was a lot of consultation. The Government is very good in consultation. The one thing it forgets is to listen to what is being said in the consultations. It came back and wrote a Bill. That means it supposedly put into legislative language the attitudes and concerns that were expressed.

After having this full and comprehensive review we were faced with the draft language of the child care legislation, Bill C-144. It has been available for review and study for some time and the Government now feels the pressure to convene this kangaroo court and call closure.

Let us take a look at the facts. The facts are that first reading was given on July 25, and today is September 22. It has not even been before the public to be looked at for two months. On July 25 the legal language came out. No one saw it on July 25, in the middle of what happened to be a very hot summer. On August 11 the Bill received second reading. There were not even three full days of debate. Eleven back-bench Conservatives spoke, six Members from our Party and six New Democratic Party Members spoke to the Bill. It was then sent to committee. The action taken by that committee was absolutely unprecedented. I know that many names were submitted, but of the list that was submitted, 40 witnesses appeared, each with half an hour in which to give an assessment of a Bill that was barely a month old.

• (1300)

Most of these groups are volunteers. They had to organize their members, sit down and work hard to analyse the Bill. It is not easy to get organized in the summer, but they came here and were treated with absolute disdain. These groups were given 30 minutes each to make a presentation and answer questions. How can one have an enlightened approach with that kind of ridiculous structure?

Not one group agreed with this Bill. All of them thought that it did not represent the years of consultation that had taken place. How can the Government say that it was listening? How can it be proud of this Bill? No wonder that it has called for closure. It does not want to arouse public interest and make Canadians aware of the disgraceful way the Government has handled the principles of democracy and justice, let alone being informed about the most important social policy that it is supposed to be introducing. It will not even bring in national objectives. This Bill is a sheer and utter disgrace and the Government ought to be ashamed of itself.

The Government operates by sleight of hand. It packages its policies with pretty words, says much in its preambles, but when it comes to putting it into legislation where it can actually put its words into practice, it has done nothing that will be effective for the children of this country.

What the Government is doing to the children is disgraceful. It will be called to account. It should reconsider the fact that it is calling closure on a vital piece of legislation which should ensure the future of Canadian children through choice by parents in Canada. That is not what the Government has done. This Bill will impact on our children and their families. The Government has put the country into a strait-jacket and it should be ashamed.

How can the Government expect the population to be informed when it ensures that it will be uninformed? How does it expect the Senate to respond when it has not yet sent the Bill there?

We should consider why the Government has developed this jackboot mentality. It does not bring forward the kinds of Bills this country deserves and has demanded. Democracy has lost its meaning. Time allocation and closure are totally unacceptable.

The 40 witnesses who had one-half hour each to comment on the Bill at least had time to say that it is flawed. That committee stage terminated on August 24. Report stage commenced on September 15. There were 13 amendments, only one of which was accepted.

I may have had complaints about the Broadcasting Act, but at least the Minister had been open enough to act in a spirit to accept some amendments. The Chairman of our legislative committee was sensible and open enough to allow an extension of time in order to hear the groups. It is unfortunate that this was not reflected in the Bill and in the amendments, but there was at least a sense of democracy. There is no sense of democracy or understanding with this legislation.

Finally, at third reading three Members have spoken on this vital and key social policy. It just shows what the Government thinks about social policy. It does not know how to implement social policy so it will hide it by passing it quickly so no one knows what it involves. The Government's approach is sheer hypocrisy.

It may be sheer hypocrisy and the Government may believe that it can cover it up, but the election will give us a chance to tell the people of Canada that while the Conservatives may know how to package policies through public relations, they know nothing about content.

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, I rise to speak to this motion of time allocation, which is really a form of closure. It is a disgrace that this Parliament is being presented with a motion like this today.

Government Members suggest we do not want to get this legislation through because we do not care about children. I hesitate to say that there are members of the Government who have not read the legislation because if they care about children they would recognize that this legislation does not focus on children.

Members opposite say that this is progressive legislation, but they cannot stand to hear debate about it. They are concerned about an open debate on this legislation. They restricted the number of witnesses at committee stage over a period of two days. Some 40 groups presented briefs and made representations to the committee, and the Government could not find one group in this country that supported the legislation.

These groups have done much research and study into child care, child development, public policy and family policy. Yet the Government could not find one group to support its legislation. The Government brought this legislation back from committee and allowed three Members to speak on what the Government suggests is historic social policy. There is no historic policy in front of the House. It is a cosmetic package that pretends to present a child care strategy. The Government is essentially allowing tax exemptions for people who already have child care. The Government is not looking after those two million children across Canada who are in dire need of child care.

I take exception to the suggestions by the Prime Minister (Mr. Mulroney) and other members of the Government that as soon as this legislation is passed working mothers who are concerned about adequate care for their children will have that care available. That is utter nonsense and really misleads the public.

Not only did the Government restrict the number of people it would hear, it heard no one from Saskatchewan, the Maritimes or the Territories. Obviously, in its arrogant stance, the Government decided that these people were not important and that families and children in these areas did not count. I am sure the Government must have beaten the bushes to find someone who would support this legislation but was unable to do so. It could not find any group that would say this is good legislation.

In the 1984 election campaign the Conservatives said that there was need for child care policy. In a public debate the Prime Minister said that it would be a priority of his Government.

Let us look at how the Prime Minister considers this a priority of this Government. He waited until the summer of 1988 to bring forward legislation that he said was a priority. In the meantime, he was busy attempting to deindex seniors' pensions, he was deindexing family allowance, he was increasing the taxes on ordinary families and he was bailing out banks. He did absolutely nothing with respect to child care.

Then he rushed this legislation through in the summer of 1988, during the month of July when many people are on vacation and it is difficult to organize communities to have the kind of participation that something as important as this should have. Even at that it is not enough to cut off the ordinary people across the country. But what the Government is doing is refusing to allow a full and open debate on the child care legislation that has been brought before us.

• (1310)

To suggest that it is putting all this extra money into child care is absolute nonsense. We know that in the next seven years we certainly would, under the Canada Assistance Plan, get the same number of spaces as we would have now. We also know that what would happen is that we would not cut off the Canada Assistance Plan, which is going to happen now, as soon as the provinces decide that they want to become part of this plan. It means that many of those families that are in real need, the families of low-income and poor families, are the ones that are not going to be able to get access to child care. That is a real disgrace.

We have seen the effects of what happened under an insensitive Government in wartime. Certainly we are redressing today some of the things that happened to Japanese Canadians. If this measure goes through, what it is really saying again is that we have an insensitive Government that does not care about what happens to our children in the present or our children in the future.

This kind of child care strategy is no child care strategy at all. What the Government is doing is deleting the ability to use the Canada Assistance Plan. What it is doing is allowing for tax expenditures to be part of the expenditure of the child care program, which really is not adding to spaces at all. What it is doing is putting money into the pockets of the people who now can afford child care. That is not the issue at all. The issue is the two million children out there who have no kind of quality care.

There has been some talk about how maybe we as the New Democratic Party would like to centralize all of the delivery of that service. We are certainly not talking about that at all. This Party would like to see a decentralization of service with some guarantee that there would be quality care, whether one is in the Northwest Territories, Yukon, Newfoundland, British Columbia, Quebec, Ontario, or wherever. That certainly is not central control. What it is saying is that any child in Canada has the right to some quality care. This Government has consistently refused to put in any kind of national objectives. Sometimes I wonder how members of this Government think they grew up themselves. It seems to me that they love to talk about it being fine if parents would stay at home and look after their children.

I think we have to look at the reality that if we take the lowest salary of the two-income family away we will find that 64 per cent of those families are living in poverty. Two people are not working just for the luxury of working. Two people in a family today are working because they are trying to provide a home, a shelter, education and nurturing for their children.

Surely the Government should recognize that its responsibility is to be able to assist that. It does not matter where Canadians and Canadian families are living. It is most important that we have some kind of a child care policy that says that those children are guaranteed quality care. But this Government is insensitive. It is uncaring. It likes to package things in a cosmetic, superficial way that pretends it is doing things when it is doing nothing. It is terrified to expose itself to an open debate in which the Canadian people can really understand what a sham this legislation is. This is an insult to the intelligence of Canadians.

The only good thing that can happen is that we have an election soon so that the Canadian people can make a judgment on the kind of legislation we will have before us. This Government will not allow it to happen in the House of Commons because it will not allow that kind of debate. All it does every time it brings something in is to hurry it through and then decide right away that we must have closure we must have time allocation. That is because the Government cannot allow the people to debate this because they might understand what it is all about.

I see that my time is up. I hope that the time of this Government is up fairly soon.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, as you said, and rightly so, this is not really a debate on the substance of the Bill before the House, Bill C-144. I am sure Canadians would like to know what this Bill is about. And in fact it is an Act to authorize payments by Canada toward the provision of child care services and to amend the Canada Assistance Plan in consequence thereof.

The debate we are having right now is not, however, about the substance of the Bill but about procedure. This is one more instance, and I see my Quebec colleagues are very interested in the debate, this is one more instance of the Government bringing in a very important Bill and deciding to push it through the House and impose it on Canadians.

This is a very important Bill. This is a Bill that was promised us in 1984, during that great and glorious election campaign. And then all of a sudden, on July 25, 1988, four years later . . . Is the House to blame? Certainly not! Is the Opposition to blame? Not at all! It's all because one day the Government decided to get out its 1984 election platform and realized, in the process, that . . . Oh, dearie me! In 1984 we promised them a day care Bill, and we haven't done anything about it. Let's set a bill drafted, good or bad, and use our majority to push it through the House. We have to make sure that in the next election campaign, we can go to Quebec and everywhere else in Canada and say that we fulfilled our election mandate. Well, this is against all the rules of intelligent procedure in this House.

Mr. Speaker, as you know, we have tried to update the House of Commons and the way we operate. We had this vast parliamentary reform that was supposed to give parliamentary committees enough time to consider a bill and allow them to call witnesses to ensure that Canadians and Quebecers understand what the Bill entails. However, the Government is getting nervous because it realizes that the end is near, and so its says: whether you like it or not, we are going to push this Bill through, whether it is a good Bill or not. As far as I am concerned, it can't be that good, since only four witnesses were heard in three or four days, and none spoke out in favour of the Bill. so why the rush to limit debate?

Well, it seems there may be an election pretty soon. It doesn't matter whether the Bill is good or bad. The Government must be able to go before Canadians and say it has fulfilled its mandate. Quebecers, however, should wonder why the Government waited so long. Why did it wait until the very last minute—we want to introduce this Bill we just happened to overlook! I really have the impression that someone must have looked at their election platform and their promises, then reached the conclusion that a number of important items had been forgotten and, in the end-of-session panic decided to get those last promises through the House of Commons.

Mr. Speaker, this is not a healthy way to operate in a parliamentary democracy. The Government had four years and a month to schedule the implementation of its election promises.

• (1320)

[*English*]

This Government had four years, four long years, to implement this piece of legislation. Here we are, almost at the very last minute of the last two weeks—maybe, as my colleague from the third Party is saying—when the Government seems to have reopened the book of its promises of 1984 and realized that it has forgotten a few items in it, not to say many, and therefore will force, ram through the House of Commons, this issue.

I can imagine a Cabinet session where the Right Hon. Prime Minister (Mr. Mulroney) and his Cabinet instruct Mr. Lewis, the Deputy House Leader, by saying "I don't care how you do it, ram this through the House because we may call the election". Who knows? Maybe Mr. Bourassa will call a provincial election. If such were the case, then there would be no federal election. That is what I heard this morning, and I will not give too much credit to that. But anything can happen.

Why is there this sudden urgency? It is a bad Bill. How can everybody who is involved in this subject matter be opposed to it? I am not an expert in this domain, but I hope I have enough intelligence to understand that everybody who is involved in this subject matter should oppose the Bill.

I know that in my district, especially the new one, I will most likely have the honour to run in the next election. I was already chosen there on May 1 with over a thousand people in attendance without being opposed, on a Sunday afternoon, with all my provincial Liberal friends present—two Ministers plus a few others, plus the municipal councillor. It just shows that sometimes in Montreal we can work together. In that district, this subject matter is extremely important and I am very sensitive to this subject matter.

My father was a doctor, and he delivered over 9,000 babies. Many of them are now having babies in my district. But since my father's days, society has changed dramatically. Society has changed unbelievably. Some people cannot adjust to these changes.

We may like to revert back to the good old days of yesterday, but we cannot. I see these single parents having to cope with working, being on welfare, and having and raising children. It is extremely difficult. It is extremely difficult in the kind of area where I live. They cannot cope with that. They are discouraged. They do not understand why a rich society like Canada cannot have a tough first-class day care system for our future citizens.

I keep saying that this is the best investment that we can make. If we want to have a prosperous Canada, a good Canada, a new Canada, we must have a very strong population. Youth must be capable of replacing us. But they will have to face a greater difficulty than we have known, than my friend from Alberta has known, than we have all known in our youth. It was easier for us in our youth. But not today.

We must help these people who are most in need of help. We must provide for them the quality and the care that is expected in a civilized country like Canada.

I regret to say that we do not see this help in this project. It is long forgotten. It was put forward to the Canadian people in 1984 and it was suddenly reinvented on the very eve of an election. I do not like the urgency of ramming it through the House as it is being done now, after very little debate and after no consultation. After having rejected every plea of every expert in the domain, the Government intends to go ahead anyway. I do not think that that is good, and it does not reflect the spirit of the reform that we have had in the House of Commons.

Therefore, I will definitely vote against the fact that this Bill is being imposed so rapidly on the House of Commons, without having any real and honest debate and any real consultation, and without flexibility from the Government to listen to those who oppose it. A lot of these experts should not be taken for fools. They know what they are talking about, and they oppose the Bill. If they all collectively opposed the Bill, I do not see how I could give my consent to that Bill.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I, too, want to join in this debate on time allocation.

The Conservative Government, I think, will go down in history as a four-year Government.

Mr. Hawkes: Wishful thinking.

Mr. Angus: It is a Government which was only elected for four years, but a Government which wasted a lot of time throughout those four years by not dealing with commitments that it made to the people of Canada while deciding at the last minute to rush a number of things through. Child care legislation is one such example. We did not get it until the summer, in a session that was not supposed to happen in the first place. Once again, because of government mismanagement of the business of the Commons, it was unable to bring forward any kind of concrete action until the eleventh hour. That action that it brought forward is flawed.

I hope to have an opportunity, whenever the Government brings the Bill forward for debate, to speak to the issues within the child care Bill, the areas that point out why we disagree with what the Government is doing.

Let me deal for a few moments with the process that is basically taking away the right of this Parliament, of this Chamber, to debate substantive matters. It is not forever and ever, but for a reasonable period of time, so that members of the opposition Parties and members of the government Party can state their respective cases. In some cases, yes, we repeat particular aspects of those concerns. But we are a diverse lot here. We represent this country. We come from different areas. We have different needs, whether it is in child care or municipal infrastructure or redress to our citizens who have been abused in the past.

That is what the Commons is all about. It is a meeting place of representatives of the people from one end of this country to the other, from the American border to the Arctic Circle and beyond, to come together to speak on behalf of all Canadians.

If the Government is going to move immediately to restrict debate at third reading, or at report stage, or at second reading, then it is limiting our ability and our right, in fact, to represent our constituents properly.

Since I have been in this House, I have seen time and time again not only how the Government has abused its powers, but how totally it made a mockery of majority government.

Time and time again I have seen the Government move closure at a time when anybody who is the least bit familiar with the rules of this House would know that within two, three or four more hours of debate it would have collapsed.

We have within our Standing Orders provision that for the first eight hours, I believe it is, after the first round of speeches, speeches are 20 minutes in length, followed by 10-minute question and answer periods, and after that eight hours of debate we are into 10-minutes speeches. One does not need to be a mathematician or have a computer to do a count of the bodies on this side of the House. Regretfully, there are many fewer of us than there are of government Members. Even moving motions that would refer the matter back to committee for six months or send it into nowhere for six months do not add much more time to the debate.

• (1330)

The reality is that the Government will get its legislation, no matter how we may feel about it and no matter what attempts we may make to delay it. I want to remind my hon. colleagues that my Party and the Liberal Party co-operated at the start of this Government's mandate to bring in reforms that eliminated some of the tools that were available to opposition Parties. Quite frankly, these were tools that the Conservatives used when in opposition to tie up Parliament, not for a few hours, not for a day or two, but for weeks. We accepted those changes because we recognized that in a democratic society and in a parliamentary system, the Government of the day does have the constitutional right to legislate. Our job as opposition Members is to review, to challenge, to test and, yes, to oppose. By opposing, we hope we can push the Government of the day to make changes to legislation.

We have been successful at making changes. There is not one Bill with which I have dealt as a critic for my Party in which I have not been able to achieve some changes. Sometimes the changes make a good Bill a bit better, sometimes they make a bad Bill a bit better, but they are changes nonetheless. Those changes were not made just because I sent the Government a letter saying that I wanted these changes. I had to plant seeds, encourage and fertilize the ideas, so that the Government recognizes why those changes are important to make or why particular measures have to be thrown out, much as we did with the cost recovery clause in the Canada Shipping Act. It took a long time. It took a lot of networking in the marine industry to put pressure on the Government. It took time in the House, but that time gained us much. It gained us a better Bill without a clause that would cripple a particular industry.

I have seen the Government make many mistakes. What the Government does not realize it is doing by introducing time allocation on Bill C-144, the child care Bill, is waving a red flag, not in the House but in the other place. It is giving legitimacy to that ancient body down the way, giving it the excuse to delay because the House of Commons legislative committee was not allowed to travel across Canada to hear witnesses. It was forced to stack 40 witnesses into a two-day period, witnesses every one of which was opposed to the current legislation.

The Government is playing into the Senate's hands by distorting the way in which this House operates, by making a mockery of the legislative process which is designed to ensure that the public of Canada, the citizens who quite frankly pay our bills and to whom we are responsible, has a chance to understand legislation and its ramifications. We believe strongly that what the Government is doing in the child care Bill is wrong. It is the wrong direction. We are prepared to fight that here in the House and on the hustings.

I say as well that it is important that we allow the House to work properly, to ensure that there is reasonable debate. We should avoid the attitude that we have to get it out of here and into the Senate because there may be an election call and we have to get it through. The reality is that the Prime Minister (Mr. Mulroney) will call the election when his pollster tells him he has a chance of getting a majority Government.

We could be playing this game of chicken, rushing things through the House, from now until next spring. Yet every week the Government will say that we have to rush things through. If the Government were that serious about child care, why was this Bill not placed on the Order Paper in the fall of 1984? Where was the urgency then? Where was the urgency for a lot of the other things we are seeing happening at the last minute like building roads and pipelines? One would think a municipal election was coming up the way the Government is doling out money to try to bolster its support.

I realize that my time is almost up. I regret that once again the Government has decided to use its majority to push through this legislation. Representatives of the people of Canada, members of the Liberal Party and the New Democratic Party, have listened to the key people involved in child care, the ones who are responsible for trying to provide the spaces and the services. Every one of them said that this Bill should go. I regret that the Government, instead of listening to them and to the Opposition, has decided to ram the Bill through this House, waving the red flag in front of the Senators. I can guarantee that it is all for naught.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard—Anjou): Mr. Speaker, I too should like to join in this debate and denounce the Government which, for one reason or another, is always prepared to impose closure and cut short our parliamentary debates.

For openers, Mr. Speaker, let me make it clear at the outset that it was this Government which in the early days of its mandate raised the issue of parliamentary reform. We in the Opposition co-operated with the Government precisely because we believe that indeed Parliament is the appropriate forum to debate legislation such as this measure on child care. So this is a major issue in our society and there should be no need to resort to the kind of tactics this Government used in the past when it was on this side of the House. We all vividly remember that when the Conservative Party was in Opposition it kept the bells ringing for two weeks.

Now that we are dealing with an important piece of legislation like child care, the Government could hardly wait for the official Liberal opposition critic and the NDP Member to finish their speeches before bringing in closure. Mr. Speaker, is that what the Conservative Government had in mind when it began selling parliamentary reform to Members of all Parties in this House? What a scandalous contrast. When the Conservatives were in Opposition they tried every trick in the book to upset the parliamentary timetable of the then Government, but now that they sit on the Treasury benches they lower the boom and will not let the democratically elected Members have their say.

Mr. Speaker, 40 witnesses appeared before the parliamentary committee which considered this Bill. The 40 witnesses were allowed a measly half hour each. They were paraded before the committee one after another like sheep. This way in, and this way out. Thirty minutes each! All 40 of them denounced the Bill. So, Mr. Speaker, the fact that not a single organization came before the parliamentary committee to give its views on the legislation and that all 40 witnesses did speak out against it would indicate that something is wrong with the Bill. And we are supposed to be here to debate and correct defective legislation.

If the Government sets a limit on the time allocated pursuant to the Standing Orders and under the parliamentary reform proposed and adopted by this Government with the co-operation of the opposition Parties, we cannot speak out, we cannot even attempt to improve this Bill which everybody has found seriously lacking. How can we be expected to rise in this debate and support this measure?

Mr. Speaker, I used the word demagogy. The Government would have us believe that Canadians need this Bill if we are to upgrade the child care system, but we know full well that the Bill as drafted will not produce anything worthwhile. First they say it will be phased in over seven years, Mr. Speaker, so what do we do about the urgent needs of the people?

Mr. Speaker, the truth is that we are headed straight for the hustings! Belatedly, after wasting time for four years, the Government—

• (1340)

[*English*]

After mismanaging the time of the House for four years, now all of a sudden the Government gets a social conscience and says: "We need some social legislation. What about child care?" This was a promise which the Tory Party made in 1984. Here, on the eve of the election, they say: "Why not? Let's rush to the House. Let us put the gas on this piece of legislation and muzzle all the democratic rules," which the same Government introduced and approved. That is how disgusting this attitude is at the end of a Government's term of office. I am sure Canadians will remember that. We are going to make sure Canadians remember that.

The legislation is not even in the Senate yet, but the Government is blaming it for blocking the Bill. How can the Senate block it when the legislation is still here in the House of Commons? That is how the Tories' minds work at this time because they are planning an election and they are doing everything they can so that they can again con Canadians and make believe, as they did in 1984, that they can do beautiful things. But once they get into office and get power they do the opposite. That is what we are talking about here today.

[*Translation*]

Mr. Speaker, I simply must speak out against this unacceptable and shameful Government approach. We will do everything we can to reject undemocratic practices which fly in the face of the parliamentary reform we began in the fall of 1984 shortly after we were all elected to come here to Ottawa.

As I said before, Mr. Speaker, I think this measure is unacceptable, but if the government Members really thought it was good, why did they not introduce it sooner? If the Government is convinced that it is a good Bill and that Canadians will accept it, call an election right now and give them a chance to say what they think of the Bill. If the Government is re-elected the Bill will pass right then and there. However I am sure that the people will not accept the Bill, and so we will do everything we can to bury it, Mr. Speaker.

Mr. Speaker, just so our listeners will understand exactly what we are saying and why this Government chose to take such an antidemocratic and totalitarian approach—debate has been cut off—certain dates will make it clear for the listeners why this debate is so important and why we are opposed to this antidemocratic measure.

Mr. Speaker, let us just say that four years ago we were given a list of committees, reports, studies, commissions and what have you, much too long to go into details here. I might simply refer to a few recent dates. On July 13, 1988, the Minister of National Health and Welfare (Mr. Epp) who is sponsoring this Bill announced that something like $1 billion would be made available and that 200,000 additional spaces would be created. We wonder what that is going to solve over a seven-year period. Given the extent of the problem, Mr. Speaker, that is just like a drop in the bucket.

But the Bill was first introduced on July 25, 1988, so there was a waste of time right there. Had the Government been really serious and intent on having Parliament adopt this legislation before the elections it would have tabled the Bill on July 13, minutes after the Minister's statement. No, it chose to wait until July 25, twelve days later. And now they want us to pass it in one day, after 40 witnesses appeared to say it is not good enough. They expect the Senate to do the same thing in 24 hours. Well now, Mr. Speaker! Is that democracy, or are we up against Conservative dictatorship? I am sure that Canadians will not stand still for this kind of procedure.

Mr. Speaker, you are signalling that my time has expired. I thank you for your attention and consideration, and again I want to say that this approach is not in keeping with the spirit of the parliamentary reform which this Government has implemented with the full support of both opposition Parties, the Liberal Party and the New Democratic Party. Within the bounds of democracy, Mr. Speaker, we will do everything we can to prevent this Government from generating into a dictatorship here in Canada.

[*English*]

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I want to say a few words during this time allocation motion moved by the Government yesterday. I oppose the allocation of time on the Bill before the House today, a Bill on child care, and I do so for a number of reasons.

First I want to remind you, Mr. Speaker, because you were not a Member of Parliament before 1984, that prior to 1984 the Conservative Party used to complain loudly and clearly about the Liberal Government in those days invoking time allocation over and over again. I suspect that if you were to go back through the records you would find that the Conservative Government is invoking time allocation at least as often as the Trudeau Government did, perhaps even more often than the Trudeau Government did in its many years of office.

I know the two senior Alberta Members across the way, the Hon. Member for Bow River (Mr. Taylor) and the Hon. Member for Red Deer (Mr. Towers) are probably very discouraged that their Party is cutting off debate, using time allocation, bringing down the parliamentary guillotine in the same way that the Trudeau Government did year in and year out. In fact, I know the Member from Bow River would like to get up in the House now and criticize the Prime Minister (Mr. Mulroney) for cutting off debate, freedom of speech, and invoking time allocation after only one speaker from each political Party. I cannot recall in my 20 years in Parliament a Government before that brought in time allocation or closure after only one speaker from each of the political Parties. I know the Member from Bow River, who served many years as a Social Credit Member in the Province of Alberta, who was also a Cabinet Minister, and who defeated the Right Hon. Member for Yellowhead (Mr. Clark) for a nomination to run for the federal House of Commons, has never seen this happen before.

I would be interested to hear him speak his mind. I know after a long and distinguished career he is going to retire from this place. Perhaps he could go out with a burst of glory by speaking out, defending democracy in this country and freedom of speech. I know it must bother him, he is a man who generally speaks his mind.

I appeal to you, Mr. Speaker, and to Members across the way not to be afraid of the Prime Minister, to speak their minds, and to say: "We need more than one day of debate on third reading on child care and that after one speaker per Party it is neither right nor fair nor democratic to have time allocation or closure brought in at the end of this debate".

At one time this would be absolutely unheard of. In fact, the Conservative Party across the way used to complain when the Liberals brought in closure after four, five, seven, or eight days of debate. I remember sanctimonious speeches on this side of the House. The Tories would ring the bells, storm the Chair, and do all kinds of things in protest against an undemocratic Government across the way. How people change once they get into office. How the leopard changes his spots once he is in office. If you were not in the chair, I am sure you would like to get up and complain about the cutting off of debate. I know that is exactly what is on your mind as a fair-minded lawyer from Montreal. I am sure you have looked back in the old debates to see John Diefenbaker, Jed Baldwin, and all the Conservative Party Members complaining about Liberal after Liberal cutting off debate. Where is parliamentary supremacy? Here I see the young man, the Hon. Member for Parry Sound—Muskoka (Mr. Darling), who I understand is running as a Member again. I commend him for that.

I imagine he too must be disturbed that his Prime Minister invoked closure after only one speaker per Party on child care. It has never happened before in the history of this Parliament. I am sure, unless he wants to be a cabinet Minister after the next election, that he will rise and speak his mind. He must be disturbed about what is going on.

I see that I am being so persuasive you are cutting me off, so I will sit down and continue later.

Mr. Deputy Speaker: It being 1.50 p.m., I do now leave the chair for 10 minutes until 2 p.m.

At 1.50 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO STANDING ORDER 21

[*Translation*]

HOUSING

SITUATION OF CERTAIN FAMILIES LIVING IN CITY OF OTTAWA UNITS

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have in my constituency a number of families living in low-cost housing units owned by the City of Ottawa and managed by *City Living*, who are faced with excessive rent increases of up to 8.8 per cent for the current year. This is almost twice the then 4.6 per cent inflation rate. To make a bad situation worse, the poor state of repairs of some of those units forces tenants to board up their windows and even in some cases to condemn some rooms because the houses are too cold in winter.

Mr. Speaker, I feel this is an unfair and inhumane way to treat tenants who, because they do not earn high salaries and cannot afford a comfortable, well-insulated house, have to live in low-cost housing units. Those people are victimized.

In order to deal with the problem and help those people, I urge the Government to reinstate RRAP, the Residential Rehabilitation Assistance Program, as to the municipalities eligibility to the program, so they can get federal support to rehabilitate, repair and perhaps better insulate their houses, in order that the tenants of those low-cost housing units in my constituency can live comfortably and be treated like full-fledged citizens for which we care.

* * *

[*English*]

HOUSE OF COMMONS

NON-ACCREDITATION OF KURELEK MURAL

Mr. Rob Nicholson (Niagara Falls): Mr. Speaker, the Ukrainian community makes up a large part of Canada's multicultural society. One of the best known members of that community, the late William Kurelek, is one of Canada's most accomplished artists.

Since 1983 we on Parliament Hill have been able to enjoy a significant work by the artist. *The Canadian Pioneer*, a six-panel mural, was acquired by the Government of Canada from the Niagara Falls Art Gallery. The mural depicts Kurelek's pictorial interpretation of the history of Ukrainian immigration to Canada. Since Canada's railway played such an important role in bringing Ukrainian pioneers to the West to settle, this work is appropriately displayed in the House of Commons Railway Committee Room.

The work's name and the artist's name are not identified at the present time. I think that this is unfortunate. I am sure that all Members would agree that such a noteworthy exhibit should be clearly identified for all to know and appreciate. Let us correct this oversight.

* * *

FISHERIES

CLAM DIGGING ON VANCOUVER AND GULF ISLANDS

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, since 1986 there has been a substantial increase in commercial clam digging on Vancouver Island and the Gulf Islands. Residents are under siege by diggers who harvest at low tides both day and night. There are few limitations on anyone seeking a commercial licence, and the number of diggers has increased dramatically as the price paid for clams has risen.

In response to my letter of November, 1987, the Minister of Fisheries and Oceans (Mr. Siddon), acknowledged complaints from Gulf Island residents. However, he did not offer any solutions at the time, and I am pursuing the issue with him once again.

A recent meeting of Salt Spring Island residents, organized by Island Trust, unanimously concluded that the whole island be closed to commercial clam harvesting. The meeting put forward recommendations calling for the creation of a federal-provincial investigation into commercial clam digging, new and tougher licensing regulations, harvesting limits, and designated commercial harvesting areas in accordance with local zoning regulations.

It is not enough to bring in size limitations and toughen up restrictions as to bag limits and the activities of these clam diggers, as the Minister of Fisheries has promised. Most important is the need to expand enforcement. The regional shellfish co-ordinator admits that there are not enough fisheries officers available to do the job.

S. O. 21

[*Translation*]

POLITICAL PARTIES

THE LEADER OF THE OPPOSITION

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, the Right Hon. Leader of the Opposition (Mr. Turner) is challenging the Prime Minister (Mr. Mulroney) in order to cash in on his popularity and win the attention of Canadians. People in Canada certainly would be interested in knowing the motives and the arguments of the Right Hon. Leader of the Opposition on the following subjects: The quality of his leadership within the Liberal Party of Canada and his Party's financial position; his suggestions to the non-elected Liberal Senators who are holding Canadians hostages on matters of national import; his lack of understanding of the Free Trade Agreement, his insult to the Quebec Premier; the economic position Liberals left Canadians in when this Conservative Government came to power; the passive and active complicity of federal Liberals over these last 20 years in the area of the environment, because they are truly responsible for pollution in Canada.

When the Right Hon. Leader of the Opposition is ready to answer those questions, let him say so, and Canadians will certainly be interested in hearing him apologize and contradict himself.

* * *

[*English*]

TRADE

BROILER HATCHING EGGS—CALL FOR IMPORT CONTROLS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the Canadian broiler hatching egg industry needs border controls on hatching eggs and chicks.

In November, 1986, the Canadian Broiler Hatching Egg Marketing Agency was established, having as signatories the Provinces of Alberta, Manitoba, Ontario, and Quebec, thus representing 80 per cent of Canada's broiler hatching egg production.

The purpose of that exercise was to establish border controls on imports of these products under Article XI of the General Agreement on Tariffs and Trade. Without such controls, the U.S. controls presently 60 per cent of breeder replacement pullet growers, 90 per cent of the broiler hatching egg producers, and 14 broiler hatcheries are prevented from realizing fair returns to labour.

We need supply management in this industry. Before the last election the Conservative Government stated that it was in favour of supply management. Perhaps free trade has changed its mind. If the Tories are still in favour of supply management, why do they not want to have this industry provided with the tools in order to have supply management for broiler hatching eggs?

* * *

VISIBLE MINORITIES

FULFILMENT OF COMMITMENT TO JAPANESE CANADIANS INTERNED DURING WORLD WAR II

Mr. Alan Redway (York East): Mr. Speaker, in May, 1984, the Prime Minister (Mr. Mulroney), then the Leader of the Official Opposition, said: "Canadian citizens whose rights were abused and violated and trampled upon indeed should be compensated". He went on to say: "If there was a Conservative Government I can assure you we would be compensating Japanese Canadians".

Today that commitment has been kept. When history records the story of the Prime Minister and of this Government, and of this Parliament, the redress of Canadians of Japanese origin may very well be just a small footnote. Hopefully, however, that footnote will make it quite clear that this was their finest hour.

* * *

HOUSING

TORONTO—PROVINCIAL GOVERNMENT'S FIRING OF JOHN SEWELL

Mr. Neil Young (Beaches): Mr. Speaker, finally the Government has recognized that there is a housing crisis in Toronto. In Toronto itself there has been one individual more than anyone else who has tried to ensure that affordable housing is not a thing of the past. John Sewell has pushed strongly for more public housing. He has advocated the redesign of existing public housing units, and he has worked hard toward the goal of reducing profits in order to make housing more affordable.

Rather than being thankful for a job well done, the Ontario Housing Minister, and her boss, the Premier of the Province, gave Mr. Sewell his walking papers.

If the Ontario Minister of Housing and the Premier of that province were really serious about doing something to help the City of Toronto through the worst housing crisis in recent memory, they would not have fired the one person who, more than any other, was making a difference.

I have some advice for the Government. The Prime Minister (Mr. Mulroney) wants Torontonians to believe that he is finally taking the housing problem seriously. That, it appears, is why the Downsview land was released last week. If the Government really wants to demonstrate that it means what it says, it should offer Mr. Sewell the job of overseeing the release of public lands in Toronto and co-ordinating a first-rate affordable housing program on the Downsview lands.

I have discussed this with Paul and Mike Flaherty from the Toronto area who are present today, and that is what they think as well!

* * *

RAILWAYS

TRANSPORTATION OF DANGEROUS GOODS THROUGH TORONTO AREA

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, the Gilbert Task Force Report on the transportation of dangerous goods by rail through the Toronto area states that among the major causes of rail accidents are track operational and equipment deficiencies.

We recognize that railways provide economically and ecologically preferable modes of transport. Yet throughout this country for many, many years we have persisted in priorizing what we spend on air and highway transportation. If we were to spend on air and highway transportation a fraction of what we spend on improving railway equipment and track conditions, we would provide this country with safe and speedy transportation that would be much better in conserving the environment.

I hope that among the points made in this task force report what will be taken with utmost seriousness will be the need to upgrade our equipment and track conditions.

* * *

• (1410)

FORESTRY

PROPOSED NEWFOUNDLAND FORESTRY CENTRE PROJECT

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, while the Prime Minister (Mr. Mulroney) is running around the country announcing billions of dollars of promises on a weekly basis in a desperate bid to shore up his Party's position in advance of an election campaign, I beg him to give pause for thought to old promises made and not kept. In July of 1984, the Prime Minister, in the heat of an election campaign, sent a telex to the Mayor of the City of Corner Brook, Newfoundland. In that telex he said: "I want to assure you of my and my Party's full support for the establishment of a federal forestry centre in Corner Brook, Newfoundland". He said: "Statements to the contrary by the sitting Liberal M.P. are simply untrue". In July of 1988, the Minister for International Trade (Mr. Crosbie), Newfoundland's representative in the federal Cabinet, wrote a letter to the mayor in which he said: "There are simply no funds available. This decision is final and is not a contradiction of the Prime Minister's previous comments on the matter".

The people of western Newfoundland want to know two things; when is a promise not a promise? When is a contradiction not a contradiction? And how much is the paper the Prime Minister's commitment was written on worth because so far it has brought us nothing but a cynical view of the value of the Prime Minister's word and the commitments of this Government, in particular, the dog in the manger attitude of the Member for St. John's West who now wants to build that badly needed forestry centre in his own backyard? Newfoundland is bigger than just the City of St. John's.

* * *

[*Translation*]

MINES AND MINING

MINING EXPLORATION IN QUÉBEC—ECONOMIC DEVELOPMENT IN ABITIBI—TÉMISCAMINGUE

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, the *Association des prospecteurs du Québec* had its 14th Annual Convention in Val d'Or from September 14 to 16. Over 620 members registered for the convention, the highest attendance ever recorded, a sign of the keen interest of Quebec prospectors in the mining industry.

Mr. Speaker, one of the conclusions of the convention was that 1988 was a difficult year for the prospecting sector in Quebec. This is partly due to the changes in mid-flight that were made in the flow-through shares system, at various levels of government, but especially to the stock market crash which had a severe impact on the mining industry.

During the convention, people from the prospecting sector sent a clear message to both levels of government, and I urge the Ministers of Finance to consider very carefully a number of demands that are aimed at giving a boost to an industry that is already flourishing and is very important to the development of Abitibi—Témiscamingue.

Mr. Speaker, I would also like to congratulate Mr. Guy Bourassa of Rouyn-Noranda, who was elected President of the *Association des prospecteurs du Québec* for 1988-89. I am sure Mr. Bourassa will meet this challenge successfully, promoting the interests of the mining industry in our area.

I want to offer my full co-operation to the new President and to the *Association des prospecteurs du Québec.*

S. O. 21

[*English*]

PIPELINES

ANNOUNCEMENT OF VANCOUVER ISLAND NATURAL GAS PIPELINE PROJECT

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, British Columbians can be forgiven for being skeptical upon hearing news that the Conservatives have once again announced that they will build the long awaited, often promised Vancouver Island natural gas pipeline.

Some Hon. Members: Hear, hear!

Mr. Waddell: This was, after all, the same group of Conservatives—the ones applauding here—who promised the pipeline before the last federal election only to have the then Minister of Energy, the Hon. Member for Vancouver Centre (Miss Carney), and the Prime Minister (Mr. Mulroney) renege on their promise only weeks after the election. Indeed, this pipeline has been promised by successive Liberal and Conservative Governments going back to 1954. It rivals the P.E.I. Causeway as a political football.

Fortunately, as you know, Mr. Speaker, we in British Columbia are patient folk. However, we are not dupes. This time we will wait until construction actually begins before really believing the Conservatives are going to come through.

We would also like to see an environmental impact statement. We want to know why the price has come down from $500 million after a few years. We also want to know what efforts will be made to ensure that island industrial users are prepared to convert to gas. So we are waiting.

* * *

PHARMACEUTICAL INDUSTRY

POSITION OF LEADER OF NEW DEMOCRATIC PARTY

Mr. Murray Dorin (Edmonton West): Mr. Speaker, earlier this year the Government made important changes to patent legislation. This has triggered an avalanche of investment, research, and jobs in the pharmaceutical industry. However, the Leader of the New Democratic Party (Mr. Broadbent) has now promised that a Socialist Government, led by him, would repeal the current drug patent legislation. If he recognized what this legislation means to western Canadians, he would not be so quick to condemn it.

In Vancouver, for example, Pacific Pharmaceutical has invested $40 million in expanding cancer treatment research. Chembiomed Ltd., an Edmonton firm, continues its research into stopping the reproductive process of the AIDS virus, secure in the knowledge that what it develops will not be exploited by others.

Universities and hospitals in Calgary and Edmonton were pledged $132 million in increased research funding following the introduction of the patent legislation. These investments were brought about by Bill C-22. In short, the promise to tear up the patent legislation is a promise to curb medical research, to discourage the diversification of the western economy, and to deny Canadians new medicines developed by this research.

* * *

IMMIGRATION

TORONTO—RELOCATION OF AREA OFFICE

Mr. Sergio Marchi (York West): Mr. Speaker, the scandalous closing of the immigration office at 130 Bloor Street in Toronto and its relocation to the riding of the Immigration Minister (Mrs. McDougall) just to satisfy her political interests, has cost her constituents and, indeed, all Canadians, $30,000 in moving expenses, according to the Department of Public Works.

The new lease agreement, originally signed for five years, is a further waste of taxpayers' dollars because the Minister has seen fit to relocate the immigration offices after a protest by her constituents. Again, Canadians will have to reach into their pockets to relocate her office-on-wheels to the tune of another $30,000 in moving expenses.

Furthermore, the Minister has elected to use this office for other immigration purposes so she has conveniently created a new need for services in an attempt to defuse this political embarrassment at a cost of $600,000 per year over five years, a tab of $3 million for taxpayers to pick up. It is, indeed, unfortunate that taxpayer's dollars have been wasted to subsidize the Minister's personal and partisan political interests in a riding she is going to have great difficulty in winning. She should not mix her national responsibilities with her responsibilities as an individual Member of Parliament.

* * *

CANADA LABOUR CODE

CANADIAN PACIFIC RAILWAY—EMPLOYEES' ATTENDANCE AT SAFETY COMMITTEE MEETINGS

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, pursuant to the provisions of the Canada Labour Code, Canadian Pacific Railway is supposed to allow designated members of its health and safety committees to attend meetings on a regular basis and pay them for the work they miss when they attend these meetings.

It has come to my attention in a meeting with various representatives of CP rail unions that this practice is not being followed, that designated members of the health and safety committees are being compelled to take work on days when the committee is meeting or suffer loss of pay. They are being pressured to send their alternates, so there is not a regular attendance at these meetings.

When representatives of the unions have brought this matter to the attention of the national transportation agency which is responsible for rail safety in this country, nothing has been done.

The cosy relationship which used to exist between the CTC and the railways continues to exist between the NTA and the railways, and I call upon the Government at this time to look into this matter and ensure the safety provisions which entitle workers to attend these meetings on a regular basis, and to be paid for it, are adhered to.

ORAL QUESTION PERIOD

[*Translation*]

NATIONAL DEFENCE

SALE OF MOISIE BASE—FAVOURITISM—PRIME MINISTER'S POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, I have a question for the Prime Minister. In this morning's *Le Soleil*, in an article by Marc St-Pierre, we read that the sale of the base at Moisie in the Prime Minister's riding was surrounded by a great deal of favouritism and financial fiddling and also that there was an incriminating tape about the involvement of the Prime Minister's office in this transaction, which Mr. St-Pierre heard. I want to ask the Prime Minister, considering the allegations of favouritism after bids were called and of corruption in high places, and allegations by a senior official who confirmed this was part and parcel of the Tory Party system, what kind of explanations he can give to the House in his defence and what steps he has taken to get rid of this phenomenon.

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, perhaps in the absence of the Minister of Public Works I can be permitted to respond.

Some Hon. Members: Oh, oh!

Mr. Beatty: The Hon. Members ask questions and they don't want responses. My understanding is that the winner of this contract was the lowest bidder.

Some Hon. Members: Lowest bidder?

Mr. Beatty: I am sorry, it was the highest bidder, the one who gave the best bid.

Second, my understanding is that there is not an ongoing criminal investigation. The RCMP looked at the package which was left with them and found no basis for further investigation.

• (1420)

[*Translation*]

GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to Prime Minister. I can inform the Minister of Defence that he was right in his initial answer when he said the lowest bidder got the contract. But since we are talking about a sale, it should be the highest bidder!

Mr. Speaker, at noon I had a chance to listen to the tape in question, and I would like to share with you some of the passages, including what was said by Mr. H.D. Hyland, who said: "I retired. It was too crooked. It is awful! They made a deal with Mr. Lefebvre. The legal opinion we got was that the procedure was not correct. The system is very close to the Conservative Party." And worse, he said in a second conversation to which I listened: "The contract was awarded because of his connections. He made some changes. This is sheer robbery. Mulroney's office was involved. Not local people, people from Ottawa".

Mr. Speaker, that is what was said, and I wonder whether the Minister has any explanations to give as a result of these allegations.

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I want to repeat to the hon. gentleman that, on the basis of all the information that has been available to me, there is nothing of any sort that has been indicated which would suggest any impropriety whatsoever.

If the Hon. Member, or the Hon. Member's colleagues, have any information whatsoever that would contradict that, they should be turning it over to the Royal Canadian Mounted Police. If they are not in a position to hand such information over to the RCMP they should not be making unsubstantiated charges on the floor of the House of Commons.

[*Translation*]

ALLEGATIONS OF IRREGULARITIES IN LETTING OF CONTRACT—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, I have a supplementary. The Prime Minister should answer this one, because it concerns his riding and involves his own integrity and that of his office.

On July 12, the newspaper *Le Nord-Est*, in the Prime Minister's riding, indicated on the basis of the allegations that were made, and I quote: "It seems that this was caused by high-level political meddling, which has angered the mayor who feels insulted by the system and with him, the entire community. He summarized his mood very neatly when he said: "Instead of having someone here who represents Ottawa, we should have someone in Ottawa who represents us!"

At the time, the Mayor of Moisie raised all kinds of allegations about irregularities in the procedure for awarding this contract.

I want to ask the Prime Minister what he has done about this since July 12, when he read about it in his local paper, which I imagine he did.

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, the Leader of the Opposition was quoted in the press earlier this month as saying there is a world of difference between an allegation and the truth. The Hon. Member, in this particular case, should know that.

I repeat to the Hon. Member again, if the Hon. Member has any evidence whatsoever to substantiate any allegation whatsoever of irregularities, he has an obligation to turn that information over to the Royal Canadian Mounted Police. If he does not have such information, he has an obligation to the Canadian people not to make unsubstantiated charges.

[*Translation*]

REQUEST THAT WITNESSES APPEAR BEFORE PUBLIC ACCOUNTS COMMITTEE

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, my question is directed to the Prime Minister. What we are seeing today is the kind of thing we have been seeing for four years, the excesses of patronage, of financial fiddling and the dishonesty of this Conservative Government.

Mr. Prime Minister, considering the allegations made everywhere in the press, are you prepared to ask the Public Accounts Committee to sit, starting tomorrow, and allow the Committee to hear witnesses in order to find out the truth about this unsavoury situation?

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I would remind this hon. gentleman of what his Leader has said with regard to allegations. He said: "Unless you know the facts, and I really mean know the facts, don't say them".

If the hon. gentleman has any evidence whatsoever, let him turn it over to the Royal Canadian Mounted Police. If not, let him stop making false charges.

[*Translation*]

REQUEST THAT PUBLIC ACCOUNTS COMMITTEE BE CONVENED

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, I will reserve my question to the Prime Minister. If you are sure you are guilty—you already said about the Stevens affaire that there was no wrong doing. Nixon said he wasn't guilty. We know how that turned out! If you are sure you are not guilty, why don't you call a meeting of the Public Accounts Committee to hear the witness and find out the truth? If you refuse, then you must be guilty! Why won't you?

[*English*]

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, if I may point this out to my hon. friend, during my chairmanship of the Public Accounts Committee, and during the chairmanship of the Member for Trinity from his Party, the Public Accounts Committee was not engaged in partisan politics and witch hunts. That is the way it was in the past, that is the way it is going to be.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—ENVIRONMENTAL IMPACT

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have a question for the Minister for International Trade. The Minister will know that in recent months in this House serious questions have been raised about the environmental impact of the trade deal on Canada.

Today, in 18 centres across Canada, the Canadian Environmental Law Association released a study condemning the federal Government's trade deal as having an enormous adverse impact on the Canadian environment. It specifically cites the Government's hypocrisy in claiming to be concerned about the environment, on the one hand, but totally ignoring it in this deal, on the other.

Will the Minister tell the House why there was a specific clause in the trade deal which did permit subsidies for exploration and development of gas and oil, but there was no such clause permitting subsidies for environmental matters?

While he is answering that, will he tell the House whether the Minister of the Environment actually asked for such a clause and, if he did, why was it ignored?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, this, of course, is another wild goose chase by the NDP in connection with the FTA. There is nothing in the FTA—nothing—which interferes with Canada's ability to introduce tough environmental standards. As a matter of fact, the House just passed the Canadian Environmental Protection Act which is concrete proof that we can continue whatever measures we think are required to protect the environment. There is no requirement in the FTA to harmonize environmental standards. As a matter of fact, Mr. Speaker, the FTA specifically incorporates our rights under the GATT to have regulations for environmental protection reasons.

Why is it that the Opposition must raise these false claims, these attempts to witch hunt, these attempts to arouse alarm? Why is it they will not stick to rational arguments about their alternative to the free trade agreement which is autarky for Canada?

Mr. Broadbent: Mr. Speaker, it may be just a touch ironical to hear this Minister defending rational arguments. It is a welcome conversion on his part. We will look forward to the evidence.

BRITISH COLUMBIA REFORESTATION LEGISLATION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, a group of legal people from right across the country, not affiliated with any political Party, prepared this and they just happened to disagree with the Minister, as do most Canadians, on this important issue. The Minister said there is nothing in the deal. He knows that there is a provision for the discussion of subsidies for the next five to seven years and that is what it is all about.

More concretely, I would like him to acknowledge to the House, if he will be direct on this, that the Government of British Columbia, not long ago, went to Washington in the hope of getting approval for its new legislation pertinent to the question of reforestation in that province. It had to withdraw a clause that permitted subsidies for reforestation purposes on the grounds, they were told by the Americans, that it was inconsistent with this deal.

Will the Minister acknowledge that that has already taken place, that we were losing the sovereign right to control, manage, and conserve our forests? Will he admit that?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, of course I am not going to admit any such silliness or any such silly suggestions from the Leader of the NDP.

The United States has no greater latitude to challenge Canadian environmental programs as unfair trade subsidies under the FTA than it has at present. If anything, the likelihood of its doing this is reduced because we will have bi-national panel reviews which will discourage frivolous attempts to use U.S. trade remedy law in this way.

I repeat again, despite the attempts of the Leader of the NDP to be devious and unfair and to attack this deal in any underhanded way that he can imagine, there is—

Mr. Speaker: Order.

Mr. Crosbie: Are we to have a chance to respond to the nonsense we hear from the Opposition or not?

Mr. Speaker: The Hon. Member will put his next question.

• (1430)

ENVIRONMENTAL PURPOSE SUBSIDIES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I say to the Minister that to attack this Government one does not need to be devious, one just has to tell the truth. It devastates them.

Some Hon. Members: Hear, hear!

Mr. Speaker: I would ask both hon. gentlemen to recognize that I think their approach and their language are creating some consternation in the Chamber. I would ask the Hon. Leader of the New Democratic Party to put his question as directly as he can.

Mr. Broadbent: Mr. Speaker, the Minister will acknowledge, if he does pay attention to the agreement from time to time, that there is a section of it which requires Canada and the United States to negotiate and decide what constitutes a subsidy, over the next five to seven years. There are many people in this country, dare I say on both sides of the House, who already know that things like social programs and regional development programs, according to the Americans, have to be discussed.

Now environmental groups as well as many other Canadians are saying that environmental subsidies are in that category. Why did the Government not do what it did with gas and oil and specifically put in the agreement that it was understood to be acceptable to have subsidies for environmental purposes? Why was that not put in the agreement?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, that was not put in the agreement because it is unnecessary to put it in the agreement. If the Leader of the NDP will cease telling falsehoods about us we will cease telling the truth about him.

Some Hon. Members: Hear, hear!

Mr. Crosbie: The question of subsidies and what are trade related subsidies is an extremely complicated question that is not settled in the General Agreement on Tariffs and Trade and not settled between the U.S. and Canada. We have agreed to set up a group which will work on a commonly agreed definition of what is a trade distorting subsidy. It is quite clear to us, and I do not think it would be challenged by the United States, that any attempt to assist in the reduction of pollution, or grants from government to assist in controlling detrimental environmental consequences will not be challenged as trade distorting.

This is another wild goose chase by the hon. gentleman in his dishonest attempt to argue against this agreement.

* * *

DISASTERS

1985 GANDER AIR CRASH INVESTIGATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Minister of Transport. It concerns the worst air disaster ever to occur on Canadian soil, causing the loss of 256 lives in Gander, Newfoundland, on December 12, 1985.

Last night on *The Journal*, Canadian Aviation Safety Board members stated that vital pieces of evidence had been withheld from them by members of the investigative staff of the Board. This included a report by the FBI Criminal Investigation Division, autopsies performed by the U.S. Army, the Cargo Manifest, the U.S. Army Investigation Division report, and so on.

Why is the Minister allowing a system to exist whereby members of the Canadian Aviation Safety Board are prevented from doing their job? Why is he allowing that to happen?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, it was allowed to happen in 1983 by the Liberal Party when the Bill on CASB was passed. We have to live with the Canadian Aviation Safety Board which was asked to investigate the Gander crash in 1986.

The Member should know that the final report has not yet been issued by the Canadian Aviation Safety Board. As long as this report is not issued I do not think we should comment, even if my friend was on *The Journal* last night.

Mr. Boudria: It is not the law that is wrong, it is the interference by the Government with the operation of the Canadian Aviation Safety Board.

ALLEGED OBSTRUCTION OF INVESTIGATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my supplementary question is directed to the Minister of Transport. Minutes of the meeting of the Canadian Aviation Safety Board dated November 24, 1987, state that the Director of Investigation, Mr. Tom Hinton, obstructed the investigator in charge of the Gander crash, Mr. Peter Boag, "from carrying out his duty to answer questions".

I have a copy of that internal document in my hand. Why does the Minister not tell us once and for all who is trying to hide what in the issue of the Gander crash? Why can we not find out the truth? Why can the information not be tabled in the House of Commons? Why can the members of the Canadian Aviation Safety Board not be provided with the information? What is he trying to hide?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I repeat that the Hon. Member could ask the same question 20 times, and I would always say the same thing. In our country, when we put forward a committee to make an investigation, as the CASB does, Canadians ask that we wait, as for any board that must make a report. Before making any comment on the official report we should have the report. As is usual with him, we do not know where my friend gets the information and documents to which he is referring.

I will wait for the final report. He can ask the question 10 times, and I will tell him that I will wait for the final report of the Canadian Aviation Safety Board.

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—USE OF LOW SULPHUR WESTERN COAL BY ONTARIO

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, my question is directed to the Right Hon. Prime Minister. He will be aware that for many years citizens from western Canada, including British Columbia, Alberta, and Saskatchewan, have been pleading with the federal Government to assist them to move more low sulphur coal to Ontario which would not only reduce acid rain emissions but create as many as 26,000 permanent jobs.

In a report released today the Canadian Environmental Law Association says that under the trade deal government support to move this western coal to Ontario would not be allowed.

What steps is the Prime Minister prepared to take to ensure that this western dream of moving coal to Ontario, with the creation of 26,000 jobs, is not sacrificed on the altar of the trade deal?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank my hon. friend for the question. It is a very important one.

I will respond in the absence of the Deputy Prime Minister who has been chairing a committee and meeting regularly with the Premier of Ontario, for example, as well as others with regard to precisely this kind of transaction that would be so beneficial to the interests of western Canada. I know that the Deputy Prime Minister will be analyzing the suggestions contained in that report.

At the moment, having successfully initiated on behalf of western Canada a major new development in Lloydminster, and announcing one in Vancouver today on the Vancouver Island pipeline—

Some Hon. Members: Hear, hear!

Mr. Mulroney: —being from western Canada I know my hon. friend will support those initiatives on behalf of the Deputy Prime Minister just as I will convey to the Deputy Prime Minister the Hon. Member's concern with regard to what may very well be a very important new project for western Canada.

PRIME MINISTER'S POSITION

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, we appreciate that the Deputy Prime Minister may be in British Columbia announcing, I think for the fifth or sixth time now, the construction of the natural gas pipeline.

However, the Prime Minister knows that in the last few weeks we have heard a number of multi billion dollar announcements on capital intensive energy projects. This particular project will create 26,000 permanent jobs throughout all of western Canada. It will result in significant reductions in acid rain emissions in central Canada. Why can we not expect the Prime Minister to indicate now what the Government intends to do to make this project a success, rather than wait until the eve of the election to make this announcement?

• (1440)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I indicated to my hon. friend that the Deputy Prime Minister upon his return from western Canada will be happy, I am sure, to respond in greater detail to my hon. friend. I know that they have worked together and that the Hon. Member has been encouraging in regard to the Deputy Prime Minister's initiatives to make the transaction work with the Government and the people of Ontario.

My hon. friend refers to the energy projects as being capital intensive. They are capital intensive but, most of all, they are labour intensive. Thousands of new jobs will be created in western Canada. If we can put these energy projects together, which is important, together with the Vancouver pipeline which I know my hon. friend will support, then the support will be so large in western Canada that my hon. friend may vote for us.

Some Hon. Members: Hear, hear!

* * *

PUBLIC SERVICE

WAGES OF NAVAL DOCKYARD WORKERS ON EAST AND WEST COASTS

Mr. Alan Redway (York East): Mr. Speaker, my question is directed to the Minister of State for the Treasury Board. The Minister will recall that back in the 1960s the Pearson Government gave Canadian St. Lawrence Seaway workers wage parity with American St. Lawrence Seaway workers, thus touching off a very severe round of inflation in Canada.

Bearing all that in mind, is it the intention of the Minister and the Government to discontinue its policy of regional wage rates in connection with the East and West Coast ship repair workers?

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, as I indicated yesterday there are mediation talks presently going on with respect to this labour dispute and both parties have agreed not to comment publicly.

I want to pick up on what my hon. friend said with respect to the question of paying federal employees wages that are based on rates of pay which are prevailing in the private sector in specific geographic regions. The Government has no intention of abandoning that policy. In fact, Mr. Speaker, if you look at surveys of private sector employers across Canada you will find that the practice of paying regional rates of pay is quite common. The Government intends to continue that policy.

PUBLIC WORKS

SALE OF FORMER RADAR SITE IN MOISIE, P.Q.

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, my question is directed to the Prime Minister. It concerns the reports of the sale of the radar site in Moisie, Quebec, in the Prime Minister's riding. In answering questions the Prime Minister said that these are unsubstantiated allegations, that there is no evidence of criminal wrongdoing.

The Prime Minister ought to know that the allegations in question were made by the former Director of Property Management, Public Works, Montreal, a senior federal civil servant who said of the sale, and I quote from the taped transcript: "The party in question got it because of his connections. It is a rip-off. It was Mulroney's office behind all of this".

The question is not necessarily one of criminal wrongdoing, although that may be appropriate. The question is whether or not fairness and an appropriate system were in place in awarding this base to the highest bidder.

Is the Minister denying that the gentleman who was originally the lowest bidder for this Crown asset subsequently changed his bid and was awarded the radar site? Is he denying as well the words of the director that the Prime Minister's office was directly involved in the submission allowing for a second bid to be made?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, let me deal with the various allegations that are being made by the hon. gentleman. First, there is no evidence whatsoever of any action by the Prime Minister's office here. Second, there is no indication whatsoever of any criminal impropriety. The RCMP has found that.

Mr. Tobin: How about political impropriety?

Mr. Beatty: Third, the person who received the contract was the one who gave the best bid.

Additionally, according to the Department of Public Works, there was a significant difference between the two bids which was better in terms of the individual who won the contract.

SOURCE OF ALLEGATIONS

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, the Minister has not answered whether or not there was an opportunity for one individual to bid twice or to adjust a bid. The Minister made an incredible statement a few moments ago in the House. He said this matter has all been investigated, and there is no problem.

A former member of the Conservative Party provided the RCMP with those tapes of that conversation with a senior federal public servant, a retired one now, only yesterday. The individual in question is in Spain. How could there have been a complete, thorough and full investigation when the information was provided only yesterday, and when the person who is alleging interference by the Prime Minister and his office is out of the country and has not been contacted?

Some Hon. Members: Hear, hear!

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, surely Canadians are entitled to something more responsible than Members of the Opposition simply coming in and making unsubstantiated charges. Indeed, Canadians are entitled to answers and not to false accusations by the hon. gentleman.

In terms of the first bid that was received, the two highest bids were from Mr. Lefebvre for $100,000, and from Mr. Thibault for $50,000. The difference was substantial.

In terms of the final bids, again, on the final bid after more property was added because DND freed up more property, Mr. Lefebvre offered $170,000, plus $17,500. Mr. Thibeault offered $167,500, plus $17,500. It was the best bid that won.

The hon. gentleman has an obligation to the Canadian people not to make false accusations.

* * *

NATIONAL DEFENCE

CFB SUFFIELD—NERVE GAS TESTS IN 1960S

Mr. Jim Fulton (Skeena): Mr. Speaker, yesterday my questions were to the Minister for National Defence. Yesterday the Minister felt that there was little reason to have a public inquiry into the nerve gas tests at Suffield. Last night I spoke to Roy Wheeler, a 21-year veteran of the Canadian Forces who was involved in the nerve gas tests at Suffield in the 1960s.

Since the Minister has confirmed that proper records of the participants do not exist, and since Mr. Wheeler suffers from serious medical problems associated with the long-term toxic effects of nerve gas, will the Minister, in the interests of the health of those involved, call a public inquiry to ensure that all participants—the researchers, the volunteers, and the military personnel—are found and evaluated as a group for negative side effects to nerve gas tests?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, first, let us get clear what the Hon. Member is alleging. Is he alleging that this gentleman is suffering long-term effects from nerve gas testing? Or is he simply trying by innuendo to suggest there is a possibility of that?

What I indicated yesterday was that all the employees of DRES are required to take annual medicals, that in no instance have we ever found a case where there has been any long-term effect whatsoever. Nor are we aware of cases where, in military personnel, there has been any evidence of any long-term effects.

Notwithstanding that fact, in order to respond to the irresponsible actions of the NDP in terms of trying to create fear, what we have done is to instruct that we try to locate every single individual who volunteered during those tests, and do a follow-up investigation to ensure there are no medical side effects. That is precisely what we are going to do.

REQUEST FOR PUBLIC INQUIRY

Mr. Jim Fulton (Skeena): Mr. Speaker, Mr. Wheeler left the Canadian Forces in 1974. Once one leaves the Forces one does not get one's annual medical check-up. The Minister of National Defence should know that.

I spoke this morning to Dr. Peter Spencer, the head of the Institute of Neurotoxicity at the Albert Einstein College of Medicine in New York. He said that these kinds of symptoms are associated with long-term low-level toxicity in relation to nerve gas tests.

This is not fearmongering, the health of Canadians is involved. Some fellows over there might not be involved.

Some Hon. Members: Hear, hear!

Mr. Fulton: There are a couple of points here. The Minister states that the records on this matter are incomplete. Medical tests will be provided only to some of the participants, those who are known. Since yesterday's records are incomplete and cannot be completed without public assistance of people like Roy Wheeler, will the Minister call a public inquiry which, unlike the Barton review which is not public, will have the powers to seek out the whole truth and all the individuals who were involved in the nerve gas tests at Suffield?

Some Hon. Members: Hear, hear!

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I have already indicated that in order to calm fears which are being systematically created by the NDP we are going to seek out anyone who participated in any of those tests whether he is in an employee of DND, retired, in the private sector, or anything else. We will be doing follow-up studies.

In addition to that, two and one-half months ago I asked Mr. William Barton, who is the Chairman of the Canadian Institute for International Peace and Security—

Mr. Fulton: He is not allowed to look into the sixties.

Mr. Beatty: That is false. It is typical of what the NDP has been doing. It has been making allegations that are simply false.

I have spoken with Mr. Barton. I have made it clear to him that his terms of reference as written by me give him full scope to look into any matter that is in any way relevant.

Mr. Barton has already undertaken his inquiry. It is under way at the present time. It will be completed, we hope, by the end of this year. The results will be made public.

Instead of trying to inspire fear on the part of Canadians, Mr. Speaker, perhaps the hon. gentleman could operate in a way that is in some way proper.

Some Hon. Members: Hear, hear!

• (1450)

* * *

RAILWAYS

CARRIAGE OF DANGEROUS GOODS—REQUEST FOR TORONTO SPEED LIMIT

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, my question is for the Minister of Transport. This morning the Minister announced that trains carrying dangerous goods would be limited to low speed limits in four high-risk areas of Metro Toronto. In view of resolutions passed by Scarborough City Council and Metro Toronto Council and in the interests of clarity of public confidence, will the Minister consider imposing a limit of 40 kilometres per hour for dangerous goods traffic within Metro Toronto until a new rail corridor outside Metro has been completed?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I tabled this morning the Toronto Area Rail Transportation of Dangerous Goods Task Force report. I think it is a very good and important study which does not, by the way, propose specifically to control the speed limit in Metro Toronto. However, in the absence of conclusive evidence, prudence dictates that we take appropriate steps to answer safety questions by lowering the speed limits in some parts of what we call the high-risk sectors of Toronto.

I announced this morning that we will take the necessary steps with the National Transportation Agency to request that some high-risk sectors of the Metro Toronto area be considered sectors where we will impose a speed limit.

* * *

ENVIRONMENTAL AFFAIRS

NORTHUMBERLAND STRAIT—CHEMICAL SPILLS

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the Right Hon. Prime Minister. Certainly in his capacity as a former Member of Parliament from Central Nova, I am sure he will want to respond. The Prime Minister will know that the Boat Harbour treatment facility in Central Nova emits 25 million gallons of pollution effluent per day from the Scott-Maritime Company into the Northumberland Strait. He should also know that there have been four reported toxic chemical spills of what is best known as green liquor into Pictou Harbour by this company, the last two spills having taken place on August 28 and September 8. A company spokesman confirmed the other day that no company money has been used to clean up the spillage.

What action has the Government of Canada taken with regard to this particular spillage? Has it directed the company to clean up this environmental pollution? Has it contemplated charging the company for violation of the Environmental Protection Act? If not, why not, in view of the statements the Prime Minister has been making in the House and around the country with regard to his concern for environmental matters?

Mrs. Pauline Browes (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I am very pleased to respond on behalf of the Minister of the Environment and to state how pleased we are that the Hon. Member opposite has also become interested in the environment. We are very encouraged by the force of the Environmental Protection Act that was passed just some few months ago, which was the first piece of environmental legislation that was passed in this House in over 11 years. In the specific case the Hon. Member has mentioned, I will take it up with the Department and will return to him with a specific answer.

PICTOU HARBOUR POLLUTION

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, typical of the Prime Minister, he has once again forgotten the people of Central Nova. The Prime Minister ought to know very clearly that the Department of Fisheries and Oceans has warned against the harvesting of local shellfish on the beaches at Lighthouse Point, and in addition, fishermen in that area are worried about how long the lobsters they catch in that area will remain fit for human consumption.

I want to ask the Prime Minister a serious question. What will he do with regard to the pollution of Pictou Harbour? Will he direct that that company clean up that spill, or will he do nothing for the people of Central Nova as he has for the past four years?

Mrs. Pauline Browes (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, the record of this Government on environmental legislation and initiatives is one of the most important aspects of the last four years. In relation to Pictou Harbour, which I had the pleasure of visiting just a few months ago, I will certainly bring that to the attention of the Department.

There has been a good number of initiatives right across Canada in terms of what we have been able to accomplish, whether it be the acid rain abatement program, the international accords that we have been able to establish—

Mr. Speaker: The Hon. Member for Hamilton Mountain.

Oral Questions

EMPLOYMENT

SITUATION OF OLDER WORKERS

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, my question is for the Minister of State for Employment. The President of the Economic Council of Canada has stated that she is shocked that the Government has failed the older workers of Canada. Where there is a program for older workers under the Innovations Program, would the Minister guarantee that that kind of funding can be continued?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, we have a job strategy that makes use of the skills and qualifications of all our clients. The various components of our job strategy also make use of the skills of older workers, and we are very attentive to all needs. There is always room for improvement, and as the Minister responsible for senior citizens, I intend to consult with people and truly respond to their needs.

[*English*]

REQUEST FOR GOVERNMENT FUNDING

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, the Government announced two and a half years ago that it would have a program, not a strategy, for older workers. The Hamilton Help Centre, under Innovations Canada, has had an 86 per cent success rate. Can the Minister please guarantee some funding under other CJS programs now that Innovations has finished?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, as I said before, we have a job strategy that is working very well. We have been successful with the strategy and with the Innovations Program to which the Hon. Member just referred and which is an excellent source of job creation. Of course, older workers can also apply under this program.

* * *

[*English*]

TRANSPORT

TRANSPORT ROUTE CANADA—REQUEST THAT GOVERNMENT AID EMPLOYEES AND TRUCKERS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Minister of Transport. The Government continually refuses to do anything for the employees of Route Canada who have lost their jobs because of the closure of that former Crown corporation. They have been to see the Minister, he said he would look into it, yet the Government has done absolutely nothing.

The truckers need to be able to work in order to pay for their trucks. The Minister cannot give them intra-provincial licences but he can give them extra-provincial licences for trucking undertakings. Yet that has not been done. The Government has not looked into the $3 million trust fund administered by the Royal Bank of Canada in the winding up of this company. There are things that the Government could do if only it were concerned for the workers instead of padding the pockets of the owners. When will the Government do something?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I think my friend will agree with what the Government did in 1986. We gave 2,600 workers the chance to work for more than two years, and I think that was not possible with the option proposed by the Liberal Party which was to close the shop. They have repeated that since Monday. The company, Route Canada, has not yet officially declared bankruptcy or receivership, and I believe my friend will agree that the Government does not interfere in the process of the private sector.

About what we can do for the contractors, already 25 contractors have asked Route Canada to be released from their contracts so they will be able to work for other companies, and it has been done. The other contractors who would like to be released by Route Canada will make the same request and it will be answered positively by the company.

• (1500)

REQUEST THAT AGREEMENT BETWEEN CN AND ROUTE CANADA BE MADE PUBLIC

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the Government laundered this closure through the private sector. That is why the company was sold in the first place.

Why doesn't the Minister give the operating licences that he can give so these people can work? Why doesn't he make the agreement between CN and Route Canada public so we will know what the entire aspect of the give-away is? When will the Minister do something for these people? They cannot pay for their trucks. They are owed thousands of dollars. They are not being paid. It is a rip-off of the Canadian people and it is a rip-off of these workers. Surely the Minister can see that. Surely the Minister realizes that he is putting these workers right across the country in an intolerable position. They are on the street without jobs and without compensation. Will he do something?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, there is no rip-off at all. I believe my friend knows very well that it is a question of legality of the action which the Department of Transport can take. He asks why we don't open the books of CN and Route Canada. That is the private sector. As long as the books are not public—they will be public if there is a bankruptcy—the Government and the Minister of Transport cannot do so.

Mr. Benjamin: You can.

Mr. Bouchard: I think my friend knows that when I met the workers the day before yesterday I told them that if there is anything irregular, at the moment the company declares bankruptcy we will do all the investigations. I repeat what I said. It is not permitted for the Minister of Transport to interfere in private sector operations.

Mr. Benjamin: It is not true.

Mr. Bouchard: Yes it is.

Mr. Speaker: This will be the last question for Question Period. The Hon. Member for Kenora—Rainy River.

* * *

FORESTRY

RESEARCH AND DEVELOPMENT EXPENDITURES

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, my question, since it concerns Canada's most important industry, is directed to the Right Hon. Prime Minister who should know that levels of research and development in Canada's forest industry are causing widespread concern, being at approximately one-third or one-quarter of the levels in the United States or Sweden.

Now that we have seen the Government's final conversion to the creation of a Ministry of State for Forestry, when will we see some serious commitment to an increase for research, development, and regeneration in this most important industry?

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, perhaps you will allow me to answer the question. If there is any area where Canada has made a great effort in the improvement of our research, to permit, as my hon. friend says, Canada's most important industry to make the transition to more intensive forest management practices, it is in forestry.

The problem of course is—the Member would not recognize it—that not only has the Canadian forestry service improved its effort but efforts are going on in universities; there are federal-provincial sub-agreements, for example, with Québec and British Columbia and, of course, in other government laboratories such as the National Research Council. The effort has vastly improved in this area and so it should, as the Hon. Member would agree.

[*Translation*]

REQUEST THAT GOVERNMENT BEGIN NEGOTIATIONS

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, I have a supplementary. The Minister must be aware of the fact that uncertainty about the renewal of contracts for resource development has already lead to cut-backs in reforestation, especially in the Province of Ontario. When will the Government tell its officials to start the negotiations this industry needs so badly?

[*English*]

Hon. Frank Oberle (Minister of State (Science and Technology)): Mr. Speaker, the Hon. Member would have to be reminded that the renewal of our forests, the replanting of our forests and the protection of our forests are in the main and principally a responsibility of the provinces.

I can tell my hon. friend that in my Province of British Columbia and in the Province of Québec the effort for forest renewal and protection has doubled in the last four years. In fact, in British Columbia efforts in forest renewal are four times what they were during the former regime.

The present forest agreements are in place. They have another two years to go, and I have every confidence, as will be demonstrated by the recent establishment of a full Ministry of Forests, that the federal commitment will stay in place whether or not it is delivered through a sub-agreement. That though will have to be seen and established.

* * *

POINT OF ORDER

TABLING OF TERMS OF REFERENCE

Mr. Jim Fulton (Skeena): Mr. Speaker, during Question Period the Minister of National Defence referred to the terms of reference of William Barton in looking into matters at Defence Research Establishment, Suffield.

Would the Minister table those terms of reference for the interest of Members of this House and the general public?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, not only would I be happy to table them, I would invite the Hon. Member to read them before he starts making unsubstantiated allegations.

Could I seek the unanimous consent of Members of the House to table, in both official languages, the terms of reference of the inquiry by Mr. William Barton and Mr. Barton's biographical notes? If that consent is forthcoming, I could table those immediately.

Mr. Speaker: Does the House give its consent?

Some Hon. Members: Agreed.

Mr. Speaker: I know Hon. Members will want to hear the Hon. Member for Windsor West on the usual Thursday afternoon question.

Business of the House

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Hon. Herb Gray (Windsor West): Mr. Speaker, I want to raise a point of order to pose a question to the Deputy Government House Leader. Will he give us a statement of the government business that he intends to call for the coming week? Also, could he outline the government business that he intends to call until the break provided in the rules of the House for this Chamber in mid-November?

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, this afternoon we will continue the debate on the time allocation motion on Bill C-144. We will then proceed to the completion of report stage of Bill C-136, the Broadcasting Act. We do hope that we will be able to complete both those items prior to five o'clock. There has been an agreement, and we will arrange those votes for 6 p.m. Also if there is a vote on the private Member's Bill we can do that at the same time for the convenience of Members.

Tomorrow, if possible, we would like to proceed with third reading of Bill C-136, the Broadcasting Act, and to complete that. That would be the business of the day for tomorrow. There is a possibility that we may try to deal with Bill C-152, the Heritage Language Institute from 10.00 a.m. to 11.00 a.m., but we will have to see if that is convenient to the other Parties.

On Monday, it will be our intention to call Bill C-144, the child care Bill for third and final reading.

Mr. Gauthier: You are anticipating the results of the House.

Mr. Lewis: That could be anticipatory. In any event, that is what we are going to do.

Some Hon. Members: Oh, oh!

Mr. Lewis: On Tuesday, we will have Bill C-158, the variable entrance requirements Act, followed by the Act to reorganize the Department of Industry, Science and Technology.

As to the rest of the week and right up to the Remembrance Day break, I have not got it finalized just yet but I am sure that as soon as I have that opportunity my hon. friend will be one of the first to know.

Some Hon. Members: Hear, hear!

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, now that we have a list for the next few days at least, does the Minister have any idea when the Prime Minister (Mr. Mulroney) will call the election?

Mr. Lewis: Mr. Speaker, as the House knows we have been waiting for the other Parties to catch up. If you could give us a readiness review, we would be prepared to put that into the hopper.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, just one simple question. In order to facilitate planning for all Members on all sides of the House, could the Minister tell us what House business might be on Monday, November 21?

Some Hon. Members: Oh, oh!

Mr. Lewis: Mr. Speaker, we have not got it finalized but I am not sure that my hon. friend will like the result in any event.

Some Hon. Members: Oh, oh!

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have a question concerning House business for the Deputy House Leader. Could he tell the House whether the Government intends to proceed shortly with the Bill on political rights, Bill C-157, or is the Government getting cold feet again in not moving it up because of pressure from the unions? Are we, indeed, going to deal with this matter so we can defeat the thing?

Mr. Lewis: Mr. Speaker, this Government has passed 32 per cent more legislation than the last two full Parliaments in five fewer months. We have that on our agenda. I can assure my hon. friend that time permitting we will proceed with it.

• (1510)

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, before we broke for 10 days, I gave a letter to the Deputy Prime Minister (Mr. Mazankowski), with regard to the Election Expenses Act. The Government House Leader indicated that there would be a response shortly. To my knowledge, I have not received a reply.

I wonder if the Government House Leader is in a position to indicate when the Government will make its position known with regard to election expenses and the Bill before us?

Mr. Lewis: Mr. Speaker, I am not in a position to indicate that today.

* * *

MOTION TO ADJOURN UNDER S. O. 29

TRANSPORT ROUTE CANADA INC.

Mr. Speaker: I want to bring to the attention of the House the fact that I have an application from the Hon. Member for Regina West on a matter that has been taking up some time in this House, and it is a serious matter. I will recognize the Hon. Member.

Mr. Les Benjamin (Regina West): Mr. Speaker, I have sent you a notice, or a request, within what the rules require. Since there was no other opportunity to debate the subject, except under the Standing Order regarding emergency debates, and since the sale of CN Route to Route Canada was authorized by the Government which, in my opinion, is a swindle of taxpayers, employees, and independent for-hire truckers, bringing it to light in debate is the only way to do it. Therefore, Sir, I am asking you to allow, under Standing Order 29, an emergency debate on the subject of the current crisis facing those people who are employees and contractors with Route Canada.

Route Canada was once part of Canadian National. It was sold under the Government's privatization program. Several government Ministries are now involved in the affairs of Route Canada, including those of transport, finance, privatization, and labour. It appears at this time that the Government has no intention of allowing any opposition days in the House in the foreseeable future, so an emergency does in fact exist because of what has happened to those thousands of people across the country. It is the only way in which Hon. Members of this place can have an opportunity to discuss this urgent and pressing matter. I hope, Sir, that you will give favourable and sympathetic consideration to my request to use up a few hours this evening to have this whole matter aired.

Mr. Speaker: I have put some consideration into this matter, and I have heard the Hon. Member. I would like a few more minutes to consider the matter, and I will return to the Chamber as soon as I can and give my response to the application.

* * *

[*Translation*]

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received as follows:

Government House,
Ottawa,

September 22, 1988

Sir,

I have the honour to inform you that the Honourable Gérard V.J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 22nd day of September, 1988, at 3.30 p.m., for the purpose of giving Royal Assent to certain bills.

I have the honour to be,
Sir
Your obedient servant,
Anthony P. Smyth
Deputy Secretary, Policy and Program Branch

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

ALLOCATION OF TIME TO CONSIDER THIRD READING STAGE OF BILL C-144

The House resumed consideration of the motion of Mr. Lewis for the allocation of time to consider third reading stage of Bill C-144.

Time Allocation

Mr. Hawkes: Mr. Speaker, I rise on a point of order. We may have left something a little loose in the business exchange. Is there unanimous consent in the House to defer all votes today until the end of the day?

Mr. Gauthier: No.

Mr. Hawkes: There is not unanimous consent?

Mr. Gauthier: No.

Mr. Benjamin: You have a lot of nerve asking for unanimous consent after what you did today.

Mr. Speaker: The Hon. Member for Yorkton—Melville is seeking the floor on debate.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I rise to complete my remarks on time allocation. Before we broke for Question Period, I was saying that it was very strange to see the Conservative Party across the way bring in time allocation on the child care Bill after only one speaker from each Party has spoken in the House. I have not seen it happen before where time allocation was brought in so quickly by the government Party. I see across the way many long time Members of Parliament who were here in the days of the Trudeau Government when time and again they complained about time allocation and closure being brought in by that Government.

There are more occasions now when time allocation is brought in than there were in the previous five or 10 years. There are more occasions when time allocation is used than we had in the days when members of the Conservative Party complained. I see the Hon. Member for Burlington (Mr. Kempling) hiding his head behind the newspaper in shame because of what his Government is doing.

I have here a copy of a speech made by the Minister for International Trade (Mr. Crosbie) on June 9, 1981, when he complained about the Liberal Government bringing in time allocation. The Minister of Justice (Mr. Hnatyshyn) is very embarrassed and shouting from his seat.

I wish to quote something stated by the Minister for International Trade when time allocation was brought in by a Liberal Government. He said:

> The same little group comes in here on every closure motion. The same little group of parliamentary eunuchs, the same group of parliamentary assassins—the House Leader, the assistant House leader, the hon. member for Ottawa Centre (Mr. Evans), the Minister of State for Finance (Mr. Bussières)—are in here all the time, assassinating this House and removing the good from the House. That is why I call them the parliamentary eunuchs. The good has already been removed from them.

The Hon. Member was talking about parliamentary eunuchs in the Liberal Party. I do not disagree with him. However, now that the Conservative Party is in power it is doing exactly the same thing.

Back in 1981 the Minister for International Trade further stated:

> Where are all the defenders of the people on the other side of the House? They are going to come out of their trough in a few minutes. They will hear the bell and will have to break away from whatever trough they have their noses in at the moment. They will have to come into this House and say "Oink, oink". They will have to say "Aye, aye". They will have to say "Yes" to the stampeding of Parliament, to rushing this bill through the House. They will have to say "Yes" to the gutting of Parliament. They will have to do the dirty work that the parliamentary assistants, assassins and eunuchs have asked them to do.

Now the Minister for International Trade is on the government side of the House. What is he doing? He is bringing in time allocation, closure, and asking his mindless backbenchers, who are now the new parliamentary eunuchs, to get up and approve what he wants and approve what the Prime Minister wants in terms of cutting off debate on the child care legislation before the House.

I ask my friends across the way, and the Hon. Member for Burlington who is hanging his head in shame as he reads the newspaper, to get up on their hind legs and speak out in favour of parliamentary democracy. I say to my friend, the Hon. Member for Parry Sound—Muskoka (Mr. Darling), who has been here for many years, that he must rise and say the same thing now that he is in government as he said when he was in opposition, that Parliament should not be throttled, that parliamentary debate must continue, and that the people of Canada must have their say.

For years I remember John Diefenbaker sitting in the corner of the House to the left of the Speaker and rising and saying time and again that the Governments of the day were not allowing a full and complete debate, and saying that there had to be full parliamentary participation.

We have a Bill before the House today where there has only been one speaker per Party at third reading, and down comes the guillotine; a Bill before the House today where there were only two days of hearings in the City of Ottawa by the parliamentary committee that spent hundreds of thousands of dollars, and down came the guillotine; a Bill before the House today where the Province of Saskatchewan wanted to present a position and it was not heard.

The Province of New Brunswick was not heard, the Province of Nova Scotia was not heard, the Province of Prince Edward Island was not heard, nor was the Yukon or the Northwest Territories. Those provinces were not heard because the parliamentary committee only met for two days before the Government brought in closure.

• (1520)

Where is democracy? I ask some of the Members opposite, who used to be rugged individuals, who used to stand up and speak for freedom of speech and ask that the democratic process play a role, to speak now. It would be interesting to see if the Minister for International Trade was correct when he spoke in 1981 about Liberal Government back-benchers being parliamentary eunuchs afraid to get up and say their piece. He said they were parliamentary sheep who would say "bah bah" in the House of Commons as they voted in favour of the Government bringing in time allocation.

Where is the Minister of Justice? He used to pretend to be so indignant when he was on this side of the House and the Liberals brought in time allocation. Where is he now? He is a yes-man for the Prime Minister (Mr. Mulroney). How can he agree now to impose time allocation when the Province of Saskatchewan did not have its chance to present its position on child care before the parliamentary committee? How can he do that as a senior Saskatchewan Minister? I am really shocked that the Minister of Justice who at one time was progressive, another John Diefenbaker defending parliamentary freedom, freedom of speech and the dignity of this institution, would now sit back with the power which has gone to his head and watch as his Prime Minister rides roughshod over the wishes of the people of Canada.

It is with a great deal of sadness that I speak today as I watch my friends opposite. For instance, our good old friend from Parry Sound—Muskoka, who has been here a long time, is hiding behind his newspaper. His head is sort of bowed in embarrassment. He is turning a bit redder all the time. Why does that Member not get up and speak now and ask the Government to withdraw this time allocation motion? How can he justify one speaker per Party? How can he justify only one day of debate on third reading of a very important Bill? There were over 40 witnesses at the committee and every single one was in opposition to this Bill.

Mr. Kempling: All arranged by the NDP.

Mr. Nystrom: Not all arranged by the NDP. The Government of Saskatchewan could not even present a brief, and it has a Conservative Premier, Grant Devine. The Provinces of New Brunswick, Nova Scotia, Newfoundland, and Prince Edward Island could not present briefs and they are not NDP Governments. We cannot arrange for Brian Peckford or Grant Devine to say anything. I ask you, Mr. Speaker, to allow some of my friends across the way to rise, speak their mind, and prove they are consistent in government as well as in opposition when they spoke in favour of free speech in the Parliament of Canada.

Hon. Ray Hnatyshyn (Minister of Justice and Attorney General of Canada): Mr. Speaker, I will be very brief. This is one of the few times I have heard the Hon. Member for Yorkton—Melville (Mr. Nystrom) speak in the House recently. I simply want to assure him that I am here and that I am fully in support of this motion which was moved in view of the obstruction of the Opposition, particularly of the New Democratic Party.

I want the people of Canada to remember that here is a Party that likes to hold itself out as being the social conscience of Canada, but when we bring in the first child care program in the history of this country the NDP is out there blocking every move in order to thwart this program for the people of Canada. The New Democratic Party of Canada should be ashamed of itself. I think the next time the Member goes back to Saskatchewan—and we are all waiting for him to come back soon because we only see him there once in a while and it is a great pleasure for us—he will have some explaining to do. When he goes from Aylmer back to Saskatchewan I want him to tell the people of Saskatchewan why he, now the great defender of the Government of Saskatchewan, is blocking this legislation. Why is he standing shoulder to shoulder with the Senate of Canada, with Allan J. MacEachen, to block this legislation so that the people of Canada will be denied the largest input of money in the history of this country for child care? This program was brought forward by a Government which has a social conscience, which does not only speak about it, does not wear it on its shoulder, but in fact demonstrates it by actions.

I want the Hon. Member for Yorkton—Melville to go to Saskatchewan and explain to the people there why he has tried to block this particular legislation. I have listened to a lot of speeches in my day. When I was in opposition, I used to write my own speeches. I never had to resort to quoting speeches from, for instance, the Minister for International Trade (Mr. Crosbie). We were more creative when we were in opposition. This is a sham, a façade. The New Democrats are reading our old speeches in support of their position. What has happened to the New Democratic Party? Where is the spirit of J. S. Wordsworth? He must be rolling in his grave because the New Democratic Party of Canada is blocking child care.

Mr. Nystrom: Point of order.

Mr. Hnatyshyn: I will conclude my remarks to allow the Member to get up on a specious point of order.

Mr. Nystrom: It is just very embarrassing, Mr. Speaker, as a fellow Saskatchewaner and university graduate, to point out that it is Mr. Woodsworth, not Mr. Wordsworth.

Hon. Herb Gray (Windsor West): Mr. Speaker, Canadians watching this debate might well be asking themselves why the Government is so desperate to force through this time allocation motion after so little debate on what the Government is claiming is such an important measure. I think the answer is obvious. The answer is that in spite of the Government's claims that this is progressive, forward looking legislation, it is just the opposite. This legislation is grossly inadequate.

The Government says that this Bill will provide 200,000 more day care spaces, but in this country we need 1.6 million day care spaces. We not only need 1.6 million day care spaces, but we need them in centres which meet the same basic national standards right across this country so that every child who needs day care will not only receive it but it will be in up-to-date, modern centres with well trained, well paid staff. We need national standards and this Bill does not provide for national standards. In fact, this Bill will provide fewer spaces than if the Government had done nothing and just left the Canada Assistance Plan in place.

The Government does not want the Canadian people to find out the truth about its so-called national day care legislation. It is not a truly national piece of legislation. It does not provide day care for Canadian children who need it. Therefore, we must defeat this motion and go on to defeat this Government so that we can have truly accessible, affordable, universal day care for Canadians. We are not going to get it from this inadequate Conservative Government. Let us defeat this motion.

Mr. Deputy Speaker: It being 3.27 p.m., the two hours provided for the consideration of a motion now before the House have expired under the provisions of Standing Order 117. Accordingly, under the terms of the Standing Order, it is my duty to interrupt the proceedings and put every question necessary to dispose of the motion. Mr. Lewis moved:

> That, in relation to Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, not more than one further sitting day be allotted to the third reading stage of the Bill; and
>
> That fifteen minutes before the expiry of the time provided for government business on the day allotted to the consideration of the third reading stage of the said Bill, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose of the stage of the Bill then under consideration shall be put forthwith and successively, without further debate or amendment.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Call in the Members.

The House divided on the motion, which was agreed to on the following division:

S. O. 29

• (1530)

(Division No. 578)

YEAS

Members

Andre	Friesen	McCrossan
Beatty	Gray	McDermid
Belsher	(Bonaventure—Îles-de-la-Madeleine)	Nickerson
Blais	Hamilton	Oberle
Bradley	Hawkes	Peterson
Brisco	Hicks	Plourde
Browes	Horner	Redway
Caldwell	Howie	Scowen
Cardiff	Jacques	Sparrow
Clark	James	Stackhouse
(Brandon—Souris)	Jardine	Tardif
Crosbie	Jourdenais	(Charlesbourg)
(St. John's West)	Kempling	Taylor
Darling	King	Towers
Daubney	Layton	Tremblay
Desjardins	Lewis	(Québec-Est)
Dorin	Lopez	Van De Walle
Ellis	MacDonald	Winegard—55
Epp	(Kingston and the Islands)	
(Provencher)	Mailly	
Fennell	Mayer	
Fraleigh		
Fretz		

NAYS

Members

Angus	Gray	Riis
Benjamin	(Windsor West)	Rodriguez
Blaikie	Hovdebo	Rossi
Boudria	Jewett	Skelly
Dewar	Kaplan	Waddell
Finestone	Lapierre	Young—25
Foster	Malépart	
Fulton	Nystrom	
Gagliano	Penner	
Gauthier	Prud'homme	

• (1550)

[*Translation*]

Ms. Jacques: Mr. Speaker, on a point of order. Our seating arrangements were changed recently, and I am not in the right seat. I therefore move for unanimous consent of the House to have my vote accepted.

[*English*]

Mr. Speaker: Is there agreement?

Mr. Riis: Agreed.

Mr. Speaker: I declare the motion carried.

MOTION TO ADJOURN UNDER S. O. 29

TRANSPORT ROUTE CANADA INC.

Mr. Speaker: Hon. Members will know that earlier today there was an application for an emergency debate moved by the Hon. Member for Regina West. I have been giving the matter some consideration. I have indicated to the Hon. Member that I will hear him further on the matter.

Mr. Les Benjamin (Regina West): Mr. Speaker, I appreciate your consideration. It will allow Your Honour to consider further the propriety of my application for a debate this evening.

Earlier today I spoke of the Route Canada debacle—

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): I rise on a point of order, Mr. Speaker. I understand the sincerity of my colleague's request for an emergency debate. I know that this is an important matter. However, as I understand the rules under which one requests an emergency debate, the actual wording of the request is what is read into the record. There is no opportunity to embellish that. I have lived this for a long time now. I appreciate that the Government has no opportunity to tell its side.

In view of the time requirements I request that we stick to the Standing Orders.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, obviously there is no precedent being set here. Certainly Your Honour has the right in your position to hear a short intervention by the Hon. Member for Regina West (Mr. Benjamin).

I want to say that earlier in the day there was a problem in terms of the conveyance of the request for the emergency debate. I understand what happened. It was nobody's fault. It was a matter of a piece of paper not moving in the right direction at the right time. There was nobody to blame.

I think that as long as Your Honour recognizes that there is no precedent being set, because there was a marginal foul-up earlier today, to spend a few moments to hear the case would be quite in order.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, may I just make a comment. I do not understand the Government's sensitivity here. The Speaker himself—

Mr. McDermid: He just said: "Okay, go ahead".

Mr. Gauthier: He did not say anything. He said that this is wrong. The Speaker himself asked for comments.

Mr. McDermid: He just said—

Mr. Gauthier: I ask the Minister to shut up. The Minister should shut up and go back to his seat. I am not talking to him. I am talking to the Speaker.

The Speaker has invited the Hon. Member for Regina West (Mr. Benjamin) to make statements or further comments to help him in deciding whether or not there is need for an emergency debate. I do not see any point in the Government getting up and being all excited. I wish the Government would keep cool—keep cool.

Mr. McDermid: The House Leader just said: "Okay".

Mr. Gauthier: Go look after housing.

Mr. Riis: Do not ask us for any co-operation. He has asked for a small generous offer. The first thing that happens is that he is bad-mouthed by the House Leader.

Mr. Speaker: Perhaps Hon. Members would assist the Chair by quieting down a little.

I wonder if the Hon. Member for Regina West could give me in as succinct terms as possible exactly what he feels could be done if this debate were held this evening in terms of action taken by this place or the Government.

Mr. Benjamin: Mr. Speaker, once again I thank you and I appreciate your providing an opportunity to present evidence for you to consider whether or not you will accept my application for an emergency debate. In my earlier remarks I called this a swindle of the taxpayers, 2,300 employees and over 350 truckers.

• (1600)

To illustrate what I hope will persuade you, Mr. Speaker, I got a letter this morning from a lady in Oshawa which illustrates the results of this privatization authorized by the Government. Her husband was with CN Route for 23 years and then transferred to the private sector, namely Route Canada. He is now out on the street, as are over 2,000 other ones.

Further, I asked the Minister if he would intervene and ask the provinces to issue highway traffic board permits to these truckers, even to the ones who got their trucks and licence plates and insurance back from Route Canada. Route Canada still holds the highway traffic board permits for them to haul freight, and they cannot move. They are left out in the cold, and one has lost his trucks because the banks have seized them. One has lost his house. If there was ever an emergency, this is it.

Mr. Speaker: I understand the very serious matter. We have listened in the House and heard Members on both sides acknowledge that there was hardship here. However, having listened very carefully to the Hon. Member and after asking him to add somewhat to his remarks earlier today, I am afraid I must say that given all the circumstances it does not justify an emergency debate.

However, let me say this. It is one of these matters of considerable anguish that Hon. Members in this place, on both sides, have to face, and it may well be that the Hon. Member and other Members, and Members on the government side, may be able to pursue it further in Question Period. Perhaps there may be some way in which all Hon. Members can find some way to alleviate the difficulties that these people are in.

I do have to say to the Hon. Member, with the greatest respect and keeping the rules in mind, that it is not appropriate to proceed tonight with an emergency debate.

THE ROYAL ASSENT

[*English*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

> Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

• (1610)

[*Translation*]

And being returned:

Mr. Deputy Speaker: I have the honour to inform the House that when the House went up to the Senate chamber, the Deputy Governor General had been pleased to give, in Her Majesty's name, the Royal Assent to the following Bills:

> Bill C-146, an Act to amend the Tax Court of Canada Act and other Acts in consequence thereof—Chapter No. 61.
>
> Bill C-205, an Act to protect heritage railway stations—Chapter No. 62.

* * *

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 66, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Fraser Valley East (Mr. Belsher)—Environmental Affairs—Fraser Valley—Emissions from Burrard Thermal Generating Plant; the Hon. Member for Kenora—Rainy River (Mr. Parry)—Trade—Tax on Lumber Exports/Imports of United States Lumber.

GOVERNMENT ORDERS

[*English*]

BROADCASTING ACT

MEASURE TO ENACT

The House resumed from Tuesday, September 20, consideration of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication, as reported (with amendments) from a legislative committee; and the amendments of Mrs. Finestone:

Motion No. 71

That Bill C-136 be amended in Clause 34 by adding immediately after line 29 at page 24 the following:

"(3) The Minister shall consult with the Chairman before the Governor in Council makes an appointment to the Board."

Motion No. 73

That Bill C-136 be amended in Clause 39 by striking out line 14 at page 26 and substituting the following therefor:

"hold office for a term not exceeding seven".

Motion No. 76

That Bill C-136 be amended in Clause 74 by striking out line 20 at page 45 and substituting the following therefor:

"behaviour for a term not exceeding seven".

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, the first of these amendments relates to Clause 34. We were discussing the consultation between the Minister and the Chairman of the Board of CBC to ensure that there was no conflict of interest and that the members to be appointed by Governor in Council to that board were to be appointed in a way that would enrich the board to its fullest.

I know that the Minister has made appointments to the board, and the last group of appointments she made were appointments of fine, qualified people of which all Canadians would be quite proud.

Miss MacDonald: Including women.

Mrs. Finestone: Including women, right. It is true that those appointments have been good appointments. I would hope that the Minister to be appointed following the election that is about to take place will make the appropriate appointments as well based on those needs.

I would like to recommend the acceptance of this amendment because one has to prevent the perception of patronage appointments. I am sure the Minister would not want that perception to impinge on the making of proper appointments.

The second group of amendments in this grouping are Motions Nos. 73 and 76. They relate to the length of the term of service of both the President of CBC, as found in Clause 39, and the tenure of office of the officers and commissioners of the CRTC, as found in Clause 74. These motions, if passed, would provide that the appointment of the President of the CBC would be for a period of seven years and full-time appointments to the CRTC would be extended to a period of seven years.

These are key administrative and tribunal positions. It is important that the holders of these positions have the fullness of time in which to render the kind of decisions that will be in the best interests of the Canadian broadcasting system. I think it would further strengthen the arm's-length relationship between the corporation and the Government.

One of our concerns, from the very outset, has been of a tremendous potential for interference. Much of that has been removed, but I would strongly recommend that this measure be adopted to do the same thing.

Under Bill C-136, a Government would change the top management of two traditionally independent bodies during its term of office. The rule of a seven-year term for heads of Crown corporations is always intended to avoid this in order to protect the independence and to safeguard the arm's-length principle. At present, the President of the CBC, the Chairman of the CRTC, and the Governor of the Bank of Canada have been the significant exceptions to that rule. It was because of the very sensitive nature of the positions of the Governor of the Bank of Canada, the Chairman of the CRTC, and the President of the CBC that that was so.

Again, we do not want to have a sense of political interference with the increased patronage potential. Certainly, the perception of patronage appointments would exist because of the very nature of this change. Because of the structure of the CBC, with the chairman being a director of the board, it is most regrettable that we could not change that situation so we could determine who was the boss of the CBC, but it would have been a little too complex to make that amendment. Otherwise I would certainly have included in this amendment the position of the chairman of the board.

I would like to recommend that Motions Nos. 71, 73, and 76 be given very serious consideration and that they receive favour with the Minister of Communications (Miss MacDonald).

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, as communications critic for the NDP, I would like to speak to this set of motions, Motions Nos. 71, 73, and 76, all brought forward by the Hon. Member for Mount Royal (Mrs. Finestone). Motion No. 71 provides that the Minister should consult with the chairman of the CBC before making appointments to the board. I do not have any particular problem with that. It is kind of odd, though. The Conservative Minister, if it happened right now, would be consulting with the Liberal President of the CBC.

Miss MacDonald: I consult with him every day.

Mr. Waddell: It is quite interesting. The motion simply says to consult. One can consult and then simply leave, so it really does not mean all that much, but—

Mrs. Finestone: It's better than nothing.

Mr. Waddell: It's better than nothing, perhaps. What is important, and the Member touched on this in her speech, is appointments to the board of the CBC. I have been making a special point since I became the NDP critic to take advantage of the procedures under the reformed rules of Parliament whereby we can call upon all appointees to the board of the CBC and cross-examine them for 10 or 15 minutes, and it is worth while to do that.

Recently we cross-examined Diane Lamb from Vancouver and Ron Collister, who, even though they are both Conservatives, are both pretty good people, and in spite of being Conservatives, they are good Conservatives. I was satisfied that while they had their own viewpoints on certain issues, these people were dedicated to protecting the interests of the CBC generally, and that was important.

That has not been true of all appointments made by the Government. Especially in the beginning of its term, not so much by this Minister but by her predecessors, appointments to cultural agencies including the CBC were dumping grounds for Tory patronage appointments for so-and-so's campaign manager, the Prime Minister's secretary, someone else's friend, and so on. They were pretty awful appointments, and the appointments recently got a lot better.

• (1620)

Motions Nos. 73 and 76 would extend the term of the President of the CBC and that of the CRTC commissioners to seven years. I think seven years is probably too long for one appointment. Indeed, I am told that the President of France—God knows how he loves his seven-year term—is considering a national referendum to shorten the presidential term to five years. If it is good enough for the President of France to shorten the term, we might consider that seven years might be a bit too long a term. As I said to Mr. Juneau in the committee hearings, it certainly avoids any messy by-elections or anything like that.

I would not support Motions Nos. 73 and 76 but would support Motion No. 71.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I want to make a few comments in support of Motion No. 71 introduced by my colleague from Mount Royal. The clause she is seeking to amend provides that a person who is engaged in the production or distribution of program material suitable for use by a broadcasting undertaking may be appointed director of the Canadian Broadcasting Corporation if that is not his or her main occupation.

I should like to say a few words concerning the power of the Government to make appointments to boards of directors and to emphasize how important we think it is that individuals appointed to the boards of these corporations and agencies be quite familiar with their new environment and truly represent the interests of the various Canadian groups. I am referring of course to francophones who at times get hauled over the coals when it comes to appointments to such national bodies as the Canadian Broadcasting Corporation or the CRTC. I mention this because the Canadian Diaspora is divided into two majority groups. First we have the anglophone Canadians in general who see to it that their colleagues and fellow nationals are duly represented, and I agree with that.

Then there are the Quebecers who make sure they are represented on the various Government Boards, but then there are the minority groups. It has always been a problem for both anglophones in Quebec and francophones outside Quebec to be appointed to the CBC or the CRTC, for example. I was looking at the CRTC 1987-88 annual report and I am impressed, as was my colleague from Mount Royal, by the quality and especially the representation of women, and I am in favour of that. The point I want to make is that we have to be sure that the directors appointed by the Government—I hope the Minister will exercise that power in the future, maybe not this Minister but the Minister of Communications who will have to act with diligence and make sure that the appointees represent the Canadian community as a whole and that the various commissions, particularly the CRTC and the CBC, have people on the board who understand the aspirations of the official languages minority groups, that is anglophones in Quebec and francophones outside Quebec.

I should like to get back to what seems to be a problem these days, the famous TV5 network. I fail to understand why in the past two or three days, responsible and serious journalist Michel Vastel of the fairly respectable newspaper *Le Devoir* should always be referring to the problem which TV5 creates for French-speaking Canadians outside Quebec. Mr. Speaker, I can quote these articles in *Le Devoir* which constitute an attempt—not strong enough, I would suggest—to depict what I mean by fair representation of linguistic groups.

I see in today's *Le Devoir* a statement made by the Prime Minister (Mr. Mulroney), and I quote:

"TV5 is an excellent network and we will make it available everywhere"

Another nice promise! Hon. Members will recall that yesterday the Minister of Communications (Miss MacDonald) and the chief executive of TV5 were also quoted in an article by Michel Vastel.

Mr. Speaker, I will quote word for word, what TV5's General Manager, James Baird, confirmed to *Le Devoir*, namely that "... *Consortium de Télévision Quebec-Canada* is getting ready to apply to the CRTC, within a week at the most, in order to offer TV5 to cable distributors in English-speaking Canada at a price lower than the 27 cents a month paid by Quebec subscribers ... " This is a serious promise indeed, and I think it is a step in the right direction. And to quote further: "It is felt within the Canadian Department of Communications that this application should be dealt with rapidly, as a regulatory matter by the CRTC, in order to allow early penetration by CTQC, the *Consortium de télévision Québec-Canada*, of that market outside Quebec." Again it seems to me that this is a promise. They are saying: it is coming. I was told this week, I think it was Tuesday last, September 20, by the Minister herself, that I was impatient. Well, things have moved since then!

Wednesday, September 21, and today, September 22, two good articles support my position, which is simply to widen the choice, the viewing grid, in order indeed to include the famous TV5, a Canadian government initiative that cost $1.6 million of Canadian money and that, in my view, is really needed to allow for the development of our official language minorities across Canada, giving them access not only to Radio-Canada's French services, but also to another network, TV5, which as we know is an international entreprise, to the extent it is a consortium of several countries—which Canada, France, Belgium, Switzerland and the province of Quebec—agreed to put that programming together.

I am sorry, but I have to quote from an article, again by Michel Vaste in today's *Le Devoir*:

> Miss Flora MacDonald indicated to *Le Devoir* that regulatory arrangements could be soon negotiated between TV5, the cable distributors and the CRTC. The latter promised yesterday to deal "expeditiously" with any application.

But the Minister is here. I for one trust her. I think she is a Minister to be trusted. If she says to those newspapers people she is serious and really wants to help us, let her do so. As it seems to me, the least she could do is tell the CRTC's president, whom she herself appointed, to act, to do something positive. Let her tell Mr. Juneau: "Enough pussy- footing and dilly-dallying. Do something. The time has come to act on that, and we want TV5 to be accessible to English-language cable distributors outside Quebec so it can be relayed to French- language viewers outside Quebec!

It seems to me we are not asking that much, but it is all connected with this particular amendment. The kind of directors we have, the kind of people we have to make the decisions and recommendations all depends on how these people see their role. I see them as representatives of the diaspora. I also see them as strong representatives of various interest groups, including francophones, women, native people and multicultural groups. I think all these people should be very well represented. I think the Minister should give serious consideration to the amendment submitted by the Hon. Member for Mount Royal (Mrs. Finestone) which says the Minister should consult. That is all we want her to do. We want her to consult properly and at length before making appointments, so that we can be sure of the qualifications of the people up there, that they are really on top of the situation and can provide the kind of service that truly meets our expectations.

[*English*]

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to make a very short intervention on the three motions before us. In terms of Motion No. 71, this would make it a requirement that the Minister would have to consult with the chairman of the CBC before any appointments were made. I see that as a protection for the Minister and for the board itself.

After an election and the enthusiasm of a new Government, whatever its stripe, rewards are made. Not immediately after the 1984 election but later, when there was a move to appoint new people to the board of Air Canada, we saw people being appointed not because of expertise in transportation or even expertise as a consumer of that particular mode of transportation. The best the person involved could come up with was that she had a driver's licence and a Tory card.

It makes sense to give the Minister the power to hold off the patronage boys. Whatever the structure is, whether it is a committee of the PMO or whatever, it ought to be able to say: "Hang on. Thank you for your suggestions. Let me take them back to the chairman of the CBC and take a look at the mix, the regional mix, and the level of knowledge and understanding of broadcasting, whether it is on the technical side or on the performing arts side".

• (1630)

Even though it may be done informally now, I suspect that there is that type of give and take. The Minister and the Government would not drop it on to the chairman and say: "Here is your new crew". There is some consultation. This is an added bit of protection so that the Minister cannot be overruled or forced to put some people on the board of the CBC who would not go with the wishes of the Minister herself or himself, whoever the Minister may be at the time.

I encourage the Government to accept this amendment. It does not prevent it from making the appointments or unduly restrict it. It formalizes in law an informal process that occurs today.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Motions Nos. 71, 73, and 76 were grouped for debate. Motion No. 71 will be voted on separately and a vote on Motion No. 73 will apply to Motion No. 76.

The question therefore is on Motion No. 71, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 73, standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

Mr. Gauthier: On division.

Motion No. 73 (Mrs. Finestone) negatived.

Mr. Deputy Speaker: The vote on Motion No. 73 applies to Motion No. 76, so Motion No. 76 is also lost on division.

Motion No. 76 (Mrs. Finestone) negatived.

Mr. Deputy Speaker: The next motion is Motion No. 75 which will be debated and voted on separately. On a point of order, the Hon. Minister of Communications.

Miss MacDonald: I would like to advise the House that I am prepared to accept this amendment.

Mr. Deputy Speaker: The next motion is Motion No. 75.

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 75

That Bill C-136 be amended in Clause 52 by striking out lines 24 to 30 at page 34 and substituting the following therefor:

"poses to carry out a substantial change to business activities in any period in a manner that is not consistent with the last corporate plan of the Corporation in respect of that period, the Corporation shall forthwith notify the Minister in writing of the inconsistency in the manner of carrying on the business activity."

He said: Mr. Speaker, I wish to explain Motion No. 75 and thank the Minister for accepting it. Under Clause 52(3) the CBC is required to inform the Minister when it "proposes to carry on any business or activity in any period in a manner that is not consistent with the last corporate plan". This amendment states:

"poses to carry out a substantial change to business activities in any period in a manner that is not consistent with the last corporate plan of the Corporation in respect of that period, the Corporation shall forthwith notify the Minister in writing of the inconsistency in the manner of carrying on the business activity."

I believe that such notification should only be necessary when a major issue has arisen, and that is why the use of "substantial change". I am pleased that the Minister has accepted it.

Mrs. Sheila Finestone (Mount Royal): I wish to thank the Minister. I am pleased that my colleague, the Hon. Member for Vancouver—Kingsway (Mr. Waddell), moved the amendment. It came to me as a great surprise. It was refused for consideration in our deliberations in the legislative committee, therefore I did not submit it. I was pleasantly surprised when I found it in the Bill, and I am pleased that the Minister has agreed. I am pleased that my colleague moved it. I guess everybody is happy.

The only thing I would like to find now is a five-year plan that has a financial commitment. I can see no reason why we cannot do that for the CBC; we do it for all kinds of other things.

Mr. Deputy Speaker: The next question is on Motion No. 75, standing in the name of the Hon. Member for Vancouver—Kingsway. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion No. 75 (Mr. Waddell) agreed to.

Mr. Deputy Speaker: The next motions are Motions Nos. 75A and 75B which will be grouped for debate and voted on separately.

Mr. Ian Waddell (Vancouver—Kingsway) moved:

Motion No. 75A

That Bill C-136 be amended in Clause 70 by striking out line 4 at page 44 and substituting the following therefor:

"7. Neither the Company, nor its parent, nor any".

Mrs. Sheila Finestone (Mount Royal) moved:

Motion 75B

That Bill C-136 be amended in Clause 70 by striking out line 5 at page 44 and substituting the following therefor:

"affiliate of the Company shall".

Mr. Waddell: Mr. Speaker, Motion No. 75A states:

That Bill C-136 be amended in Clause 70 by striking out line 4 at page 44 and substituting the following therefor:

"7. Neither the Company, nor its parent, nor any".

Page 44, line 4, of the Bill states:

Neither the Company nor any person controlled by the Company shall directly or indirectly hold a licence issued under the *Broadcasting Act* or carry on a broadcasting undertaking within the meaning of that Act.

That is contained in Part IV of the Act entitled "Amendments to Other Acts" and it refers to the Bell Canada Act. Clause 70 states:

> Section 7 of the *Bell Canada Act* is repealed and the following substituted therefor:
>
> "7. Neither the Company nor any person controlled by the Company shall directly or indirectly hold a licence issued under the *Broadcasting Act* or carry on a broadcasting undertaking within the meaning of that Act".

The company, I gather, is Bell Canada. Both Motions Nos. 75A and 75B deal with Bell Canada. I read the amendment that we proposed. Bell, which is big enough to swallow up the whole broadcasting industry, cannot get involved with any undertaking under Bill C-136. That is what it states in the Act, unamended. However, Members could ask themselves if it involves all of Bell. Bell has this great ability, and as a matter of fact it should go in the Guinness Book of Records, because the child is able to produce a parent. It is the only thing in the world which reverses the natural order, the child produces the parent. I am speaking of Bell Canada International and Bell Canada Enterprises. The company of Jean de Grandpré makes a billion dollars a year in profit. One sees Mr. de Grandpré on the cover of the Air Canada magazine or other magazines bragging about how he got away from being regulated by the regulators because he was able to spin off another company, and it became a deregulated company.

When we addressed this clause in the clause-by-clause part of the legislative committee, the Minister was asked whether Bell Canada Enterprises—where I talked about the child spinning away the parent, the child being Bell Canada and the parent being Bell Canada Enterprises—was covered by this prohibition. In other words, was Bell Canada Enterprises prohibited from getting into broadcasting? The answer was no. In fact, I believe it was Mr. Palmer of the Minister's Department who said that in response to a question from the Hon. Member for Don Valley West (Mr. Bosley) who was a member of the committee.

What we are saying with this amendment is that Bell Canada and Bell Canada Enterprises have consistently made efforts to avoid Canadian regulations and regulators by spinning off new companies. Indeed, a Bill was passed by this Government to allow the child, Bell Canada, to give birth to the parent, Bell Canada Enterprises. What we are saying is that this amendment should be perfectly clear and that the prohibition should apply to Bell Canada Enterprises as well as to Bell Canada. The Bell Canada Act, under Amendments to Other Acts states:

> Section 7 of the Bell Canada Act is repealed and the following substituted therefor:
>
> "Neither the company nor any person controlled by the Company shall directly or indirectly hold a licence issued under the Broadcasting Act or carry on a broadcasting undertaking within the meaning of that Act".

We want to amend that to "neither the Company nor its parent, nor any person controlled by the company". Therefore, we make it quite clear that we are talking about Bell Canada and its parent, Bell Canada Enterprises. I think that is the nub of this amendment.

• (1640)

We know how close the Minister is to Bell Canada Enterprises. We remember the famed Saudi caper of recent vintage. That is when the Minister worked hand in hand with Mr. Jean de Grandpré, the President of Bell Canada Enterprises, to end run a CRTC decision. The CRTC had ruled that Bell Canada must use $21 million from overseas operations to cut telephone rates in Canada. The Minister went so far as to write a letter of support for Bell which was used by the company in its appeal to the CRTC. I believe the courts have recently rendered a decision with respect to the Government's continuing interference in this matter. I want to quote Mr. Andrew Roman when, in front of the legislative committee, he said:

"This may sound weird, but I would even give consideration to going the other way. What you see under the Broadcasting Act is both broadcasting and cable, and cable is essentially not very different from the telephone companies. While I do not think I would like to have the news brought to you by Bell Canada today in the sense that they are writing the news, I do not see why on the transmission side of it they should not, since they produce fibre optics, coaxial cable, and digitalized network, to be able to provide some competition for the cable companies. But then I have always felt that the hardware delivery side should either be taken right out of the Broadcasting Act or put into a special section and dealt with not as if it were broadcasting. I think it should be dealt with as if it were transmission, which is essentially a hardware and transmission function.

I do not mean by this that it should be dealt with only on the telecom side through the Railway Act, but it should perhaps be left in the Broadcasting Act but dealt with as a separate entity. To the extent that we would not want Bell Canada carrying on the broadcasting activity, I would think that it should cover any associated or affiliated company, yes, because it is so easy to spin off another subsidiary that does the same thing or virtually the same thing under a different label, but when it comes to transmission I would be happy to see them competing with the cable industry because, for one thing, it would bring rates down and for another, it would probably bring quality up."

I do not agree with Mr. Roman's somewhat mischievous suggestion about Bell entering the broadcasting picture. We think that Bell Canada Enterprises and Bell are perhaps even bigger and more powerful than the cable industry, which is already powerful enough. In a short time they could well take over the entire distribution side of broadcasting. We do agree, however, with Mr. Roman and the public interest advocacy group that the distribution undertaking should be dealt with separately and perhaps have similar provisions that apply to Bell in the Railway Act apply to cable companies. I have already offered amendments along these lines which have been voted down by the Government.

However, this amendment, if I may just summarize it, makes sure that we catch Bell Canada Enterprises, the parent, that was spun off by that miracle child.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I can only support the remarks made by my colleague and suggest to him that based precisely on what he has brought to the attention of this House I think perhaps my amendment is a bit fuller in its concept. It covers more. It covers the momma, the poppa, and all the aunts, uncles, sisters, and brothers that might possibly become affiliated. I think the major point here is the fact that cable is a hybrid system. If we were to allow the telcos, particularly Bell Canada, as the first step, into the operations of transmission as a cable system, we would then find them moving into the next step that which we have now accorded to the cable system, and that is as a programmer.

I would like to remind the Minister of her views, which she expressed very succinctly subsequent to my bringing my concerns in this respect to her attention when we were dealing with Bill C-113 on Bell Canada. With respect to Bill C-113, on May 6, 1987, the Minister said that she favoured a preventing of affiliates, not just subsidiaries, of telephone companies from holding broadcast licences. The Minister went further and said: "I believe such a restriction should apply to all federally regulated telephone companies". I would go beyond that and say "all telephone companies", notwithstanding that she went on to say: "We do not tend to favour the telephone company investment in broadcasting receiving undertakings whether directly or affiliated companies".

I recall talking about the child that gave birth to its parents, which is quite a unique undertaking in anyone's world, but it gave birth to a rather unique parent. This parent ended up earning $1 billion profit last year. I would say, therefore, it was a very well fed child in the end. Actually, the child who gave birth, Bell Canada, is still a very productive part of the Bell Canada Enterprises. I would suggest that we do not want Bell Canada, Bell Canada affiliates, Bell Canada Enterprises, or any one of them, involved in the broadcast Bill.

The amendment which appears under the Bell Canada Act, through Section 70 of this Act, now prevents Bell Canada only, the regulated monopoly telephone company and its subsidiaries, what flows from the Bell Canada Telephone Company, from holding a broadcast licence. It does not touch Bell Canada Enterprises. I would suggest to the Minister that we would be moving into a very serious situation if we would start with a monopoly transmission facility lending its help and aid to a subsidiary or a sibling or a parent, as the case may be, as one of the affiliates might apply for such a licence.

The potential for conflict must not be permitted. Broadcast and telecommunication policies are not currently advanced enough to allow the entertainment of this particular idea. I would like to suggest that our amendment is valid. The previous Minister of Communications tried such a provision in his first attempt at a Bell reorganization Act under Bill C-19. I would suggest that it was not in the country's interest then and it remains not in the country's interest now. I would strongly recommend the Minister give consideration, through consultation with her own staff, to which one would cover most broadly either Motion No. 75A of my colleague or my own Motion No. 75B. One or the other, I believe, should be adopted.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I want to comment briefly on this amendment. The effect of the amendment is to ensure that Bell Canada cannot indirectly, through Bell Canada Enterprises, do what the Bill says it should not do directly, for example, entering into the broadcasting area.

I am surprised the Government would not have accepted this amendment by now, because it has been made quite clear over the course of the past 15 or 20 years that Bell Canada has systematically been seeking to evade regulatory authority of the Government of Canada. It has been aided in so doing by the Liberals when they were in power prior to 1979, again since 1980, and now by the Conservatives in their first full term in office for a very long time.

I ask myself: What is the reason for that? Why this excessive lassitude when it comes to Bell Canada? Why this complicity with Bell Canada in terms of trying to build it up or allow it to do things which one would have thought the Government agreed it should not do? The only answer I can arrive at is the fact that the Government, be it Liberal or Conservative, has a soft spot for Bell Canada. Of course, I have difficulties with that in a couple of ways. I recognize that Bell runs a more efficient and useful telephone system than many that exist in the world. We benefit from the fact that the telephone system as a whole in North America works pretty well. However, at the same time one must ask whether the cost of that should be to allow continued growth in the non-regulated side which appears to be financed or facilitated by the regulated activity. I think that is a very serious question which the Minister should have taken up.

• (1650)

While I am on my feet, if one wants an example of the problems and corporate irresponsibility which exists, you can look at the situation which is occurring right now. This is a shade distant from the specific purpose of the Bill, but I, as a Member of Parliament, want to register my concern in human terms for the fact that the Bell workers have now been left out on the street for a period of 13 weeks and it looks as though it is going to go on for a lengthy period of time. I want to voice here in the House of Commons my concern for my constituents who have suffered and also for my constituents who are small business people and are suffering because of the deterioration of Bell service. Constituents of mine and other people in this area who are seeking to move into homes or change telephones have also suffered a deterioration of service.

I would like to register my concern for the junior managers who have had to work 60 or 70 hours a week because of the obduracy, obstinacy, and stubbornness with which Bell Canada has continued to hold out against reaching a decent and just settlement with its workers.

That is relevant to this particular clause in the sense that this is a company whose primary objective used to be seen as a public service. That does not mean that it was not in the business of making a profit as well. It obviously did. It returned a reasonable stream of dividends and Bell shares were always seen as a safe investment, et cetera. However, a company whose primary objective appeared to be public service seems to have been taken over by an ethic which says that we do not care whether we are in the mortuary business, the telephone business, or anything else, the object of our business, first and foremost, is not to serve our customers, not to look after our employees, not to be good corporate citizens; it is first, last, and foremost just to make a buck, to make as many dollars as we can, and to have the company grow as large as it can.

If that is the guiding principle which is impelling Bell Canada right now, then that means if Bell Canada is prevented from getting into broadcasting, if broadcasting continues to be a lucrative area of endeavour, then Bell Canada will be looking to go indirectly into an area from which it may be barred from going directly. That is why I am suggesting that this amendment, which would ensure that Bell Canada cannot do indirectly what it cannot do directly, should be accepted. I ask the Minister to comment on that when she participates in the debate on this particular section.

I would also like to have her comment a bit about the human situation of a company which I think is doing itself long-term harm in terms of the way it is handling its labour relations. It is doing a lot of harm to its workers, its customers, its clients, and a lot of small business people across the country when this goes on and on. Surely there must be a more sensible way of running a major enterprise with such an important role in our society, as well as our economy, as Bell Canada has, than to hold out, to keep the last tenth of a per cent out of a wage increase for its employees, to give nickels and dimes only when it comes to a second vote to the point where the employees felt they had no choice after 11 weeks but to reject the company's offer.

There is something wrong with that and I put a lot of the responsibility on Bell management. In acting as they have they have engendered the inquietude and distrust which leads my Party to suggest that this amendment would be appropriate in order to ensure that Bell does not use the back door to get into broadcasting.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I want to participate in this debate on this particular motion put forward by my hon. colleague from Vancouver—Kingsway. The section in the Bill to which it refers is Clause 70(7) which presently reads:

> Section 7 of the Bell Canada Act is repealed and the following substituted therefor:
>
> "Neither the Company nor any person controlled by the Company shall directly or indirectly hold a licence issued under the Broadcasting Act or carry on a broadcasting undertaking within the meaning of that Act".

This amendment expands this somewhat. At first glance it certainly appears that it is a step in the right direction that Bell Canada, or any person controlled by the company, shall not directly or indirectly hold a licence issued under the Broadcasting Act or carry on broadcasting within the meaning of the Broadcasting Act.

It misses, of course, the point made by my hon. colleague from Vancouver—Kingsway, that is, the fact that this company is controlled by Bell Canada Enterprises. With Bell Canada Enterprises exempt from this, you might say that the parent of the company is exempt. I do not think that was what the Minister intended.

The Member for Vancouver—Kingsway (Mr. Waddell) has suggested that Bill C-136 be amended in Clause 70 by striking out line 4 at page 44 and substituting the following, "Neither the Company, nor its parent". That will take in the concern that Bell Canada Enterprises also be under the authorization of Bill C-136, Clause 70.

The spokesperson for the Liberal Party has indicated that we should also include on line 5 at page 44 an "affiliate of the company". I think that is more than reasonable because one of the problems we have seen in the past, when it comes to escaping regulation, not only with the Broadcasting Act but other forms of regulation, is that you simply have to spin off a subsidiary and that takes care, if you like, of escaping beyond the net of the regulatory network.

I do not expect that we want to see that happen and my hon. friend, the spokesperson for the Liberal Party, has suggested that we also include an affiliate of the company. I think that is a reasoned suggestion such as she normally puts forward in the House. I was hoping the Minister would have indicated she would have supported the inclusion of the term "affiliate" or, as my hon. friend from Vancouver—Kingsway has indicated, recognized that the parent of the company should be recognized.

I need not repeat some of the arguments put forward earlier by the Member for Vancouver—Kingsway, who indicated some of the ways in which Bell Canada Enterprises has operated to circumvent a number of regulations in the country. I think of some of the ways they use to circumvent the Tax Act and the way they have circumvented regulations in a variety of business and industrial pursuits. We are concerned about this one because it refers to broadcasting. This is critical. We all, of course, fear further corporate concentration in the broadcasting field. Therefore, my hon. colleague has moved what we would call informally a friendly amendment. However, the Minister indicated she would not consider this amendment to be acceptable although he is simply asking that the parent also be involved. He referred to the offspring and the parent and this is kind of a backward movement when we want to bring the parent company under this section as well.

Miss MacDonald: I rise on a point of order, Mr. Speaker. I know that we are coming to the close of report stage of this Bill and we have now been discussing the various amendments for a great deal of parliamentary time. There have been 79 various amendments put forward. I have accepted a number of them in the course of debate here in the House and in committee.

• (1700)

We are within one amendment of completing report stage of this Bill. I know I have consent from the critic for the Liberal Party, the Member for Mount Royal (Mrs. Finestone). I would like to appeal to Members of the New Democratic Party to spend the time it would take to finish report stage of this Bill this afternoon.

Mr. Gauthier: It is five o'clock.

Miss MacDonald: We are within one amendment of finishing.

Mr. Riis: Mr. Speaker, I listened carefully to the Minister's request. On the surface, it would appear to be a reasoned request. Taken in the context of the way the three Parties have approached this legislation, it might make sense.

However, a few minutes ago in the House, on the most important piece of social legislation in decades, the child care legislation, the Government made no indication of even a decent debate on it. It brought in closure after a single speaker from each of the three Parties.

While one is encouraged, and I quite frankly believe that the Minister has a legitimate concern about this, since we have already debated closure in the House I do not think the request is reasonable.

However, we look forward to rapid passage of report stage as soon as it is called again.

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

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

FINANCIAL INSTITUTIONS

ADVISABILITY OF INFORMING DEPOSITORS WHEN DEPOSITS ARE UNINSURED

The House resumed from Thursday, August 18, consideration of the motion of Mr. Riis:

That, in the opinion of this House, the Government should consider the advisability of co-operating with the provinces in establishing a system whereby those individuals who deposit money in financial institutions not covered by deposit insurance be required to sign a waiver form indicating that they are fully aware that their deposits are not insured in the event that the institution goes bankrupt.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, it is a pleasure to be able to continue my debate on this particular issue brought to our attention by the Hon. Member for Kamloops—Shuswap (Mr. Riis). I have glad tidings for the Hon. Member. In fact, it is probably more than he deserves after the way he has been treating the Government with respect to child care, the free trade agreement and everything else. However, when we on this side of the House think someone has a good idea, we go along with it.

In a few moments I will be introducing an amendment which will render this private Member's motion acceptable to the Government. It will not change it in any major way but will simply tidy up the wording.

In my previous presentation I said that this is a good idea. There has been all manner of problems in Canada of late, of people making deposits in various deposit-taking institutions not knowing whether or not those deposits were insured under CDIC or being of the assumption that these deposits were insured. In the long run they found out to their chagrin that that was not the case.

It is good fortune for the Hon. Member for Kamloops—Shuswap that he has before us today a motion and not a Bill. On issues such as day care and free trade the Liberals and their good friends the New Democratic Party have been encouraging an attitude of recalcitrance in the Senate. This has flowed over to the ideas put forward by the Member for Bow River (Mr. Taylor) with respect to heritage railway stations. That Bill has been given a rough ride in the Senate. It is lucky for the Hon. Member that he does not have to go through that route.

I want to make one small comment before going through a prepared presentation. It deals with waiver forms, if we adopted a system of using waivers.

When one goes into a bank or trust company to open an account and puts some money on deposit, one ends up with a whole sheaf of forms, all written in legalese. We are told to sign in the various places marked with an *x*. If we do not sign, they will not take the money and will not open an account. Very few people read those forms. If there was to be a waiver, it should be in bold print on a separate piece of paper that no one should mistake.

A review of the debate on this motion thus far would show that the House is virtually unanimous in its support for the aims of the Member for Kamloops—Shuswap. As many Members on both sides of the House have pointed out, however, there are a number of problems with the specific proposal which his motion is putting forth.

I agree with several of my colleagues who have indicated that while they support the spirit of the motion, they are unable to support it in its current form because of those shortcomings.

Consequently, in order to ensure that the House is able to convey its support for the swift development and implementation of measures to improve the availability to consumers of information regarding deposit insurance coverage of deposits and deposit-like instruments, I move, seconded by the Hon. Member for Kamouraska—Riviere-du-Loup (Mr. Plourde):

> That the motion be amended by striking the words following the word "establishing" and substituting the following:
>
> "new ways of notifying clients of financial institutions of the existence or absence of deposit insurance coverage or similar forms of protection for deposits and deposit-like investments."

Mr. Deputy Speaker: The Chair finds the amendment to be in order. Resuming debate.

Mr. Ray Skelly (Comox—Powell River): Mr. Speaker, this is a very important proposal. Many Canadians have been caught in a situation where they have placed their deposits in an institution in the belief that in the event the investments of the institution were lost they would have protection for those deposits and would be able to recover those deposits from the institution.

A number of organizations in the early 1980s invested in land. As interest rates escalated and the prices of the land dropped, they were unable to obtain a return on those investments. The depositors in those institutions lost their shirts.

After the smoke and dust had cleared, the people who had put their life savings into these institutions found that there was absolutely no protection for those savings. Had they known this when they first encountered the situation, there certainly would have been some caution and probably another form of investment. I know people who lost virtually their life savings in such organizations. There certainly would have been a great deal more caution in placing their investment, such as by spreading it out into different institutions to protect them from such an occurrence.

• (1710)

We have before us this afternoon an extremely important proposal. I notice in the amendment put forward by the Hon. Member who sits on the government side that the proposal is acceptable and that the Government will support it.

One question I have to ask, however, and it is one which I hope the Government will respond to, is with respect to what seems to be proposed here, although more than acceptable to us because of the action being taken to assist, is that some clarification is needed on how that notice to prospective depositors might come about.

Certainly the fact is that an individual must sit down and have the proposal explained, especially the fact that the deposit is not covered by the Deposit Insurance Corporation and that there is no protection should deposits be lost through investments that do not yield sufficient money to return. We watched the same type of thing happen with the B.C. Teachers Co-op. It is an organization that for many years operated successfully. It accepted deposits from teachers and turned around to pay returns on those deposits. In the final analysis it got caught in the escalating interest rates and declining land prices and left a great number of its members holding the bag.

Hopefully, the Government will explain the mechanism that it intends to use to have prospective depositors fully informed of the lack of coverage, or the nature of coverage of deposits.

Mr. Deputy Speaker: It being 5.14 p.m., pursuant to Standing Order 36(2) the time provided for debate has expired. Accordingly, the question is on the amendment standing in the name of Mr. Nickerson. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: I declare the amendment carried.

The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: I declare the motion carried.

Some Hon. Members: Hear, hear!

Motion, as amended, agreed to.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 66 deemed to have been moved.

ENVIRONMENTAL AFFAIRS—FRASER VALLEY—EMISSIONS FROM BURRARD THERMAL GENERATING PLANT

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, I have asked for an opportunity to address the House during this adjournment debate to pursue a question I asked the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. Shields) on July 27. Briefly, I asked if the Government would reconsider the effects on the environment of the Fraser Valley, especially the District of Chilliwack, in making the decision whether or not to reissue the permit to B.C. Hydro for energy exports using the Burrard Thermal Generating Plant.

Although the Parliamentary Secretary replied to my question, I have several points which I would like to highlight, and a couple of questions I wish to raise. First, a quick view of the environment in the Fraser Valley is necessary. The Fraser Valley is one of the world's most productive areas for fish, wildlife and agriculture.

Surrounding the cities of Chilliwack and Abbotsford are rich and abundant crops of raspberries, blueberries, corn, large dairy farms and pastures for raising cattle, sheep and pigs and chicken farms. Farther up the river at Hope and Boston Bar are the forests which make B.C. famous around the world. We are proud of the valley's beauty but, now, we are concerned about its environment and the people who live there.

The Burrard Thermal Generating Plant located outside my riding of Fraser Valley East is a 912 megawatt generating station. Unfortunately for us in the valley the prevailing winds from the West which bring the rain to grow our crops also bring nitrogenoxide. Anyone who has done any study on the environment knows that when sulphur and nitrogenoxides combine with water vapour the result is acid rain.

Ozone—not the ozone layer in the upper atmosphere—is a particular reactive form of oxygen that can harm the respiratory system and has been shown to cause leaf damage and reduced crop growth rates. It is produced during warm months when sunlight causes a reaction in the nitrogenoxide and hydrocarbons coming from automobile exhaust and plants. The effects of ozone and acid rain are not new to Canada. I have only to remind the House of the thousands of lakes and forests that are dying in eastern Canada to point out why we are seriously worried about the emission coming from the Burrard Thermal Generating Plant.

We are told that the current air emissions permit for the Burrard generating station will come up for renewal at the end of this year. It will provide for curtailment of operations if ozone levels have reached or are likely to reach 100 on the air quality index. One hundred is the rate of very poor.

Why must we allow the rate to drop so low just to satisfy a clause in a permit? I am sure that I speak on behalf of the mayors and councils of the Chilliwack district and Abbotsford, as well as the residents, when I say that we had better not wait. Our farmers now and our future farmers should not have to suffer for the sake of a permit to export energy.

The long-term health and environmental effects of most of the chemicals now being found in the environment are not known. We do know that some groups of individuals, for example, the elderly, and some specific ecosystems are more susceptible to these contaminants than others.

In 1987 the National Task Force on the Environment and Economy endorsed the replacement of a remedial reactive approach by an anticipate and preventive approach. This is what we should do in the valley.

As I have said already, why should we wait until it is too late? I am pleased that the federal Government has taken a strong stand on environmental issues. We have been the forerunners of some very constructive international environmental measures, such as the Montreal Protocol. We now have the Environmental Protection Act which gives the Canadian Government the necessary authority to implement the Montreal Protocol. This agreement will cut in half by 1999 the emissions of chlorofluorocarbons which seriously affect the global environment. This is good news.

I mentioned that I had some questions. However, I know that time does not allow them to be answered now. First, can the Minister tell us by how much the National Energy Board has agreed to increase the exports from B.C. Hydro using the Burrard plant? Second, what measures have been taken which would make the people in Chilliwack and the valley aware that steps have been taken to prevent the possible negative effects to the environment from the emissions from the station? A reply at a later date will be appreciated.

• (1720)

My constituents recognize that energy, such as that produced by the Burrard station, is necessary for economic development and social progress, but we are also aware of health and safety issues. Scientific data compiled by the Vancouver Pollution Control Board and the provincial Minister of the Environment show that the plant will send out nitrogen oxides equal to the emissions from a hundred thousand cars annually.

This is a very frightening figure when we think in terms of adding that much pollution to the already polluted air.

Yes, we are concerned. The Burrard Thermal Generating Plant requires our immediate attention. It is not too late to do something about the situation right now.

Mr. Lee Clark (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, first of all, I would like to compliment the Hon. Member for Fraser Valley East (Mr. Belsher) for his continuing interest in the environmental concerns of those who reside within that region. I would also note that the question which he is raising today of course is not only one of considerable consequence, but is also one of very considerable depth. I hope he will appreciate the fact that we may only be able to address some of the points which he has raised in his question.

As you and I both know, and I am sure the Hon. Member for Fraser Valley East knows, the Minister of Energy, Mines and Resources (Mr. Masse) has a very keen interest in ensuring compatibility between energy and environmental policy. As a result of that, the new electricity policy which was announced a short period ago did address environmental policy.

As a result, we have his commitment and that of the Government to environmental protection. I think we can conclude without too much doubt that the decision by the federal Cabinet to approve the issuance of export permits for electricity from the Burrard Thermal Generating Plant was made only after careful deliberation.

Certainly, the Hon. Member who just spoke is well aware of the history associated with the authorization of exports from this plant. As he knows and as others know, B.C. Hydro applied to the National Energy Board for a licence to export electricity from the province in 1980. The National Energy Board provided approval but excluded exports from this particular thermal plant from the licence.

The situation was repeated in 1983, when B.C. Hydro again applied to the board for export licences. Power from the Burrard plant was excluded from the licences because it lacked a pollution control permit, inhibiting the operation of the plant. Since that time, the Burrard station has upgraded its pollution controls and has been granted both a pollution control permit and an energy removal permit or licence from the B.C. regulatory authorities.

B.C. Hydro reapplied to the National Energy Board, seeking approval to use the Burrard station to support electricity exports authorized under the original licences. The National Energy Board and Governor in Council subsequently approved the amendment to the licences.

I would like to stress the following points with reference to the federal authorization of electricity exports from the Burrard station. First of all, the matter has been reviewed not only by the National Energy Board, but also by the Greater Vancouver Regional District and the Environmental Appeal Board of the Province of British Columbia. Each of these agencies, on the basis of evidence studied, has found in favour of permitting B.C. Hydro to operate the Burrard plant.

The waste management permit issued to B.C. Hydro for the operation of the facility restricts pollutant emissions to levels that meet or exceed federal guidelines for emissions from new thermal power generation sources, and B.C. Hydro is committed to reducing its NOx emissions from the plant by an additional 20 per cent.

B.C. Hydro must provide meteorological forecast information to the GVRD for the purpose of assessing air quality conditions whenever the power plant is operated.

The permit furthermore requires B.C. Hydro to advise the district director of the GVRD five days in advance of any planned operation of stations, and gives the director of that agency the authority to curtail operation of the Burrard station when air quality levels of ozone or nitrogen dioxide reach or are predicted to reach specified levels. The specified levels have been set to prevent air quality from reaching the maximum in tolerable levels established by the federal Government for the protection of public health.

Based on these factors, the Government and the Minister are confident that the Burrard Generating Station can be operated without causing air quality in the lower mainland of British Columbia to deteriorate to an unacceptable level.

Furthermore, the waste management permit is up for renewal in December of this year. If circumstances change, and the waste management permit is rescinded or not reissued, the issue will be re-examined at that time and I am sure that the Member for Fraser Valley East will be speaking to the issue at that time.

TRADE—TAX ON LUMBER EXPORTS/IMPORTS OF UNITED STATES LUMBER

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, my application to be heard on the adjournment motion arises out of a question which I directed to the then Minister for International Trade, the Hon. Member for Vancouver Centre (Miss Carney). It concerns the softwood lumber export tax that was imposed at the behest of the American lobby.

The reason I was dissatisfied with the answer was essentially that the Minister, while providing some information of a more or less relevant type, did not address the gravamen of my question. If I can quote, I asked: "What will the Minister do to attempt to ensure that the tax is not costing Canadian lumber producers Canadian markets?"

This is the major concern in the imposition of the softwood lumber export tax. It would not only reduce Canadian exports to the United States, but by the drastic changes that it involved in the cost of volume equations, it would lead to a much improved ability of American producers to compete in the Canadian market. That prognostication appears to have indeed come true.

I have some recent press reports which I think would be worth citing in terms of that projection. The June 4, 1988 edition of *The Globe and Mail* records that the President of the Council of Forest Industries of British Columbia, Mr. Apsey, is still calling for Canada to get out of this clause in the softwood lumber tax agreement.

The 15 per cent tax which was imposed on Canadian exports has allowed American producers, now that they have much more secure access to their home market, to increase their production, to drop their marginal cost, and therefore be able to sell into the Canadian market. The lumber tax is not just costing Canadian exports to the United States, but also Canadian shipments to the domestic market.

If I can quote another article on August 27, 1988, also in *The Globe and Mail*, about a company, Green Forest Lumber Corporation:

> One or Canada's leading lumber wholesalers has turned to U.S. wood, U.S. trains and U.S. dollars to help it stay profitable in difficult economic times.

It goes on to talk about what this company is doing, obviously in response to market forces and the desire, indeed the need, to make a profit, which is taking lumber that it buys in the United States, shipping it across the United States, west to east, and then selling it into the southern Ontario market, which of course is the largest market for construction weights of lumber in the country.

There are a number of other press reports that I can quote of mills shut down because of the 35 per cent tariff on cedar shakes and shingles. We then have the 15 per cent export tax on our softwood lumber exports to the United States.

It appears that we do not have the mechanisms to force the United States to bring, for example, the plywood standards dispute, which is another related and very serious issue, to the Dispute Resolution Tribunal. Under American law they can seek redress before the Federal Trade Commission against the application of that standard which they feel to be discriminatory.

The second supplementary question the Minister answered by stating that Canada was selling record amounts of lumber to the domestic market. That is certainly something we would want to look very closely at if we were to accept that statement. The second question was: "What is the Government prepared to do to ensure that we have our share of the Canadian market?"

I would like to know from the Parliamentary Secretary, who is replying for the Government, what discussions in fact the Government has had with the United States Government regarding this problem of the export tax not only cutting Canadian exports to the United States but, in essence, making the reverse advantage also possible; that is, giving American producers a competitive advantage in selling to Canada.

• (1730)

Mr. Bill Kempling (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, during Oral Question Period on November 17 last, the Hon. Member for Kenora—Rainy River (Mr. Parry) directed a question to the Minister for International Trade (Mr. Crosbie) concerning the export charge on softwood lumber products and alleged increases in imports of U.S. lumber into Canada. In addition, on June 20, the Hon. Member directed a question to the Deputy Prime Minister (Mr. Mazankowski) concerning a legal action brought against the federal Crown by a group of lumber manufacturing companies, most of which are located in British Columbia. I am pleased to respond to the Hon. Member's request for comments on these matters.

The Hon. Member made the allegation in the preamble to his question of November 17 that the sale into Canada of U.S. lumber was *de facto* dumping and was obviously contrary to the spirit of the free trade agreement. There appears to be considerable confusion in the mind of the hon. gentleman since the case he cites seems to contradict both these statements.

In order for U.S. lumber to be dumped in the Canadian market, it must, by definition, be sold at a price which is lower than the price at which it is offered in the United States market, or sold at less than the cost of production. This is not the claim being made either by the Hon. Member or by the industry spokesmen to whom he referred.

In fact, the Hon. Member stated that the U.S. producers have been able to offer their lumber at competitive prices due to a reduction in their unit costs of production. All of us here would agree that if a company were able to lower its cost of production, it should be allowed to benefit from this achievement in the international market-place without undue restriction.

Canadians have always been able to purchase U.S. lumber on the open market and there have always been imports of U.S. lumber into Canada. These have been traditionally much smaller than the Canadian exports of lumber to the United States, but imports from the U.S.A. are not uncommon. The fact that these took place after the imposition of the export charge on softwood lumber products does not imply in any way that the U.S. products were dumped, and certainly not that the spirit of the Canada-U.S. free trade deal was thwarted.

Canadian exports to the U.S.A. have declined slightly, but this has been more than offset by growth in both the Canadian and other export markets. I note particularly that the Japanese market has taken much more of our lumber than it has in past years. The growth in exports and the buoyant domestic market in Canada have resulted in an over-all increase in Canadian production of softwood lumber in 1987 over a year earlier. While the 1988 market is off somewhat, the current high levels of production point to another reasonable year for the industry.

In summary, no evidence has been presented that Canadian producers are losing a share of the Canadian market due to unfairly traded U.S. lumber. On the subject of the legal action brought against the Crown, it would not be appropriate for me to comment directly on the issues now before the courts.

I would like to comment briefly, however, on the agreement which is the basis for the questions the Hon. Member has raised. It is worth recalling that Canada entered into the Memorandum of Understanding as a means to resolve a major trade dispute with the United States and to avoid the imposition by the U.S. of a countervailing duty on our softwood lumber exports. As a result, provinces have retained the flexibility they need to make changes in their forest management policies. Revenues which would have otherwise gone to the U.S. Treasury remain in Canada. In the first year the export tax was in place, this represented approximately $400 million. This has been distributed to the provinces.

Moreover, all lumber produced in B.C. is exempt from the export charge following implementation of replacement measures by that province, and the charge has been reduced from 15 per cent to 8 per cent for exports from Québec, the second largest producing province, again on the basis of replacement measures. In fact, most of the softwood lumber exports are now exempt from the export charge.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10.00 o'clock pursuant to Standing Order 3(1).

The House adjourned at 5.35 p.m.

HOUSE OF COMMONS

Friday, September 23, 1988

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

BROADCASTING ACT

MEASURE TO ENACT

The House resumed from Thursday, September 22, consideration of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication, as reported (with amendments) from a legislative committee; and the motion of Mr. Waddell:

Motion No. 75A

That Bill C-136 be amended in Clause 70 by striking out line 4 at page 44 and substituting the following therefor:

"7. Neither the Company, nor its parent, nor any".

And the motion of Mrs. Finestone:

Motion No. 75B

That Bill C-136 be amended in Clause 70 by striking out line 5 at page 44 and substituting the following therefor:

"affiliate of the Company shall".

Mr. Waddell: Mr. Speaker, I rise on a point of order. We are on the twelfth grouping, Motion No. 75A. which is my amendment, and Motion No. 75B. which is the amendment of the Hon. Member for Mount Royal (Mrs. Finestone). I do not think we have dealt with them yet, is that correct? We have simply debated them.

Mr. Deputy Speaker: We have debated them, not voted on them. The motions are to be debated together but voted on separately. Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The first question is on Motion No. 75A. standing in the name of the Hon. Member for Vancouver—Kingsway. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 75B standing in the name of the Hon. Member for Mount Royal. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), a recorded division on the proposed motion stands deferred.

The last motion to be debated at report stage is Motion No. 79.

Mrs. Sheila Finestone (Mount Royal) moved:

That Bill C-136 be amended by adding immediately after line 6 at page 57 the following:

"92.(1) Five years after the coming into force of this Act a comprehensive review of the provisions and operation of Sections 7, 8, 19, 26 and 27 of this Act, including the effect of such provisions, shall be undertaken by such committee of the House of Commons as may be designated or established by the House for that purpose.

(2) Within six months after the completion of the review referred to in subsection (1), the committee so designated or established for that purpose shall submit a report on the review to Parliament including a statement of any changes to the committee would recommend."

She said: I am pleased to rise to discuss Motion No. 79 which is a sunset clause. It is a clause that would provide for an automatic review in five years after the coming into force of this Act. It is an identical review clause that the Minister included in her employment equity Bill, Bill C-62, when she was Minister of Employment and Immigration. I would like to suggest to the Minister that we are setting no precedents here. We are being consistent in asking for consideration of the implications of this Bill which has been seen as quite flawed by many of the players in this particular broadcast area.

• (1010)

This review clause has some specific provisions which would provide for the comprehensive review of the operations of Clauses 7 and 8, which are the CRTC clauses. Under the CRTC we have an established panel. That panel system has had a series of different points of view. Some call it the "Meechifying" of Canada. Some have referred to it as a serious mechanism that can, in a sense, destroy the national broadcasting system in terms of providing the kind of broadcast policy that would be evenly applied across this country. If we do not have a built-in review system we will not know just how this is working. Will regional commissioners be captured by their regional responsibility and become advocates for their region instead of proponents of a policy for a national broadcasting system?

The second area of concern I have highlighted is with respect to Clause 19 which, as I said, provides the CRTC panels. Clauses 7 and 8 are the Governor in Council power of direction. The Minister feels she has removed the potential for arm's length incursions in this Bill. It is true she has removed a number of them but there is still, in my view, one that remains which could create some very serious interventions, not just arm's length interventions but shoulder to wrist intervention by the Minister. Clauses 26 and 27, with respect to the Governor in Council variance and review of the CRTC decisions, fall into the same bloc.

There were a lot of concerns and because the debate was split, I think with this motion we would be rendering the best of service. Although I have not clearly enunciated other provisions, I would suggest that we are going to have to look at this because the Minister has not accepted further definition or clarity as to what has happened at the CBC in light of the fact that there is no real boss defined. Has this Bill "Meechified" Canada's Broadcasting Act, as was suggested by Mr. William Johnson? Are we having the separate standing committees that are in the CBC now as a mandate rather than as a decision of the board, which would be the normal structure? How is that going to affect the radio and television sense of delivery of service to Anglophone minorities in Québec in areas like Chicoutimi, Gaspé, the Outaouais, and Sherbrooke, the small towns across this country, not to mention the large cities such as Montreal? What is going to happen to the Francophones in Saskatoon, Regina, Manitoba and Winnipeg? Will the services be delivered in an equitable way if we have divided this board of directors the way the Minister directs in this Bill?

What will be the impact of the lack of clarity of the definition of broadcasting, the fact that the deregulation of the programming services into non-programming services which will not fall under the CRTC telecom side rather than the broadcast side? What will happen with respect to fair and due process and the fact that we have given the CRTC a mandate that allows it to develop the rules, examine them, apply them and fine people when these rules are not being applied, in other words, be judge and jury in its own case? It is really a very unfair principle in law and we are concerned about that.

What about the bottom line, the free trade agreement? Has it really affected our radio song content? Has it allowed for the Americanization of our network because we have not decided we would control the number of American stations that can come in? We have not decided to license. We have not accepted the grandfathering of the 22 American stations that come in on our TV sets. It is of ongoing concern that this supposed Canadian broadcasting policy will enable the Canadian people to have the option of good Canadian programming when they select their Canadian channels.

As we well know, we have a situation where we have a hybrid cable system which we are allowing to expand, and we do not know the impact of it, we have an American system mixed with ours, and our own system carries those American networks, and we are now demanding more and more from our broadcasting in terms of input of money and production of good quality programs. These are all valued goals, but will they be met under this Broadcasting Act? There is a big question mark at this time.

I have requested serious consideration by the Minister of a sunset clause which will be consistent with other clauses that have been undertaken by Governments. I would just add one other point. We have been very concerned about the CBC and five-year funding. Whereas we demand a five-year operational plan, which is good business sense, we are not prepared to give CBC the dollars to put it into effect.

All in all, I would like to recommend strongly the acceptance of Motion No. 79 which would add a new Clause 92.1 at the end of the broadcasting Bill, Bill C-136, to ensure that the experience and examples which I have just outlined have been properly effective in order to have a strong Canadian broadcasting system from coast to coast for English and French constituents, whether their mother tongue is English or French or whether they are watching because they wish to appreciate another culture, learn another language or just see themselves expressed in that particular perspective.

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, this group we are debating now is our final group of amendments. It only includes Motion No. 79 from the Hon. Member for Mount Royal (Mrs. Finestone). It is a sunset clause for all the provisions which change the Government's power *vis-à-vis* the CRTC, the Canadian Radio-television and Telecommunications Commission, which is the over-all regulator of broadcasting in Canada, and the change in the decision-making practices of the CRTC itself. It states that after five years a committee of Parliament shall review the effects of those changes, and so on.

As I mentioned earlier this week, on the specific matter of the CRTC, the Minister and I, with a few exceptions, are more or less on the same wave length. This was not always the case. I think we in the legislative committee can take some credit for having improved this aspect of the Bill in the short and rushed time in which we dealt with the Bill in committee.

The Minister's original plans for the CRTC were objected to by almost all the witnesses who appeared before the committee. There were significant concerns expressed about whether the decentralization of the CRTC would have a profound affect on the consistency of the commission and whether the powers taken by the Governor in Council, the Cabinet, if you like, Mr. Speaker, would lead to excessive political interference in the affairs of the commission.

Fortunately, at the legislative committee, and to the credit of the Minister, we were able to pass five important amendments which improved this part of the Bill. I am pleased to say we were able to propose many of these amendments. The first amendment was to Clause 7 of the Bill. This ensured that if the Government used its power of policy direction, the directions themselves would be broad and of general application, not specific. These amendments brought substantially greater clarity to the Act and I think reflected in effect the original intent of the Minister, in any event.

• (1020)

The second amendment was to Clause 19 and ensures that the new panels that will be established to make CRTC decisions—the principle is that she or he who hears decides—shall consist of at least two full-time members in order to ensure consistency. I believe Ray Peters of BCTV, among other people, made this suggestion. I moved the amendment and it was incorporated in Clause 19.

The third amendment also applies to Clause 19 and suggests that members of the panel shall consult with other members of the commission in making their decisions.

The fourth amendment was the deletion of Clause 26 in the original Bill which was the Government's power of exemption. This was deemed by just about everyone to be an excessive and potentially dangerous power.

The final amendment extended the term of part-time commissioners from three to five years. As was mentioned by someone in the committee, three years on the CRTC apparently barely gives commissioners time to find the washroom.

The amendment proposed in Clause 79 by my hon. friend from Mount Royal is a positive one I think. Our legislative committee sat for a short time and yet we made some fundamental corrections to clauses in this Bill. I think most Canadians would agree with the statement that Members of Parliament, no more or less than the Minister of Communications, are not infallible.

These clauses represent an important change to the structure of regulatory affairs in this country. I think that after five years we should have a pretty good sense of how they are working in practice. I therefore support the amendment proposed by the Hon. Member in order to ensure that a review is conducted to see how we are doing after that period.

That is the end of my remarks on that particular amendment. I am pleased that the ministry accepted some amendments. I think that is the way we should do things in Parliament. I hope that before the Bill is finally voted on the Minister will have a look at some of the other amendments that were rejected, perhaps in the heat of the debate here in the House. Perhaps with altered wording or some adjustments the Minister might accept them. I think of Clause 39 and Clause 35 and others in that area which dealt with Canadianization of the air waves which tried to reflect, we thought, the recommendations of the all-Party committee on broadcasting.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in support of Motion No. 79 moved by the Member for Mount Royal (Mrs. Finestone), I would like to put on record the concerns expressed by the Canadian Bar Association whose brief, it is my understanding, was not studied in committee. That is regrettable because the brief by the Canadian Bar Association contains a number of very interesting and significant observations which ought to be taken into account.

I will give you three examples. One, the Canadian Bar Association expresses the desirability and concern that this Bill ought to be consistent with the Canadian Charter of Rights and Freedoms. Without going into details, obviously the Canadian Bar Association would not express such a preoccupation if it had not concluded that this Bill needs to be brought in line and made consistent with the Charter of Rights and Freedoms.

This is, of course, very important legislation and the Bar Association says that very little time was given to interested groups to review the draft language of Bill C-136. It is in this context that the submission and input from the Canadian Bar Association is to be seen. For the life of me I cannot understand why a Bill of this significance was moved through the committee with such speed.

Second, the Canadian Bar Association expresses the view that the Act should be sensitive to questions of fairness and due process in the administrative law context. One need not elaborate on that. That is an observation of substance which says it all.

The Canadian Bar Association makes the most important point in its submission when it addresses another aspect of Bill C-136. It urges that the language should be clear, unambiguous, and readily understandable. We all know that it often happens that legislation is drafted in an obscure manner. This observation applies to Bill C-136 as well as to other pieces of legislation that we tend to look upon in a rather technical manner and not from the review point of the layperson who wants to understand the substance and the message in that particular legislation.

It is also important to put on record the views expressed by some observers in the fourth estate. I was rather struck by an article by William Johnson in *The Gazette*. He made the observation that this Bill "threatens the unity of Canada as a community of communications. It contains within it the seeds of fragmentation." That is part of the Meech Lake virus that is now permeating and penetrating a number of executive measures as well as legislation such as this in particular.

It is interesting to note how *The Gazette*, through Mr. Johnson, goes on in analysing this Bill. It says:

> The bill attempts to decentralize the decision-making of the one body in this country which ensures the integrity, the consistency, the adequacy, the national purpose of our far-flung system of radio and television: the Canadian Radio-television and Telecommunications Commission (CRTC).
>
> It abolishes the executive committee of the CRTC, which till now made most of the day-to-day decisions.
>
> The new regional commissioners, resident in their region, backed by a regionally hired staff, will be considered as spokesmen and champions of that region. They will lose touch with the coherent, country-wide vision of broadcasting which now animates the collegial decision-making of the CRTC members who sit together in the capital.

As the media and communications loss actions of the Canadian Bar Association argued in their submission to the parliamentary committee, the "he who hears decides" principle is chiefly important where facts, not policies, are the relevent consideration of the hearings. That is a very important basic consideration.

The article continues:

> To meet some of the criticisms, the government made changes to the bill requiring that at least two, and not just one, of the members of a panel must be full-time CRTC members, and further requiring that the panel members, before a decision, "shall consult other members of the commission or any officer of the commission for the purpose of ensuring a consistency of interpretation of the broadcasting policy.
>
> But fragmentation remains likely when just two members of the CRTC can make fundamental decisions for the whole CRTC.

You can see that this analysis is very distressing because it shows that we are dismantling national unity. We are decentralizing, evidently. Therefore, we are heading for a system of broadcasting which will probably make the network system an assembly of original systems at the expense of a national system as we have known it so far.

• (1030)

I wonder whether the Minister is not distressed, knowing her stand in previous decades about what Canada is all about, by the trend she is now allowing to be set in motion through this Bill. I wonder whether she is comfortable with this notion of regionalizing the Canadian radio and television system the way this Bill is now attempting to do.

It is important that this amendment by the Member for Mount Royal not only be aired and put on record, because it would provide a sunset clause for an automatic review five years after the coming into force of the legislation, but that it give an opportunity for interested Members to express their views and support it in the hope that at least we will have this experiment of regionalism limited to five years rather than become a permanent feature in our radio and television system.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to comment very briefly on Motion No. 79 in the name of the Hon. Member for Mount Royal (Mrs. Finestone), a motion I believe will ensure that Canadians can expect a review of the performance of the CRTC every five years.

[*English*]

Motion No. 79 is very good. It is what is called in legislative language a sunset clause motion. In other words, it includes in the Bill a review process automatically after five years of the coming into force of the Act. The provisions of this clause allow for a comprehensive review of Clauses 7 and 9 that provide for the Governor in Council to give direction to the CRTC. I want to address this subject because it touches on a very difficult and sometimes very sensitive point.

[*Translation*]

Recently, Mr. Speaker, I read a CRTC press release, which contains some interesting statements. According to the CRTC, we have one of the best systems in the world, and I would like to quote verbatim from the press release dated September 14, 1988. This was fairly recent, when they published their annual report. I quote:

> We know how highly regarded Canada's broadcasting system is, by the number of delegations from abroad who visit the CRTC to examine our system. These outside observers are awestruck by our achievements and continuing progress . . . They want to know how we have handled the overwhelming American presence over the years. Until now, Europeans, Australians, and others have been isolated from the impact of American broadcasting. But the reality of satellite communications has forced them to face this problem, and they look to the Canadian experience for guidance.

Mr. Speaker, that is what I mean when I ask the Government to give Canadians access to programming and to ensure that cable TV distributors transmit the TV5 signal. That is the point I am trying to make. I want French-speaking Canadians living outside Quebec, and I am one of them, to have access to TV5, and I want the CRTC, supported by the Government, to ensure the signal is available. All week people have been saying: Gauthier, don't be so impatient! This week the Prime Minister (Mr. Mulroney) said to the media: It is an excellent system. I agree. But we don't have it, and even when we do, it is incomplete.

For instance in Ottawa, the capital of this country only half the city gets TV5 and Canal Famille, and only those two, instead of the five signals they get in Québec. We pay six dollars. East of the Rideau Canal, we pay six dollars more to have access to this program, while in Québec it only costs $1.63 for all five signals. I think that is unfair. I think the Government should do something. I want to ask the Government and the CRTC to take the necessary action so that we can honestly say: Yes, we do have Canadian programming and we have taken steps to ensure this programming is diversified and meets the needs of our various communities. That is all I ask. I am not impatient. I just wonder why Ottawa Cablevision west of Bronson, in Ottawa, the capital of this country, says; No, we don't provide the TV5 signal. We are an English station, an English company. That is the answer we got this week. I don't understand that.

There are Francophones living in the western part of Ottawa, and there are Francophones living across this country, but cable TV does not give them acess to adequate programming. And as the CRTC's annual report says, we have managed to counter American influence and Amrican programming, and God knows it can be invasive, but good grief, Mr. Speaker, we should be able to do something! We usually have acess to only one French channel: Radio-Canada. And we had to fight for years to get that far. We succeeded when the federal Cabinet agreed to a policy of accelerated coverage in 1972-73. Since that time, we have had to fight every inch of the way to be able to continue to live and work in our own language.

Mr. Speaker, I don't think it is unreasonable to ask for as much as, but not less than what the others are getting.

[*English*]

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is on Motion No. 79 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion, the nays have it.

Motion No. 79 (Mrs. Finestone) negatived.

Mr. Deputy Speaker: The House deferred the putting of the question on Motion No. 74. The Chair will now put the question on Motion No. 74. Mrs. Finestone moved:

Motion No. 74

That Bill C-136 be amended in Clause 44 by striking out line 14 at page 28 and substituting the following therefore:

"contemplated by sub-clause 3(1) and in particular paragraphs 3(1)(j) and 3(1)(k)".

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion, the nays have it.

Motion No. 74 (Mrs. Finestone) negatived.

Mr. Deputy Speaker: Normally at this time the House would proceed to the taking of the deferred divisions at report stage of Bill C-136. However, pursuant to the provisions of Standing Order 13(5), the recorded divisions will stand deferred until six o'clock, Monday, September 26, 1988.

* * *

UNEMPLOYMENT INSURANCE ACT, 1971

MEASURE TO AMEND

Hon. Flora MacDonald (for the Minister of Employment and Immigration) moved that Bill C-158, an Act to amend the Unemployment Insurance Act, 1971, be read the second time and referred to a legislative committee.

Mr. Benno Friesen (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I am pleased to begin debate on Bill C-158 on behalf of the Minister who could not be here today but who has a great deal of interest in this legislation.

This Bill is an amendment to the Unemployment Insurance Act to extend the variable entrance requirement, what we now call the VER. According to the provisions of the Unemployment Insurance Act, the person applying for unemployment insurance benefits must have a minimum of 14 weeks to qualify. Since the late 1970s, the VER has been used to make this requirement more flexible and responsive to the needs of unemployed Canadians, especially those who have been unable to accumulate more than 10 to 13 weeks of insurable employment to their credit.

The unemployment insurance program plays an important role in our social security system. Unemployment insurance benefits replace lost income. They help maintain the stability of local economies and also protect the jobs of people employed by those communities.

According to the VER, the number of weeks that an unemployment insurance claimant needs to qualify depends on the rate of unemployment in the region where he or she lives. Therefore, in regions of high unemployment claimants can qualify for unemployment insurance benefits with as few as 10 weeks of insurable employment.

• (1040)

As Hon. Members know, the present VER legislation is in effect only until January 3, 1989. We propose to renew it again in order to enable thousands of Canadians living in regions where the economy is not as strong as in other areas of the country to qualify for UI benefits. Despite the continuing decline in the unemployment rate since our coming to office we think that it would be beneficial at this time to maintain the protection provided by the VER.

Statistics show that the over-all Canadian economy is doing extremely well. Unfortunately, in some regions economic recovery is slower and the rate of unemployment remains higher than the national average. A failure to extend the variable entrance requirement at this time would have serious negative consequences for those regions.

One of the priorities of our Government is its desire to help those regions that are experiencing economic difficulty. The VER recognizes that it is more difficult to find and keep a job in a region of high unemployment. This is, in fact, one of the most important aspects of the UI program, since it takes into account the labour market conditions in each region of the country.

As the Minister announced on August 16, 1988, Employment and Immigration Canada is conducting a full review of the economic regions used to determine the minimum number of insurable weeks needed to qualify for benefits. We want to ensure that our system of economic regions is still responsive and sensitive to the changes that occurred as much in the distribution of people as in the employment opportunities in Canada.

If the VER is not renewed all claimants will, as of January 4, 1989, need at least 14 weeks of insurable employment to be entitled to unemployment insurance benefits. This means that more than 80,000 unemployed Canadians would be unable to meet the entrance requirements to receive UI benefits.

Thousands of Canadians would thus find themselves in difficulty, and most would have to turn to other sources to support themselves and their families. This would inevitably have an impact on provincial welfare programs. The Government wishes to continue to provide financial support to Canadians in designated regions, that is, those who need it the most.

It is important that Bill C-158, to renew the VER for a 12-month period, be passed as quickly as possible. In this way unemployment insurance claimants will know where they stand with regard to their entitlement.

As I mentioned earlier, the VER enables us to recognize economic disparity between regions when deciding the entitlement of UI claimants. It is in this connection that the VER was created, and it is for this reason that we want to continue it for the next year.

I am asking for the support of all Members in passing this amendment for the renewal of the VER for a 12-month period until July 6, 1990.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Bill before us, Bill C-158, proposes to extend the period for variable entrance requirements, known as the VER, to January 6, 1990.

We will indeed support this legislation. The Government, of course, in its explanation was rather short and sweet. It is a simple Bill, I agree. It is not very complex. It proposes to extend the variable entrance requirement of the Unemployment Insurance Act and freeze the level of contributions for one year.

We all know that the variable entrance requirement provides that to qualify for unemployment insurance employees must work for 10 to 14 weeks and make contributions. They can qualify with 10 weeks of work if they live in a region where unemployment is over 9 per cent. The requirement increases from 10 weeks to 14 weeks when the rate of unemployment declines below 9 per cent. This provision is in recognition of the fact that in some parts of Canada it is very difficult to find work, which is why we provide in this legislation more unemployment insurance benefits in those regions.

I just looked up the figures a few minutes ago for the Ottawa-Hull area, and I want to put them on the record.

[*Translation*]

The qualifying period for unemployment insurance in the Ottawa—Hull region is now 20 weeks for the first application. For the second application, it is from 14 to 20 weeks, depending on the number of weeks of benefits received as a result of the previous application. In the Ottawa-Hull area, the unemployment rate was 6.1 per cent in August 1988, compared to 7 per cent in August 1987. The number of people in the labour force in August 1988 was 443,000, compared to 419,000 last year. The number of unemployed was 29,000 in August 1988, compared to 32,000 in August 1987; nationally, the unemployment rate was 7.5 per cent in August 1988 and in Ontario, the rate for the whole province was 4.8 per cent.

Mr. Speaker, although we support this Bill, we regret that the Government has gotten into the habit of waiting nearly until the end of the session. Last time, it was just before Christmas. The day before the Christmas adjournment, or almost, the Government came to us in a mad rush with a Bill that it said had to be passed quickly. Today again, it is coming to us in a mad rush, and I am sorry that it is so, and telling us that this Bill must be passed. We agree. The Government could have called the Bill before to give Members and critics a chance to give the matter really serious consideration and to make suggestions to strengthen the provision whereby those who are out of work in Canada receive unemployment insurance.

We know that the unemployment rate has increased by about 0.1 per cent in Canada since last month. The main reason for the increased rate of unemployment was that 15,000 more people were looking for work in Canada; it was not due to an administrative change or a significant change in the level of employment or unemployment. The number of unemployed Canadians increased by 12,000 to 1,069,000, while the number of jobs throughout Canada increased by 3,000 to 12,367,000. This is despite some four years of economic growth. Indeed, I would say that the economic recovery began in 1983. This recovery is due to the growth in the world economy. The Government can claim that it is entirely responsible for this recovery, but I must say that it began before the Government took power in 1984. Furthermore, it is not confined to Canada; there is economic recovery throughout the world, in the United States, in Japan, in Europe. So that is not the reason.

The reason we have an economic recovery since 1984 is not the election of a Conservative Government. They were not there in 1983 or 1984. They took power in the fall of 1984, and God knows that since then, they have had a lot of luck and a lot of help from the world economic recovery.

And despite this sustained growth, the policies of the Mulroney Government have not reduced the unemployment rate below what it was before the 1982 recession. Even after six years of economic growth, we have not returned to the unemployment rate of before the 1982 recession. The average annual rate for 1980-81 was 7.5 per cent, which is not a seasonally adjusted figure. Job gains this month were recorded in Quebec with 13,000 and British Columbia with 4,000. The participation rate remained unchanged at 66.8 per cent. In addition, the proportion of the population with jobs also remained unchanged at 61.5 per cent. Compared to September 1984, the unemployment rate went down from 11.7 to 8 per cent, a drop of 3.7 points. The participation rate increased by 1.6 points, from 65.2 per cent in September 1984.

Mr. Speaker, the number of full-time jobs declined by 49,000 to 10,441,000, while the number of part-time jobs increased by 43,000 to 1,893,000.

As I said before, the situation in some regions of the country is disastrous! There are areas where the youth unemployment rate is 15 per cent. We must be concerned and aware of the difficulties these people face. And that is why there is a Bill before Parliament to amend or extend the Bill passed in 1976, if I am not mistaken, so that the period when the number of weeks that an insured person, other than a new entrant or re-entrant to the labour force, shall have in order to qualify for benefits (based on the regional rate of unemployment) is extended until January 6, 1990.

Mr. Speaker, I do not want to prolong the debate. I think that it is simple enough, but I would have preferred that the Government give us more notice and be more aware of the situation. But I think that many Members from the outlying regions hard-hit by unemployment would like to talk about this Bill. So I will conclude my remarks with one final point. Mr. Speaker, the Government must not forget that it is important to review all of these social programs. Free trade must not be allowed to threaten our social programs and I say sincerely that free trade must not influence the way the unemployed are treated, nor be seen by Canadians as influencing it.

I would just like to assure the House that we Liberals are concerned about this and after the coming elections, we will make the necessary changes so that unemployed Canadians are treated fairly and justly.

• (1050)

[*English*]

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I am pleased to have an opportunity today to speak on behalf of my Party on Bill C-158. My colleague, the Member for Nickel Belt (Mr. Rodriguez), had planned to speak on this when he anticipated that it was being brought forward on Tuesday of next week. As usual, the Government has not been able to follow through on its legislative agenda and, therefore, I get to fill in.

I am quite pleased, because I have been really upset about the Unemployment Insurance Act for quite some time. I should point out that we will be supporting this particular Bill because we recognize that, whatever else is wrong, at least in some areas it helps people in need.

The purpose of this Bill is to extend the variable entrance requirement, which has already been stated, and ensures in some areas of this country where there is higher unemployment than the national average, that people need only 10 weeks at the most to requalify.

It has a down side, too. Let me deal with the region that I come from, the region as defined by the Unemployment Insurance Commission and the Act. It is all of northwestern Ontario. The main community in that region is the City of Thunder Bay, which crosses two federal ridings, and then a lot of smaller communities, isolated hamlets of First Nations, spread throughout a very large area, an area that is larger than all of southern Ontario by many, many times. That is one region, for the purposes of this Act.

If you have a booming economy in Thunder Bay, the smaller communities, the outlying communities, need more and more weeks to requalify.

Let me use the example of the community of Atikokan. This is a community that now has a population of about 4,200 to 4,300. It used to employ 1,100 men mining iron ore. In 1979 and 1980, those mines shut down. The companies went in search of higher profits at other locations. But 1,100 jobs were wiped off the map. That community has been struggling since 1979 and 1980 to rebuild itself.

Through Canada Employment and Immigration and the local advisory committee for Atikokan, we did a study of that community. Because the community is so much smaller, we were able to go to every citizen to get a sense of their employment situation. What we discovered was that in 1987, one out of every two adults who were available for work were out of work for some point of time during that year. They did not get any benefit from Thunder Bay's booming economy. They were forced to adhere to the variable entrance requirements. As the economy in Thunder Bay improved, they needed more and more weeks to requalify. The same goes for Fort Frances, Kenora, Dryden and Ear Falls. Ear Falls is another community that saw a mine closing.

I was pleased to hear the speaker for the Government indicate that they are looking at those regions. If we are going to continue the variable entrance requirement—and I want to say something about that a little later—we should take a look at dealing with cities, not regions. We all know that there is almost full employment in Metropolitan Toronto. What does that say for other parts of Ontario that are part of that region? It means that those people are being punished because their neighbours are doing very well. That is also the underlying philosophy of the variable entrance requirement. The Government assumes—not just this Government, because this program was brought in by the previous one—that just because somebody else has been able to get a job, the person who is laid off will get one, too.

I see that you are indicating, Mr. Speaker, that my time at this point has run out. I want to give you notice that I will continue after we resume debate on this after Orders of the Day.

Mr. Deputy Speaker: It being eleven o'clock, we will now proceed to Statements by Members.

STATEMENTS PURSUANT TO STANDING ORDER 21

[*English*]

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—PROTECTION OF ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, on Tuesday, the Prime Minister (Mr. Mulroney) proclaimed: "The challenge we face is not to choose or trade off between economic development and environmental protection".

Is this statement credible? If the Prime Minister means what he says, then why did the Environment and Forestry Committee establish the fact that the environmental implications of the trade deal were not studied?

• (1100)

Why were there no follow-up studies to the Canadian Environmental Advisory Council report of January, 1986? It strongly recommended that "it will be necessary to examine the environmental implications just as systematically as the economic ones". Why was it not done?

The warning by Canadian environmental groups is the most recent one, and it amplifies concerns repeatedly raised about water export, the harmonization of pesticide regulations in Schedule 7 of the agreement, and the possible weakening of Canadian standards.

For the Government to be credible, it must match rhetoric with action. The link between the trade agreement and the environment has been ignored by the Government until now. What a sham, Mr. Prime Minister.

* * *

THE PRIME MINISTER

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, earlier this week the Prime Minister (Mr. Mulroney) once again showed Canadians why they find him so hard to trust. A few days ago he said that the Conservatives "are the only Party who cares a whit for fiscal responsibility".

A "whit" in the dictionary means "the least possible amount". The Prime Minister has in fact abandoned any semblance of fiscal responsibility, and by the latest count he and his Party have committed to $22 billion in election promises for the coming election, and that is before the writ is even issued.

Where will the money come from? Again, the evidence is clear. The Prime Minister is a man who listens to well-to-do Canadians such as Robert Campeau, rather than to the average Canadian family. This week Mr. Campeau, who has converted to the Conservatives, and to whom the Prime Minister referred approvingly, said that the Conservatives will have to pay for their promises, if they keep them, by cutting social spending like Medicare.

There you have the Tory agenda, Mr. Speaker. Get the Conservatives re-elected at any cost on election promises, and when the bills come due, pay those bills by slashing services for average Canadians and their families.

VISIBLE MINORITIES

ANNOUNCEMENT OF REDRESS FOR JAPANESE CANADIANS INTERNED DURING WORLD WAR II

Mr. Bill Tupper (Nepean—Carleton): Mr. Speaker, yesterday the Prime Minister (Mr. Mulroney) apologized to Japanese Canadians whom the Government of Canada mistreated during and after the Second World War. He also promised to pay $21,000 by way of redress to every living Japanese Canadian whom the Government relocated, interned and/or deported, expropriated, or otherwise deprived of the full enjoyment of his or her fundamental rights and freedoms simply because of his or her ancestry.

The Government will also clear the names of eligible Japanese Canadians who were convicted under the War Measures Act. It will also give $12 million to the Japanese Canadian community for educational, social, and cultural activities, and contribute $24 million toward the creation of a Canada Race Relations Foundation.

This morning I was pleased to note that the Minister of State for Multiculturalism and Citizenship (Mr. Weiner) said that he will also be happy to discuss the concerns of other multicultural groups.

The Japanese Canadians whom I met with yesterday in Nepean-Carleton were shedding invisible tears of joy and pride. I, too, was proud, not only because of the outcome, but also because it was this Government that had the care and understanding to resolve a long-standing blemish on our history. Yesterday was a great day for Canada.

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BILINGUALISM

POSITION OF LIBERAL PARTY CANDIDATE IN LEEDS—GRENVILLE

Mrs. Jennifer Cossitt (Leeds—Grenville): Mr. Speaker, as we all know, the Liberal Party of Canada is a Party of principles; and if you don't like them, it, of course, has others.

However, one principle we thought all Liberals respected was that of official bilingualism. The Liberal candidate in Leeds—Grenville has yet to make up his mind whether or not he does stand with his Party on this issue. When he was a provincial candidate for the Party one year ago, he clearly stood against his Leader, and he has stated that he has not changed.

That is not all, Mr. Speaker. The previous two-time federal Liberal candidate in Leeds—Grenville has recently declared that literally millions and millions of dollars have been dumped into Québec to buy votes.

Is this how all Liberals now view co-operative federalism? Is this how they see the policy of building a stronger Canada for all Canadians, or is this perhaps just another example of Liberals trying to conquer by dividing Canadians against one another? Is it one more indication of the continuing inability of the Leader of the Official Opposition (Mr. Turner) to state clearly once and for all what he and his Party do indeed stand for?

The people of Leeds—Grenville, and the people of Canada, have a right to know.

* * *

HOUSING

SITUATION IN METROPOLITAN TORONTO

Hon. Bob Kaplan (York Centre): Mr. Speaker, I have some news for the Government, and that is that there is a housing crisis in Toronto, particularly in the area of affordable housing.

I say that I have news for the Government, because we have been asking questions on this subject for the life of this Parliament, and the answers that we have been receiving from the Prime Minister (Mr. Mulroney) are to the effect: "Housing crisis? What housing crisis?" The Prime Minister cites and puts on the record statistics about housing starts.

There may be no housing crisis in some parts of Canada. I know that in some parts of Canada house prices are falling. However, that is no solution or comfort for the people of Toronto.

I would again urge the Government to look at the problem that we have which has been made worse by the Government's policies over the last four years, for example, the cut-backs at CMHC, particularly in the area of co-ops, and the refusal to support the infrastructure program. The Leader of the Official Opposition (Mr. Turner) announced yesterday that we would be prepared to support that program, as he did in 1986.

I urge the Government to reinstate the Home Ownership Savings Plan which was established by a Liberal Government, and cancelled by this Government. It permitted young people to save money on a tax-free basis to buy their first home. I urge the Government to get serious about the under-used land in the Toronto area, not as it has done, wait for an election to be called, and put on the table a half-baked promise about land in the Downsview area.

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NATIONAL DEFENCE

CFB SUFFIELD—NERVE GAS TESTS IN 1960S

Mr. Jim Fulton (Skeena): Mr. Speaker, the contradictions and double-talk about what has gone on, and what is going on at the Defence Research Establishment, Suffield, are shocking.

The Minister of Defence (Mr. Beatty) has now admitted that lethal nerve gas tests took place at Suffield using both military personnel and civilians as guinea pigs. At a briefing this week the Assistant Deputy Minister stated that there were 10 or 12 such tests conducted over seven or eight years. It now appears that there were far more, and considerable numbers of military and non-military participants.

The Minister states that there are no records of lasting ill-effects, but admits that there are no records of participants. He offers medical tests and compensation without knowing how much or to whom.

In June, base spokesman, Brian Laidlaw, stated that there were atmospheric tests of tabun, saran and soman during 1987. This week the Minister contradicted that and stated that there were only soman and tabun tested, and that these tests were carried out in 1986.

On June 27 the Minister stated that there is no agreement on chemical and biological weapons between Canada, the United States, the United Kingdom, and Australia. On June 28, Lieutenant Colonel Bill Johnston, director of Nuclear Biological Chemical Co-ordination for Canada, confirmed that there is, in direct contradiction of the Minister.

In June, Dr. Hollingsworth, a chemistry professor at the University of Alberta, stated that the lethal nerve gas releases at Suffield pose a real and immediate public health threat to communities and the public near the base, and the Minister says that everything is fine. A public inquiry is clearly in order.

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PIPELINES

ANNOUNCEMENT OF VANCOUVER ISLAND NATURAL GAS PIPELINE PROJECT

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, yesterday at Whistler, British Columbia, an agreement was signed with the province via the federal Minister of Energy, Mines and Resources (Mr. Masse) to conclude an agreement for the Vancouver Island Natural Gas Pipeline. I applaud both Governments for coming to a conclusion of this agreement, which will enable the residents of communities in British Columbia to have natural gas available for their energy sources.

It is difficult to believe that, in this day and age, there would be 400,000 people who are not already served by natural gas, yet they live within less than 200 miles of the third largest city in Canada.

There will be 65,000 households, 12,000 commercial and industrial customers, and seven pulp mills that will have access to this pipeline. It will take some 18 months to build the pipeline, after all the various agreements have been put in place and the environmental concerns have been addressed.

Some of the communities that will be served are Powell River, Comox, Port Alberni, Nanaimo, Ladysmith, Duncan, and Victoria.

It seems strange that Members who represent communities such as Comox, Powell River, Duncan, and Ladysmith are silent on this. However, I can well imagine the smile on the face of the Hon. Member for Port Alberni, Nanaimo—

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

* * *

TELEVISION

OTTAWA CABLEVISION LIMITED—PARLIAMENTARY BROADCASTING CHANNEL

Mr. David Daubney (Ottawa West): Mr. Speaker, on behalf of the many constituents in Ottawa West who have contacted my office, I would like to call publicly on Ottawa Cablevision Limited, which serves the west end of the city of Ottawa, to reconsider its decision to move the parliamentary channel up the spectrum.

This decision has deprived hundreds of cable viewers in my riding of the ability to view the House in action. Many of those cable viewers and subscribers are senior citizens who cannot easily afford the additional costs involved in purchasing new equipment required to receive the parliamentary channel.

These subscribers entered into a contract with Ottawa Cablevision to receive the parliamentary channel. Therefore, in my view, they are entitled to access to that channel. Accordingly, I urge Ottawa Cablevision to return the House of Commons channel to Cable 33 in the city of Ottawa, or alternatively to provide its senior citizens subscribers, at no cost, with the required equipment to receive the broadcast.

* * *

• (1110)

[*Translation*]

THE ENVIRONMENT

OPPORTUNITY TO HAVE NATIONAL PCB ELIMINATION POLICY

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, it took another ecoligical disaster, the one at Saint-Basile-le-Grand, to make the present Government take steps to deal with this threat to our environment.

Last week, the Canadian Council of Resource and Environment Ministers agreed to ban the use of PCBs by 1993. This agreement does not go far enough, since it does not cover the 300 million tons of hazardous products we still have in this country.

There is cause for alarm when we realize that in Ottawa alone there are fourteen locations where PCBs may be found. And how many more locations contain waste that is just as toxic if not more so?

In the national interest, the Conservative Government has a duty to act immediately to prevent further accidents. We need a national policy for eliminating toxic waste, and we need the political will to do so.

Mr. Speaker, the Liberal Government that will be elected very shortly will make sure there is a comprehensive policy to deal with hazardous waste.

* * *

[*English*]

MUNICIPAL AFFAIRS

TERMINATION OF FEDERAL FUNDING PROGRAM

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, over the past four years members of the New Democratic Party have had a lot to say about the Mulroney Government's habit of promising one thing and doing just the opposite. Liberal Members have tried to get in on this but their history of the same bad habit has made their words ring hollow and insincere. We now have another classic example of that.

Yesterday the Liberal Leader (Mr. Turner) made a big election promise of funding for municipal infrastructure rebuilding. He said we only have to look at what has happened in many American cities to see what could happen here if we do not provide the funds to rebuild our sewers, water systems, roads and bridges. He is right, but he does not have to look south of the border for examples. They are right here in Canada.

Why is the infrastructure of so many Canadian towns and cities in such bad shape? Because in 1980 the federal Government stopped providing assistance to municipalities to do this kind of work. They have been increasingly starved for funds ever since. Who was it that cut off the funding? The Liberals. Some days it is even harder than others to believe the Leader of the Opposition means what he says.

The Liberals let Canada's municipalities down and so have the Conservatives. There is only Party, the NDP, which has consistently pressed for a fair deal for Canada's towns and cities. There is only one Party they can count on to hold the same views after the next election.

* * *

CANADA POST CORPORATION

TORONTO AREA CLEANING CONTRACT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to talk about a very tender subject, the tendering process used by the Government when awarding contracts. One of these very tender issues was the awarding of a Canada Post contract to do cleaning in the Toronto area.

It seems Canada Post has learned from the former Minister of Public Works, the Hon. Member for Joliette (Mr. LaSalle), how to award contracts. What it decided to do in this case was to ask the second lowest bidder to lower its bid by 10 per cent to make it less than the low bidder. Why? Quite simply because it would not have the presence of union people in the Post Office.

That really tells us something about the philosophy of the Government. The Tories are anti-union and now Canada Post is as well.

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AGRICULTURE

ALBERTA—NEED FOR IRRIGATION PROJECTS

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I rise to inform Members that there has been rain on the Prairies recently but that it is simply not enough. It is an encouraging sign, but Members need to understand that in the area of southern Alberta where I come from, indeed in most of Alberta, we are into the thirteenth year of a drought. That means ground water supplies are down and we need more dams.

There is a proposal on the books for a Milk River dam which is receiving good federal and provincial response. I hope Members will support us when it comes forward. There is also a project for irrigation on the Blood Indian Reserve and I hope Members will support us when that comes before Parliament. It is very important for southern Alberta that every drop of water is maintained and managed in a productive way. I know Members will support us when those projects come before this House for financing.

* * *

INDUSTRY

BRITISH COLUMBIA FOREST PRODUCTS COMPANIES

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, the recent takeover of British Columbia Forest Products by Fletcher Challenge of New Zealand does not serve the interests of the workers of British Columbia, nor does it serve the economy of Canada. Rather, it serves the corporate interests of the transnationals. This was shown last week by the announcement of the lay-off of another 40 workers from the sawmill at Youbou, British Columbia. Right now in British Columbia we have talk of a takeover of Domans Industries by Louisiana Pacific.

Is it not time that we had a Government in both British Columbia and Ottawa that would ensure that the resources of this country are used for the interests of the people of this country and the workers of this country, instead of being hived off by multinational corporations with headquarters in New Zealand, the United States, Europe, or any place other than Canada? Let us use the resources of Canada for the people of Canada.

ORAL QUESTION PERIOD

[*Translation*]

NATIONAL DEFENCE

MOISIE AFFAIR—RCMP INVESTIGATION—MINISTER'S POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the Minister of National Defence. Yesterday, the Minister gave the following answer to my question about the Moisie case:

> The RCMP looked at the package which was left with them and found no basis for further investigation.

Mr. Speaker, I am sorry to say that yesterday, the Minister of National Defence lied to Parliament, to the press and to the Canadian people. I just spoke to Inspector Pierre Lange of the RCMP at the commercial crime section in Montreal, and Inspector Lange confirmed that a criminal investigation was being conducted into the whole question of the sale of the Moisie base near Sept-Îles in the Prime Minister's riding.

I therefore want to ask the Minister of National Defence whether he intends to explain or tender his resignation.

An Hon. Member: Right on!

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, first of all, may I invite you to review *Hansard* and the "blues" to look at the allegation made by the Hon. Member?

Mr. Deputy Speaker: That will be done. The Minister may answer.

Mr. Beatty: Then let me respond. Since yesterday's Question Period, material was delivered to the RCMP in Montreal. They are currently looking at that material. As long as that study is under way it would be appropriate to allow them to do their job without in any way interfering here on the floor of the House of Commons.

[*Translation*]

REQUEST FOR REFERRAL TO PARLIAMENTARY COMMITTEE

Hon. Jean Lapierre (Shefford): Mr. Speaker, yesterday when the Minister answered my question, I told him that the tape was handed over to the RCMP Wednesday afternoon, not yesterday, around 2.30 or 3.00 p.m., and that the RCMP in Sept-Îles obtained the tape. The Minister told me the investigation was closed, but we all knew that was impossible.

Considering the involvement of two assistants of the Minister of Public Works, Mr. Gosselin and Mr. Lefebvre, of a Tory go-between, Mr. Jean-Guy Côté, and a personal friend of the Prime Minister, Mr. Rodrigue Tremblay, will the Minister and the Government agree to refer this whole mess to the appropriate committee so that it can examine the Government's procedure for awarding contracts and doing cover-ups?

An Hon. Member: The Moisie mess!

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, first of all, I am informed again by the Royal Canadian Mounted Police that the subsequent material was received by them yesterday afternoon in Montreal following Question Period. In addition, I would like to be able to report to the House some additional information.

As I said to the House yesterday, no representations with respect to this sale were made by any official in the Prime Minister's Office. After Question Period yesterday I was advised that a junior officer in the PMO did inquire of the Department of Public Works, prior to a planned visit to the riding by the Prime Minister, as to when a decision was likely to be made. This was entirely a routine inquiry. Beyond that the RCMP are now conducting a review of this matter and it would inappropriate for me to make further comments, or for the Hon. Member to make further comments, which might prejudice that review.

[*Translation*]

Mr. Lapierre: Mr. Speaker, I don't need the advice of a Minister who yesterday misled this House and also misled the Canadian people!

Mr. Deputy Speaker: Order, please. I would ask the Hon. Member to put his question in such a way as to refrain from saying that yesterday, the Minister said things that were not true. However, I believe the Hon. Member for Shefford knows the Standing Orders as well as the Chair.

The Hon. Member for Shefford.

HASTE—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, I want to thank you for reminding me of the Standing Orders, but the facts are self-explanatory.

Yesterday, the Minister informed the House that no investigation was under way. He went even further. He said:

> The RCMP looked at the package which was left with them and found no basis for further investigation.

Mr. Speaker, the documents . . . the tape had not even been examined at the time the Minister rose in the House, but the RCMP had received the tape Wednesday afternoon.

I want to ask the Minister . . . We know there are various elements involved in this case. There have been meetings since April 22 and 28 and the beginning of May. The Minister of Public Works received a personal letter at his home, advising him of all these aspects. Why do we have to raise the matter in the House to get an investigation going? Why didn't the Minister of Public Works or the Prime Minister, who read about the case in his local paper on July 12 this year, why didn't they immediately order an investigation instead of trying to cover up the whole thing?

• (1120)

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, again let me correct what the Hon. Member is saying. Following Question Period yesterday, the RCMP in Montreal received the material in question. They are currently studying that material. As long as that study is under way, it would be inappropriate for any of us on either side of the House to take any action that could prejudice the results of that investigation.

STATUS OF RCMP INVESTIGATION

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, the Minister has changed his tune today. Today it is inappropriate to comment. Yesterday he said that there is no indication whatsoever of any criminal impropriety—the RCMP has found that.

What conversations did the Minister have with the RCMP that led him to rise in the House of Commons yesterday to report to the House of Commons that (a), there had been an investigation, that (b), there was no evidence of any criminal impropriety, and that (c), the RCMP had come to an official conclusion that he kindly passed along to the House of Commons?

The fact is that this matter was referred to the Minister of Public Works in a private letter sent to his home by Mr. Hylandss, a senior Government of Canada official who was subsequently removed from the file. Mr. Hylandss asked for an investigation but no investigation was forthcoming. Why is the Government engaged in a coverup in this radar site sale in the Prime Minister's riding?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, this is a precise example of the sort of thing that I am concerned about, and that is the abuse by opposition Members of Parliament of their position in Parliament by making allegations that they cannot substantiate.

Some Hon. Members: Oh, oh!

Mr. Gauthier: Go back to your tricycle, for God's sake. Don't give us that nonsense.

Mr. Beatty: Mr. Speaker, here again Hon. Members rise to their feet and insist on getting answers, and when we attempt to answer them, they attempt to shout us down. If the Hon. Member wants an answer, I would like to give it to him.

First, there were two sets of material in question. Yesterday the RCMP had completed some investigation of the first set and found nothing to suggest any criminal impropriety. Subsequent to Question Period yesterday, the RCMP in Montreal received further material which they are currently studying. It is entirely appropriate that the RCMP should be given the opportunity to study that without Members of Parliament on either side of the House in any way prejudicing their study.

REQUEST FOR REFERRAL TO PARLIAMENTARY COMMITTEE

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, it is entirely appropriate, when the Director of Property Management for Public Works in Montreal writes a personal letter delivered to a Minister's home address detailing what the Director believes to be gross political interference in the administration of the awarding of a contract or a tender and asking that Minister to investigate, that the Minister ought to do his job expeditiously. It is ridiculous that the matter has to come up weeks later in the House of Commons.

The detailed, sordid story of political interference carried in today's Montreal *Gazette* involves aides to the Minister of Public Works. The Minister of Public Works has failed to act.

We now know that an official from the Prime Minister's office was at least indirectly involved because the Minister of National Defence has indicated that. Conservative Party organizers, including a chief organizer for the Prime Minister in the last election, were involved. As well, it resulted in the dismissal from this file of Mr. Hylandss, a senior public servant with no Party affiliation. Why is the Government of Canada refusing to refer this matter immediately to an appropriate all-Party committee of the House of Commons for a quick and immediate examination of all the facts?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, now that the Hon. Member has unburdened himself of that little bit of theatre, let me return to the facts. It was Hon. Members opposite who were stressing the fact that the RCMP—

Mr. Tobin: The facts are like the nuclear submarines; they are buried from sight. They disappear.

Mr. Beatty: Here we go again. Perhaps the Hon. Member could contain his hysteria for a minute.

What are the facts? As Hon. Members on the other side had indicated, the RCMP have received material which they are currently studying. It is precisely to avoid this sort of trial by headline, guilt by association and innuendo, in which the Hon. Member is engaging at the present time, that the practice in the House has been that when the RCMP is making an inquiry, we do not interfere. I would ask Hon. Members on the other side to respect that principle.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—ENVIRONMENTAL CONSIDERATIONS

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would like to put a question to the Minister of State for International Trade. I would also like to congratulate him on his appointment.

Some Hon. Members: Hear, hear!

Mr. Langdon: The Government has been seeking, through all sorts of mechanisms, to show its commitment to the environment. Yesterday some 90 environmental groups from right across Canada concluded that the Government's trade deal with the United States would have profound and disastrous implications for the Canadian environment.

Would the Minister and the Government be prepared to meet with representatives of those 90 environmental groups to review these key clauses they indicate are so dangerous, and be prepared to make changes to put some real teeth behind the commitment the Government has stated to environmental protection but which seems to be contradicted by this trade deal?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I read with some interest the report of the Environmental Law Association and I can tell the Hon. Member that environmental concerns are valid concerns which are shared by the Government. We have a great, solid track record on environmental issues, and I will cite it chapter and verse if the Hon. Member wants me to do so.

However, this report does a disservice to the cause of the environment. It indulges in what I consider to be a campaign of total distortion. This report has given complete distortions and misinterpretations of the free trade agreement, along with doomsday scenarios in which every conceivable environmental ill has been laid at the feet of the Free Trade Agreement. It is totally, totally wrong.

Mr. Langdon: Mr. Speaker, it is quite possible that, despite the Minister's elevation to the Cabinet, he does not have quite as much environmental expertise as these 90 groups from across Canada. I suggest that he take some time to talk with these groups and to review very carefully the charges they have made.

[*Translation*]

GOVERNMENT POSITION

Mr. Steven W. Langdon (Essex—Windsor): Specifically, on the question of acid rain, these environmental groups stated that the risk would increase as a result of the trade deal with the U.S. They mentioned the very real possibility that we might not be able to support investments by industry to eliminate hazardous emissions. What is the Government going to do about this?

[*English*]

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, since the Hon. Member is getting specific, let me get specific as well. Let us talk about Chapter 6 of the agreement, technical standards. In Article 602 there is the affirmation of the GATT Agreement. "The parties affirm their respective rights and obligations under the GATT Agreement on Technical Barriers to Trade". Article 603 deals with "no disguised barriers to trade" and says that "the demonstrable purpose of such measure or procedure is to achieve a legitimate domestic objective".

Let me tell the Hon. Member what the definition of a legitimate domestic objective is. It means "an objective whose purpose is to protect health, safety, essential security, the environment, or consumer interests". I refer the Hon. Member to page 73 of the Free Trade Agreement.

Mr. Langdon: Mr. Speaker—

Mr. Hawkes: Have you read it?

Mr. Langdon: Oh, yes, long before the Minister, let me tell you.

REFORESTATION GRANTS

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the full-scale Minister told my Leader yesterday that there would not be grants challenged by the United States that would help control detrimental environmental problems. Why is it the fact that within the Free Trade Agreement, perpetuated forever, the softwood lumber agreement stops us from being able to make reforestation grants which are directly and completely a contribution to the environment of this country?

• (1130)

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, the Free Trade Agreement does not prevent the provinces in any way shape or form from reforesting their provinces. They are responsible for their resources and again I will refer the Hon. Member to the Free Trade Agreement, if he wants to take a look under Article 601: "The provisions of this Chapter shall not apply to any measure of a provincial or state government". Accordingly, the parties need not ensure the observance of these provisions by state or provincial Governments. The Hon. Member knows full well that the provinces have the right to reforest the forests. The provinces have that right and there is nothing in this agreement that prevents that.

The other day the Hon. Leader of the New Democratic Party said that the Free Trade Agreement prevented provinces from doing that. There is nothing in this agreement that says that. He is totally wrong.

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PUBLIC WORKS

SALE OF LANDS AT MOISIE, P. Q.—LETTER REPORTEDLY SENT TO MINISTER

Hon. Bob Kaplan (York Centre): Mr. Speaker, I want to return to the Minister of National Defence and to the Moisie affair. What we are dealing with here is a parcel of land owned by the Government which was appraised at $4.5 million and sold for $187,000 to friends of the Prime Minister after the bidding process was interfered with and altered. This is on the record and not denied. I want to ask about the letter which was delivered to the home of the Minister of Public Works by the Department Section Head responsible for supervising this tendering process.

The simple question I want to ask the Minister is this. When the Minister of Public Works received that letter at his home toward the end of May or in early June, what happened? What did he do with that letter? I ask that question specifically aware that it has nothing directly to do with the RCMP investigation under way but has everything to do with the standards of this Government.

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, the Hon. Member prefaced his question with a string of allegations and innuendo. As always, unfortunately, that is what he does.

Mr. Kaplan: It's right on the record.

Mr. Beatty: The hon. gentleman is a former Solicitor General of Canada, as I am. He should know that one of the obligations that every Member of Parliament has is to co-operate fully and do nothing that can in any way impede work being done by the RCMP.

Mr. Lapierre: What did you do yesterday?

Mr. Beatty: If what the Hon. Members are implying were correct, that there was any impropriety here, it is entirely appropriate that the RCMP should take a look at that. All appropriate officials and all information in the hands of the Government of Canada would be made available to the RCMP, as would always be the case. If the hon. gentleman opposite has any information whatsoever in any way relevant, let him turn it over to the RCMP.

FATE OF LETTER

Hon. Bob Kaplan (York Centre): Mr. Speaker, I want to ask the Minister of National Defence again whether that letter, when received by the Minister of Public Works, was turned over to the Government, to the Prime Minister? Was it give to the RCMP? Was it burned? What happened to that letter when the Minister of Public Works received it?

Mr. Boudria: Where is it?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, again what we get is a series of attempts by innuendo to raise questions when the hon. gentleman knows full well that the police are currently looking into this matter.

Mr. Boudria: Is this today's police or yesterday's police?

Mr. Beatty: As long as their inquiries are under way, it is appropriate for them to be given that opportunity.

Mr. Kaplan: Where is the letter?

Mr. Tobin: Where is the letter?

Mr. Beatty: If the Hon. Member opposite has any information whatsoever which is in any way relevant, let him turn it over to the RCMP.

[*Translation*]

SELLING PRICE—IDENTITY OF BUYERS—INTERESTS OF CANADIANS

Mr. Mike Cassidy (Ottawa—Centre): Mr. Speaker, yesterday there was no investigation by the RCMP and today one has been ordered to get rid of the issue and give the Government a chance to cover its tracks until after the election. My question is this: Does the Minister of National Defence believe it was prudent of the Government to sell a property with 90 houses and several other buildings, as well as land with good recreational value on the Moisie River, for only 4 per cent of its value, estimated at $4 million by the Department of National Defence? Why did the Government go ahead with this sale to friends of the Prime Minister instead of withdrawing the offer and seeking a better return for the people of this country?

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I thought there was a rule in this House about imputing motives. The way in which the Hon. Member prefaced his question was to impute motives to the Government in terms of its actions, motives which are simply false.

The Hon. Member should know the fact again that an inquiry is under way, a study is under way by the RCMP. If that can be concluded quickly, and I hope it can, and I hope the results of it indicate there was no criminal impropriety whatsoever, the Minister of Public Works will then be in the House and will be available to respond to any questions whatsoever, including unfounded allegations and innuendo by the other side.

REQUEST FOR INQUIRY BY PUBLIC ACCOUNTS COMMITTEE

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, we are talking about a matter of judgment by the Government. We are talking about questions of patronage which may or may not have criminal effect but which are also questions of judgment by this Government which constantly gets into these problems of dealing in a favourable way with people who are close to the Conservative Party. We are talking about prudence, about a Government which sells a $4.5 million site for $187,000, which sells houses for $3,000 or $4,000 a piece, when people across this country cannot buy houses for more than $100,0000 because they cannot afford them.

Will the Government agree to an inquiry by a Commons Committee, by the Public Accounts Committee, into all aspects of this affair, apart from the criminal aspects which are before the RCMP?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, the Hon. Member in his question itself suggested there may be a criminal matter involved here. Surely the Hon. Member owes it to the Canadian people and to the Royal Canadian Mounted Police to ensure that nothing is done in this House which in any way impedes the ability of the Royal Canadian Mounted Police to study that information. I hope—

Mr. Cassidy: To fix it.

Mr. Beatty: Pardon me, Mr. Speaker, if I could complete my answer. I hope that the results of the inquiries being made by the RCMP will be available soon. If they are, any and all questions the Hon. Member wants to ask, including ones based on false imputation of motives and innuendo, can be answered.

Mr. Turner (Ottawa—Carleton): You are a disgrace to your constituency.

Miss MacDonald: How often have you had to withdraw charges?

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NATIONAL DEFENCE

CFB SUFFIELD—NERVE GAS TEST ALLEGATIONS

Mr. W. R. Bud Jardine (Northumberland—Miramichi): Mr. Speaker, my question is also directed to the Minister for National Defence. The Member for Skeena made serious allegations yesterday that a former member of the Canadian Forces is suffering medical problems associated with nerve gas tests in which he participated at Suffield in 1965. Can the Minister advise this House whether in fact these allegations are true?

Hon. Perrin Beatty (Minister of National Defence): Yes, Mr. Speaker. Following Question Period yesterday I made inquiries. I can report to the House that the Member for Skeena overlooked informing the House of Commons that the individual in question contacted him, not to complain about any problems but to suggest that volunteers might be traced through their pay records, that he was not sure he was ever exposed to nerve gas, and that he believed his symptoms were the result of natural causes.

We also did a full study of what in fact the individual in question participated in. The individual in question was never exposed to nerve gas. He participated in tests of mustard so dilute that there were no effects whatsoever at the time and it would be impossible for the symptoms in questions to have been caused by these tests.

Unfortunately, as in the case of these propaganda wars by the NDP, the truth is the first victim.

Some Hon. Members: Hear, hear!

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PUBLIC WORKS

SALE OF MOISIE LANDS—LETTER REPORTEDLY SENT TO MINISTER

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is also directed to the Minister of National Defence. It relates to the Moisie bid-rigging case. In May of 1988 the Minister's colleague, the Minister of Public Works, received a letter, a very serious letter, from an official of his Department, Mr. Hylands concerning the case at Moisie. Did the Minister's colleague receive that letter? Did he get it? What did he do with it? And where is the letter now? Did he give it to the Prime Minister? If so, when? Did he give it to the RCMP, and when? Can he give us that information, at least?

Mr. Mayer: Louder! We couldn't hear you.

Hon. Perrin Beatty (Minister of National Defence): Here we go, more shouting from his seat.

Mr. Boudria: You didn't hear it the last time.

Mr. Beatty: Mr. Speaker, once again the Hon. Member prefaces his question with an allegation, an allegation of criminal impropriety, bid-rigging. Bid-rigging is an offence under the Criminal Code.

Mr. Tobin: Where is the letter?

Mr. Beatty: It is precisely for that reason that the procedure in this House traditionally has been that we do not interfere in matters which are before the police.

Mr. Cassidy: Answer the question. Where is the letter?

Mr. Beatty: As soon as the RCMP have had the ability to complete their study, any and all questions posed by any Hon. Members in this House, no matter how unfounded they are, can be answered.

Mr. Boudria: Mr. Speaker, I won't talk about the unfounded answers of the Minister yesterday which he had to retract today.

LETTER SENT BY MEMBER'S OFFICE

Mr. Don Boudria (Glengarry—Prescott—Russell): I want to direct another question to the Minister of National Defence who is answering on behalf of the Minister of Public Works.

• (1140)

A request from my office was sent on July 7, 1988, with particular regard to the Moisie base, asking to have all the files concerning the sale of that base and the other bases. Is it just a coincidence that that letter was never answered, just a happy coincidence, or is it because the Government knew very well the trouble it was in?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I did not retract any answers. I informed the House, at the earliest possible opportunity, of new information that has been made available to me since Question Period yesterday.

Mr. Boudria: Not true.

Mr. Beatty: The question asked by the hon. gentleman indicates how thin his allegations are if he has to demand answers with regard to the timing of responses to letters he sends and make imputations of impropriety on the part of the Minister.

Mr. Boudria: You're withholding information.

Mr. Beatty: He now alleges that information is being withheld.

The practices are well established. I say again, as a former Solicitor General of Canada, that our obligation as Members of Parliament on all sides of this House is to do nothing that will interfere with the work of the Royal Canadian Mounted Police. Those are not standards that are too high to be accepted by Members of Parliament. They have been accepted in the past. I think every Member of Parliament has the obligation to meet that standard.

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HOUSING

TORONTO—DOWNSVIEW LANDS DEVELOPMENT

Mr. Neil Young (Beaches): Mr. Speaker, my question is directed to the Minister responsible for housing. It has now been a week since the Minister announced that the Toronto Downsview Airport lands would be released for the construction of some 5,000 housing units. Today we know as much about the development of these lands as we knew last Friday, which is zip-all.

Would the Minister of Housing share with the people of Toronto and the rest of us his plans for the development of that site? If he has those plans would he table them in the House today?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I am sure the Hon. Member knows the planning procedures that go on in a municipality. These lands were generously turned over from the Department of National Defence. My colleague, the Minister of National Defence, announced that those lands would be given up to CMHC for development in Toronto.

The plans are that a minimum of 25 per cent of the product placed on those lands is going to be affordable housing. At this moment meetings are going on between CMHC and the planning department at North York. The Mayor and his Council are being briefed, and once we have completed our negotiations with North York on the plans for the site they will be made public.

REQUEST FOR DETAILS OF DEVELOPMENT

Mr. Neil Young (Beaches): Mr. Speaker, we have been kind of nice to the Minister for the past week because he is a new Minister and the new guy on the block, but today we want to know some details about how that land is going to be disposed of, how it is going to be developed, and what the timetable is for developing that land. I think the people of Toronto are entitled to know that information now before an election is called. Now that we have the potatoes, where's the beef?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, that question was read from the editorial in *The Toronto Star* yesterday, word for word. If the Member read my remarks delivered last Friday he would see that they give a timetable of when we expect to be able to put a plan on there. They indicate where the homes are going to be located and our idea of how we are going to develop the land.

We are also providing new housing for married staff of the Department of National Defence, which is a very positive side-effect of this development. We hope to start building those in the spring because there has to be some transfer of lands.

I am good, but I can't build homes in a week, and he knows that.

[*Translation*]

NATIONAL DEFENCE

MOISIE AFFAIR—GOVERNMENT POSITION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to get back to the Moisie affair and ask the Minister two questions about public servants who, in this case, are being bullied by the Government and sometimes forced to retract under pressure.

In this morning's *Gazette*, Mr. Hylands is quoted as saying:

[*English*]

> It was too hot. They had to pull me off the file because I wouldn't go along with the deal to give it to (Raymond) Lefebvre (et fils).

I admit that there are two questions here. One is criminal and the RCMP will look after that. The other one is public accountability and the Government's accountability to the House of Commons.

Will the Minister give us the assurance in this House today that indeed the Government will refer this whole question, either to Public Accounts for examination, or to Government Operations, for a thorough examination by Members of this House?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, the hon. gentleman will be aware of the fact that his colleague, who raised questions earlier, referred to this as a bid rigging case, an allegation of criminal impropriety. The hon. gentleman behind him repeats that and says that that is what it is.

If indeed that was what took place, clearly anything that involved pulling departmental officials off the case would be relevant to the RCMP investigation.

You cannot have it both ways. Either the RCMP should be permitted to look into any aspect of this that they want to whatsoever, without interference from us, or the Hon. Member and his colleagues should be allowed in engage in innuendo and making allegations on the floor of the House of Commons. We all have the obligation to allow the RCMP to do their job without interference.

[*Translation*]

INVOLVEMENT OF PRIME MINISTER'S OFFICE—GOVERNMENT POSITION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Minister informed the House this morning that a member of the Prime Minister's staff was involved.

In order to avoid making scapegoats of public servants or at least to avoid forcing them to do things they are not supposed to do, is the Minister prepared to provide the name of the person to whom he referred and the position that person now holds in the Prime Minister's office, since the Minister himself told us there was someone from the Prime Minister's office? We would like to have the information at least the name and the position.

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, the reason I mentioned this fact to the House of Commons this morning was that I felt I had an obligation to the House of Commons, when new information was given to me following Question Period yesterday, to report at the earliest possible moment. I do not have the name of the individual with me. I can report that—

Some Hon. Members: Oh, oh!

Mr. Beatty: Here again we get shouting from the other side of the House in the middle of an answer.

Mr. Lapierre: Are you so stupid?

Mr. Beatty: I can indicate to the House that it was staff in the Prime Minister's constituency office. The sole purpose of the inquiry was to find out the timing and process that was followed here. No representation whatsoever was involved. This was simply in preparation for a visit to the constituency by the Prime Minister.

Again, the name of the individual, any information involved, anything related to this case, would be made available to the RCMP if they wish it.

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AGRICULTURE

DROUGHT RELIEF PACKAGE—REQUEST FOR ASSISTANCE FOR GRAIN HANDLERS

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of State responsible for grains. It is my understanding that sometime in the next two weeks the Government will be announcing some form of drought relief measures for the farm community. This is a matter that his Ministry and others have been looking at.

Will they, at the same time, announce assistance for those who handle grain, whether they be railroaders, grain handlers, or seafarers, no matter where they are in the country, who have lost their jobs as a direct result of the drought? Is the Government going to include in its drought relief package assistance for these men and women?

Hon. Charles Mayer (Minister of State (Grains and Oilseeds)): Mr. Speaker, we are looking at the problem that has come about because of some very poor weather this past growing season which has resulted in a severe drop in production. It is going to cost us some of our exports, as the Hon. Member well knows. It is an over-all problem for the industry, not only in the area that he comes from, Thunder Bay, but right across the Prairies and in parts of Ontario where the crop yield is down.

The Hon. Member should know that the Chief Commissioner of the Canadian Wheat Board was in Thunder Bay on Tuesday to sit down with the people in the grain business to bring them up to date first hand on what is happening.

We have had an interdepartmental committee looking at how we can be of assistance to people using present programs, and we are going to do everything we can to see that people who are affected by this can be given as much assistance through present government programs as we can possibly give them.

SITUATION OF GRAIN HANDLERS

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the Minister knows that a number of people have been falling through the cracks in existing programs. For example, more and more grain handlers, because of the downturn in the grain economy, have been unable to requalify for unemployment insurance, so they will not be helped by existing programs.

The Minister also should be aware that this is not a short-term problem. The situation is probably going to be even worse next year for these people throughout the system.

• (1150)

The Minister did not really answer the first question. Will the drought relief package that will be announced in the next couple of weeks include specific measures for those who handle the products that were affected by the drought?

Hon. Charles Mayer (Minister of State (Grains and Oilseeds)): Mr. Speaker, we are aware of the problem. I think the Hon. Member will know that so far traffic has not been down nearly as much as we would have anticipated. As a matter of fact, general traffic is up. I believe that last year at this time there were some two million tonnes of general traffic through the Seaway and this year it is up to 2.3 million tonnes.

The Seaway has also had some additional traffic as a result of the problems experienced on the Mississippi. Some of these factors are going in favour of the Seaway.

The present situation is not nearly as bad as we thought. For the Hon. Member to get up now and talk about all the things that will happen next year is, I think, in some ways crying "wolf".

We will do everything we can to see that people are not nearly as affected by the weather problems, given that there are many programs in place now and that we really do not know what will happen next year. The Hon. Member says that it is likely to be worse next year. He does not know that. We hope that there will be much better prospects for a crop next year. If that is the case, as we look toward next year, things may not be as bad.

TELEFILM CANADA

FEATURE FILM FUNDING

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, one year ago the President of Telefilm, Jean Sirois, in news conferences across Canada said that Telefilm was broke. The Minister of Communications allowed this misinformation to stand, yet we had indicated that it was false from the very start. It was really a cover-up for the Prime Minister's friend Sirois while scapegoating Peter Pearson, the Executive Director of Telefilm.

Now it is reported that Telefilm is broke again. Is Telefilm feature film fund all spent or is it just committed? Would the Minister advise the industry and the House as to the state of the Telefilm funds?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, the Hon. Member has made it her practice in the House to try to undermine Telefilm. I want to report to the House that Telefilm is one of the basic institutions that support our Canadian film industry. If she does not believe that, she should ask people in the film industry.

This year, compared to last year, Telefilm has already funded 26 feature films in five months. In all of last year it funded 23 feature films.

Last year, it put $20 million into that. This year already it has put $30 million into it and it has not utilized the new funding that has been allocated to Telefilm for feature films.

I could go on and give the details in the broadcast series and how much better it is this year in five months than in the whole of last year when the utilization of funds at that time was $76 million. So far this year in the broadcast series $47 million has been allocated and there is still an additional amount of funding up to $20 million that has to be allocated.

Mrs. Finestone: I am not the one who appointed or supported the appointment of Jean Sirois. The Minister did that.

PRIVATE SECTOR FUNDING—CAPITAL COST ALLOWANCE

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, this Party did not cut the capital cost allowance which cost the film industry $150 million in private sector funds. When will the Minister see to the reinstallation of the 100 per cent capital cost allowance so that the private sector can be funded by private sector, not strictly public sector subsidies?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, now I find that the real motive is that she does not want public funding going into the film industry. We believe that we should be helping our film industry to fund Canadian cultural films.

Last night I was at the Ottawa premiere of the great Canadian film *Les Portes Tournantes*. I recommend all Members in the House to see it.

The person to whom I listened very carefully there was René Marleau, one of our great producers from Québec. He is a great Canadian. He underlined personally and publicly how important it is that the funding allocated to Telefilm by the Canadian Government be continued. He thanked Parliament for what it has done in this respect. I hope that people would listen to people like René Marleau, a great producer.

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NATIONAL DEFENCE

CFB SUFFIELD—NERVE GAS TESTS IN 1960S

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is directed to the Minister of National Defence. It is interesting that Suffield's records are now suddenly, today, so accurate and complete. I must say that I am sure Mr. Wheeler is thankful after waiting 23 years to find out today that it was mustard gas that was tested on him.

Perhaps the Minister today could tell the Canadian public what nerve gases were tested on what individuals at Suffield? Can the Minister tell Canadians accurately what nerve gases were tested on what individuals at Suffield during the 1960s? Can you or can you not?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I would have imagined that after his rather tawdry performance both inside the House and outside the House, where false allegations were made that this individual in question had been exposed to nerve gas, and the Hon. Member repeated it in a piece of paper he handed out outside the House, that the Hon. Member would have at least had the decency to apologize for this misinformation.

I have indicated to the Hon. Member that we are currently trying to find any and all individuals who participated in any way in these tests in the past. These inquiries are under way at the present time.

I suggest to the Hon. Member and his colleague from New Westminster—Coquitlam that the function of the Member of Parliament is to serve the people of Canada, not to use them.

DEPARTMENTAL RECORDS

Mr. Jim Fulton (Skeena): Mr. Speaker, the Minister continues to beat around the bush. There are military and civilian personnel who participated in nerve gas tests. International experts have told me that the symptoms suffered by Mr. Wheeler are those associated with those who had come into contact with nerve gas. The Minister has not advised those military or civilian participants what nerve gases were tested on them. Will the Minister rise in the House and tell the people of Canada if he does or does not have accurate records of who participated in how many tests and with what nerve gas? Yes or no?

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, the Hon. Member is trying to make a rather unsuccessful recovery from his performance yesterday. What he said flatly to the House of Commons and what he repeated in this little sheet he passed around was that Mr. Wheeler had been exposed to nerve gas. The hon. gentleman knows now that what he said was false—read my lips—false.

Instead of engaging in a campaign of fear, the hon. gentleman should be co-operating and trying to give the reassurance to Canadians that the investigation by Mr. William Barton that is under way at the present time will be full and complete. The results will be made public, and the Department of National Defence is looking for any and all people who participated at any time in these tests. It will assist them in having medical checks, even though there has been no evidence whatsoever to date of any long term effects. Stop trying simply to scare people for partisan reasons.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—CANADIAN ENVIRONMENTAL ADVISORY COUNCIL

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is directed to the Minister of State for International Trade. Earlier in Question Period he described as a campaign of distortion the views expressed and the warnings expressed by Canadian environmental groups on the Mulroney-Reagan trade deal.

In January, 1986, the Canadian Environmental Advisory Council reported to the Minister of the Environment that: "It will be necessary to examine the environmental implications just as systematically as the economic ones". They were referring to the trade proposal.

Would the Minister describe the submission and the report of the Canadian Environmental Advisory Council as a campaign of distortion?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I noticed that the Member was referring to a request back in 1986, I believe, two years before the Free Trade Agreement was signed. It was a caution from the advisory committee to ensure that environmental matters did not come under the Free Trade Agreement and would not in fact be harmed by the Free Trade Agreement.

Those cautions were heard and the environment is fully protected under the Free Trade Agreement. That is why these concerns that are being raised today are really misleading and tell half truths. For example, Article 1201 in the Agreement, which the Hon. Member can read, is a commitment to the GATT obligations of the partners to this agreement. According to that particular section, XX(b), the environment is obviously protected by the GATT Agreement.

• (1200)

Environmental issues are fully protected. This Government can, has, and will take any action that we feel necessary to protect the environment and Canadians.

Mr. Deputy Speaker: The last question of Question Period will be asked by the Hon. Member for Davenport.

PRIME MINISTER'S STATEMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, environmental regulations are not protected. Pesticide regulations are not protected. Water exports are not at all protected.

Where has the Minister been all these months? How does he reconcile the fact that the environment was the only major sector that was not studied by the Government, yet his own Prime Minister a few days ago made the great declaration that we must not choose between economic development and environmental protection?. How does he reconcile that contradiction?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, if the Hon. Member was here earlier in Question Period he would have heard me read the technical standards section of the Free Trade Agreement. I will read it to him again.

Under Article 602: Affirmation of GATT Agreement states:

The Parties affirm their respective rights and obligations under the GATT *Agreement on Technical Barriers to Trade.*

A legitimate domestic objective is protected. The definition of a legitimate domestic objective is as follows: "—an objective whose purpose is to protect health, safety, essential security, the environment, or consumer interests;"

The Hon. Member has asked where I have been for the last two years. I know where I have been. I have been working on this agreement. I ask him where he has been. Obviously he has not read the agreement or he would not ask such silly questions.

[*Translation*]

Mr. Deputy Speaker: The Chair recognizes the Hon. Member for Shefford (Mr. Lapierre) on a point of order.

* * *

POINT OF ORDER

RETRACTION OF UNPARLIAMENTARY WORD

Hon. Jean Lapierre (Shefford): A point of order, Mr. Speaker. You seldom occupy the chair during the Oral Question Period and I would not want to offend you.

I realize that early in the Oral Question Period I got carried away and used the word "lie". To abide by the Standing Orders and your instructions, I withdraw these remarks although the facts speak for themselves.

Mr. Deputy Speaker: The Hon. Member for Ottawa—Vanier (Mr. Gauthier) on a point of order.

* * *

[*English*]

PRIVILEGE

REPLIES GIVEN BY MINISTER OF NATIONAL DEFENCE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I believe the privileges of all Members of the House have been affected today by the type of answer that the Minister of National Defence (Mr. Beatty) has been giving us.

Some Hon. Members: Oh, oh!

Mr. Gauthier: I will go further. He has also impugned the reputation of public servants, and I want to make that clear.

In his first answer to us he said this was a junior member of the Prime Minister's office. Then he said further, to impart more information, that it was a representative of the Prime Minister's constituency office. There cannot be thousands of people working for the Prime Minister in his constituency office.

I ask the Minister to give me the name of that individual. What position does he occupy? Will the Minister come forward with all the information?

An Hon. Member: That is not a question of privilege.

Mr. Gauthier: This is a question of privilege. I have been misled by that Minister.

Some Hon. Members: Oh, oh!

Mr. Dick: You are a sleazebag.

Some Hon. Members: Withdraw.

[*Translation*]

Mr. Deputy Speaker: I would suggest that the question raised by the Hon. Member for Ottawa—Vanier, important though it may be, does not constitute a question of privilege. It is a matter which might be raised during a future Question Period.

Tabling of Documents

ROUTINE PROCEEDINGS

[*English*]

NATIONAL HEALTH AND WELFARE

GOVERNMENT'S RESPONSE TO REPORT OF STANDING COMMITTEE

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, pursuant to the provisions of Standing Orders 67(2) and 99(2) I wish to table, in both official languages, the Government's response to the report of the Standing Committee on National Health and Welfare entitled *Survivor Benefits under the Canada Pension Plan.*

* * *

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, under the provisions of Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to three petitions, Nos. 332-5359, 332-5365 and 332-5368.

[Editor's Note: See today's Votes and Proceedings.]

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TRANSPORTATION OF DANGEROUS GOODS

REFERENCE OF DOCUMENT TO STANDING COMMITTEE ON TRANSPORT

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, yesterday, the Minister of Transport (Mr. Bouchard) tabled a document entitled *The Transportation of Dangerous Goods*. The Hon. Minister would wish this item to be referred specifically to the Standing Committee on Transport. We have had discussions among the Parties. I think Your Honour would find that there is unanimous consent to make that a strict specific referral to the Transport Committee.

Mr. Deputy Speaker: Is there agreement with respect to the proposal made by the Hon. Minister of State?

Some Hon. Members: Agreed.

RAILWAY ACT

MEASURE TO AMEND

Hon. Shirley Martin (Minister of State (Transport)) moved for leave to introduce Bill C-159, an Act to amend the Railway Act.

Mr. Deputy Speaker: Shall the Hon. Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

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

* * *

PETITIONS

REQUEST FOR EXIT VISA FOR SOVIET CITIZEN

Hon. Bob Kaplan (York Centre): Mr. Speaker, I have the honour to present a petition signed by dozens of my constituents who are members of Beth Emeth Synagogue in my riding who call on the Canadian Government to make strong representations to the Soviet Government to grant exit visas to the family of Leonid Shabashov who has been seeking to emigrate from the Soviet Union with his family for 14 years and who has been constantly refused without evidence of a justifiable reason.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to table, pursuant to Standing Order 106, petitions that are certified correct as to form and content signed by a number of Canadians who are concerned that the Conservative Government has no mandate from the Canadian people to conclude a free trade agreement from the United States.

Since the proposed trade agreement not only denies Canadians the secure access to the U.S. market that was the key objective of negotiations but threatens the loss of hundreds of thousands of Canadian jobs, the petitioners humbly pray and call upon Parliament to hold a national general election prior to any consideration of moving forward with the trade agreement.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Deputy Speaker: Is it agreed?

Some Hon. Members: Agreed.

* * *

[*English*]

MOTION TO ADJOURN UNDER S. O. 29(1)

NERVE GAS TESTS AT CFB SUFFIELD

Ms. Pauline Jewett (New Westminster—Coquitlam): Mr. Speaker, I have today given notice to the Speaker of my intention to rise under the provisions of Standing Order 29 to seek leave to adjourn the House for the purpose of discussing a matter of urgent and pressing concern.

As you are aware, Mr. Speaker, the Minister of National Defence (Mr. Beatty) has in the last several days acknowledged that an undetermined number of Canadians were subjected to nerve gas tests at the defence research establishment at Suffield, Alberta, particularly during but not limited to the 1960s.

Since the Hon. Member for Skeena (Mr. Fulton) and I raised this issue several days ago we have received numerous calls from across the country from individuals who were subjected to such tests. In many instances these individuals are now suffering from medical disorders which may be directly related to these nerve gas tests.

The impact of such tests on the long-term health of the subjects has been well documented in other countries. I believe that it is absolutely vital that the federal Government conduct an open and public inquiry into this matter so that those subjects who were in fact exposed may be medically checked for any long-term effects.

An emergency debate in the House of Commons would serve that purpose in that it would further expose this issue in the public domain and thus assist those individuals who were or who may have been tested to come forward for immediate medical testing.

• (1210)

Mr. Deputy Speaker: The Chair thanks the Hon. Member for notice given to the Speaker, and the Chair recognizes that it is a most serious and important matter. However, I regret to tell the Hon. Member that her request does not meet the requirements of Standing Order 29, and therefore I must respectfully deny the request.

GOVERNMENT ORDERS

[*Translation*]

UNEMPLOYMENT INSURANCE ACT, 1971

MEASURE TO AMEND

The House resumed consideration of the motion of Mrs. McDougall that Bill C-158, an Act to amend the Unemployment Insurance Act, 1971, be read the second time and referred to a legislative committee.

Mrs. Claudy Mailly (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, my comments on this Bill will be brief, since its purpose is simply to reconfirm certain rules that were established to allow Canadians in a number of peripheral regions who are experiencing hardship to have access to unemployment insurance. However, I would like to take this opportunity to point out that we still have no reply to our requests for applying the 10-week employment rule for unemployment insurance to our regions as well.

A number of Members, including myself, have asked to have certain parts of our ridings included among the regions that are eligible for unemployment insurance after only ten weeks. The Hon. Member for Ottawa—Vanier (Mr. Gauthier) said earlier that once again, the Government has waited until the very last minute to introduce this Bill. The Hon. Member knows perfectly well that Bill C-158 is one of those Bills that are introduced regularly on an annual basis and which do not contain any new elements. However, the request to allow certain areas in our ridings access to unemployment insurance after ten weeks of employment is new, and we are very anxious to see this done.

For instance, in the northern part of my riding, the communities of Notre-Dame-du-Laus, Poltimore and part of Val-des-Monts have a lot of unemployment, partly because of the sawmill that closed in the winter of 1984. To earn a living, these people have to leave home at five o'clock in the morning to get to work in Thurso. Mr. Speaker, you can imagine what this does to family life and the quality of life of these people?

I would also like to mention that in the 1987 report on the economy of Quebec published by Regional Industrial Expansion Canada, there is a very good description on page 93 of improvements in the economy of the Outaouais region. However, although there was a definite improvement in employment compared to 1986—an increase of 7.2 per cent—in 1986 this region was the only one where the number of persons holding a job decreased. When I say region, I am referring to the northern part of my riding and part of the riding next door, Pontiac—Gatineau—Labelle, where the unemployment rate is above the national average.

Mr. Speaker, with these few words I just want to point out to the Minister that we absolutely must have a quick decision. For two years we have been waiting for a decision to include these areas among the regions where unemployment insurance is allowed after ten weeks. Of course, the answer would be to create jobs in these regions. In fact, we hope that as a result of the free trade agreement, the pulp and paper and forestry sectors, for instance, will expand very significantly, and we will thus be able to create jobs, which means that these people would no longer need unemployment insurance.

[*English*]

Mr. Deputy Speaker: The Hon. Member for Thunder Bay—Atikokan on a point of order.

Mr. Angus: Mr. Speaker, I must apologize to the House. I was on my feet at eleven o'clock, when Question Period started, and had every intention to resume my contribution to this debate. Regretfully, I was out of the House and things moved a little faster than I anticipated. I wonder if there would be unanimous consent to allow me to make a few additional remarks.

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: Is there unanimous consent to allow the Hon. Member to speak?

Some Hon. Members: No.

Mr. Gauthier: If the Member for Ottawa—Carleton (Mr. Turner) is going to be so miserable, he will force me to move that that Member now be heard, and he would be very embarrassed if I did that. I would suggest that we come to an agreement, that we be gentlemen, and that we be very careful about what we do here, and that the request made to you, Mr. Speaker, be acknowledged.

Mr. Hawkes: Mr. Speaker, the Government has no difficulty in allowing this. These things do happen from time to time. I think the House would be well served by allowing him to conclude his remarks.

Mr. Gauthier: Thank you very much.

Mr. Deputy Speaker: The Chair does understand that there is unanimous consent and recognizes the Hon. Member for Thunder Bay—Atikokan.

Mr. Iain Angus (Thunder Bay—Atikokan): Thank you, Mr. Speaker. I want to thank my colleagues, both in the Opposition and in the Government, for their intervention. I appreciate the spirit of most of the people in this House.

When we broke at eleven o'clock, I was talking about the community of Atikokan and the difficulties that they have because of their location within the UI region of northwestern Ontario. I was pointing out that in 1987 one out of every two—in other words, 50 per cent of the employables in that community—were out of work for some period of time. Yet, because Thunder Bay's economy at that time was doing very well, they were forced to meet the same requirements as Thunder Bay in terms of the variable entrance requirements. Right now, that unemployment level is not much better in Atikokan. It is roughly between 8 and 9 per cent in Thunder Bay and the region, where they are required to have 17 weeks in order to requalify. That is a community that does not have the jobs to go around.

While we are hoping for a major announcement shortly due to some initiatives of the community, with the assistance of the federal and provincial Government, right now they are not benefiting in any way from Thunder Bay's prosperity, if I can put it that way, and they are being penalized for their location.

The other area that I am concerned about in terms of variable entrance requirements is based on two things. It is based on Statistics Canada's random sampling of the region, which again tends to be just Thunder Bay and which tends to be in the magnitude of 200 to 300 phone calls per month, which gives one a sense of the unemployment rates. Because of that sample size that we have seen in Thunder Bay, it is like a yo-yo. One month it is 12 per cent, the next month it is 8 per cent. It has been crazy.

They have fine tuned it by increasing the sample size a bit, but it still has a margin of error of 3.9. In other words, right now, when the unemployment rate is somewhere between 8 and 9 per cent, it could be 4 per cent or it could be 12 per cent. Yet, that is the statistic that determines the number of weeks that an individual is required to work in order to requalify.

The second part of that is that it is on a sliding average of over three months. As we saw this spring, fall and summer, because of the impact of the drought, in terms of the crops that were available to come through, plus some other distortions within the Western Grain Transportation Act, more and more railway workers, seafarers and grain handlers, as well as some government inspectors and weighers, were laid off. But that did not affect the unemployment rate fast enough to ensure that those who were laid off, who had been in a laid-off position previously and got called back to work, did not have enough weeks. They did not even have the 18 weeks that were then required. We have a situation where the system is not able to respond quickly enough.

I want to serve notice that when we get to report stage next week I want to move a couple of amendments to this Bill. One would in effect remove the variable entrance requirements and peg everybody at 10 weeks. I do not care whether you are a worker in Newfoundland, Yellowknife, Atikokan or Victoria, it does not mean that, just because your neighbour has been able to go out and get a job, you are automatically going to get one.

• (1220)

I am supporting this Bill because we do not want to see everybody get 14 weeks, because that will penalize those who obviously need the shorter qualifying period of 10 weeks that is provided for. Let us treat everybody equally with a ten-week qualifying period.

The other amendment I wish to give notice on will depend on what the Government does with my first amendment. If the Government does not accept the first amendment, I want to change it from a regional rate to a local rate, so that it is the unemployment rate in Thunder Bay, Corner Brook, or Saskatoon that decides the variable entrance requirements for that community, and not some larger piece of the pie where there may not be any relationship between employment and unemployment from community to community.

While I am speaking on the Bill, I would also like to make some general comments on unemployment insurance. During Question Period today I asked the Minister responsible for Grains and Oilseeds (Mr. Mayer) if there was going to be assistance for the handlers of grain in any disaster program for the farmers. I pointed out to the Minister that some people are falling between the cracks. There are a number of grain handlers who have gone through three or four bad years of employment who cannot get 14, 15, 16, 17, or 18 weeks of work. We are finding that a number of them are being ruled ineligible to receive unemployment insurance on the basis of number of weeks. We are also finding that the rules of the game are making it even more difficult.

Currently, because of a mix up between Revenue Canada and the Unemployment Insurance Commission, vacation is treated differently. When an employee is off on scheduled vacation and is receiving payment from his or her employer, unemployment insurance continues to deduct the dues. However, Revenue Canada has ruled that vacation weeks cannot be counted, even though they are in the middle of the work period, and not at one end where they are used to perhaps circumvent the rules as they are today. Those employees are denied unemployment insurance benefits because they have been on paid holidays, which is part of their work, and part of a necessary component to ensure the mental and physical health of that employee. The system is not working on behalf of the people for whom it was designed. I would encourage the Government to make changes to it.

I also wish to point out that an all-Party standing committee of the House unanimously recommended a ten-week qualifying period. That has also been recommended in some platform material and positions put forward by my Party.

My comments today are based on information from people who come into my constituency office in Thunder Bay or Atikokan. The bulk of our work is assisting people through the red tape of the Unemployment Insurance Commission. What happens to a laid off worker when he or she becomes sick is a real insult, particularly with respect to older workers. We have had cases where an individual on unemployment insurance, perhaps out of work for the first time in his or her life, has a heart attack. Many of these people who are in their early or late fifties obviously have extra stress when they are out of work. They are okay if they become sick in the first half of the claim period, but they do not dare get sick in the second half because they are cut off. That type of treatment of the unemployed has to stop.

Finally, we talk about the need to get people off unemployment insurance. I strongly believe that the vast majority of men and women want to work. In some cases industries are shutting down. I mentioned the situation in Atikokan where the iron ore mines closed in 1979-1980. When people are laid off and are in an industry which has a declining workforce, either in their area or nationally, they know that they have to learn a new trade or develop a new skill. However, it cannot be done on unemployment insurance unless it involves one of that small group of programs under the Canadian Job Strategy that are specifically a seat purchase at a community college. There is no provision to allow someone to go to university to get his or her B.A. degree and move on to another skill area. If we really want to encourage people to get off unemployment insurance and into a full-time job, let us give them access to the educational system and allow them to claim unemployment insurance while they are going to school, for example, single parents, or mother-led families with the added burden of child care, who want to go to school to get an education.

One week ago I talked to a young woman who was attending Lakehead University. She told me that the Province of Ontario has cut her off in terms of her informal child care arrangement, because the budget was used up for the year. This woman is in her fourth year of university. One can imagine a single parent on welfare going to university because she knows that she needs the tools that education will provide her to get off welfare and be an employee in the community.

A number of things in the system need to be changed. I am pleased that I had an opportunity to contribute to the debate today. I hope that when the Bill is returned for report stage I will be present. These days one does not know when Bills will be returned, and even during the course of the day we are not sure. I hope to be here to move my amendments. If not, my colleague, the Hon. Member for Nickel Belt (Mr. Rodriguez), will move them on my behalf.

I appreciate your patience, Mr. Speaker, and I thank the Members in the House who allowed me to come back in, as it were. I regret that one Hon. Member saw fit to try to make life a little more miserable in this place.

Mr. Deputy Speaker: The Hon. Member for Gander—Twillingate.

Mr. Baker: On a question.

Mr. Deputy Speaker: There are no questions or comments. However, I am sure the Hon. Member for Gander—Twillingate will do a good job on debate.

Mr. George Baker (Gander—Twillingate): Mr. Speaker, I wanted to add to what the hon. gentleman has just said about the discrimination in vocational schools, in universities, and in all institutions of higher learning where there are some people who are collecting unemployment insurance and other people who are not collecting unemployment insurance. That is determined if one is in receipt of what one calls a "manpower seat". The Unemployment Insurance Commission, through the local employment office, determines that when a person is laid off it would be of benefit to that person to continue his or her education or go into a new field, therefore he or she is permitted to draw unemployment insurance.

In every province in Canada, starting in September in the vocational schools, when one goes into a typical classroom, one will find that one out of three or half the number of people are drawing unemployment insurance, and the other two-thirds or one-half are not. That is determined by whether or not you are acquainted with the system well enough to be able to, prior to your lay-off, go into the unemployment insurance office and get what is commonly referred to as a manpower seat.

• (1230)

Therefore, I agree with what the hon. gentlemen put on the record a few moments ago about the absolute and total discrimination of the Unemployment Insurance Act. Imagine the outrage people feel that Members of Parliament from the three political Parties sit in this Chamber and deal with the Act and have dealt with it over the years, yet we and the Senate do not agree on changing the system to make everyone equal. In fact, to put it on the record, perhaps most Members of Parliament and most Senators do not even know it is going on anyway.

Also for the record, this Bill before us today will continue what is commonly referred to as the variable entrance requirement. If the Bill does not pass what would it mean? The Bill affects only repeaters. It does not affect new entrants, or re-entrants as some Members have said. It does not affect how much unemployment insurance you get or who gets it. Not at all. What it affects is how many insurable weeks you need if you are a repeater.

You know what a repeater is. A repeater is a person who draws unemployment insurance consistently over 52 weeks. He re-enters the workforce and then applies for unemployment insurance. The variable entrance requirement comes into play depending on where you are in Canada, if you are a repeater and only if you are a repeater, not if you are what is referred to in the outrageous Act passed by this Parliament in 1978 and the outrageous Act that was passed by this Parliament in 1977 as a new entrant or a re-entrant. That has nothing to do with this Act. You can throw it in the garbage. It has to do with repeaters.

The Hon. Member stood up a few moments ago and said, my goodness, I am from the Outaouais, I believe it was, and she said, "We are longing for this Bill". If your unemployment insurance rate is fairly low and you are shouting for people to get unemployment insurance, then you had better vote against this Bill. You see, if the Bill is not passed, no matter where you were in Canada you would require 14 weeks of insurable employment to collect unemployment insurance, not 20 weeks as it is in a great many areas in Canada, nor 18 weeks, or 17 weeks, or 16 weeks, or 15 weeks. You would require 14 weeks right from Cape Spear, Newfoundland over to British Columbia. If you threw the Bill in the garbage, certain areas of Canada would benefit, if you were supporting people to get unemployment insurance with fewer weeks required. Everybody would be the same. However, for the areas where presently you need only 10 weeks, up to 14 weeks, they would be required to get 14 weeks to collect unemployment insurance. That is what the Bill does. It does not do anything else.

Back in 1977 and 1978, as the present occupant of the chair will recall, this Chamber changed the law. Prior to 1977, as you will recall, you needed only eight weeks to collect unemployment insurance right across Canada. A Bill came in that changed that. That was followed by another Bill in 1978, and that Bill brought in the most discriminatory legislation that I have ever seen in this Chamber. We have lived with it ever since. I say today that what exists in the law today is outright and total discrimination. That is, a re-entrant to the workforce requires by law twice as many insurable weeks as a repeater.

In other words, what you find is this. In seasonal industries in northern Québec, northern Ontario, northern British Columbia, the northern part of every province in Canada, in rural Canada, at a fish plant, for example, you will find on the working lines that a lady works maybe for three months, four months or five months of the year off and on during the summer. She gets maybe 15 weeks of insurable employment. When she is laid off, when she is no longer called back, she can collect unemployment insurance because she collected unemployment insurance the year before. However, next to her on the assembly line is another lady who, last year or the year before or the year previous to that, made the mistake of having a child. Then that lady is doomed forever never to qualify for unemployment insurance. Now, isn't that an outrageous thing to have in legislation?

Mrs. Mailly: Yes.

Mr. Baker: It is there. I do not understand how Governments can come and go in this country and not correct that outright discrimination in the Unemployment Insurance Act. That lady who took a year out is now regarded by the law of Canada under the Act as a re-entrant into the workforce. Therefore, what does she require in Newfoundland? Twenty insurable weeks of employment within one year. You cannot space it out over two years.

The repeater with whom this Bill deals does not require 20 weeks by law passed by this Parliament. I suppose you could say that the same discrimination lies in our young people in Canada. They are not affected by this Bill either because they are what you call new entrants. New entrants are classified the same way as that lady who took one year out to have a child. They also require five months of insurable employment in order to be a new entrant as defined under the Act.

The real things that are wrong with the Act that revolve around this legislation called the variable entrance requirement are the things that should change. In fact, I just wonder which political party will try to set the record straight in the election and have as part of its platform the removal of that discrimination under the Act. I do not know of any political party as yet that has adopted that policy. What political party is going to turn around and correct a grave injustice in this country?

If we use the example of the fish plant worker in Canada drawing unemployment insurance, this woman with 15 weeks can draw it but another woman cannot because she took a year out. As you know, it has been a bad fishery in eastern Canada. Why is it that the fishermen of Canada cannot collect unemployment insurance? If a fisherman has 10 weeks, 20 weeks, 30 weeks, 40 weeks, 50 weeks, 60 weeks or even 1,000 weeks, he cannot draw unemployment insurance today. It is not allowed.

• (1240)

This Parliament, in its infinite wisdom, passed a law that said that a fisherman could only draw unemployment insurance commencing November 15, the time when he could file, and he would get his first cheque on December 12, and his last cheque would, by law, be limited to May 10. That is obviously discrimination. One fish plant worker is collecting unemployment insurance because he has 12 weeks or 15 weeks. Another fish plant worker, a lady who had a child two years ago, cannot collect it because she had a child two years ago and had to take the year off. In order to re-enter, she now requires 20 weeks. The fisherman who brings in the fish cannot collect unemployment insurance at all until the middle of November. He then has to file for it and wait for two weeks.

In fact, most fishermen wait more than two weeks. A fisherman filing in Grand Falls, Newfoundland, which is not as yet in my riding, would have to wait eight weeks. The eight-week rule is that if he quits, he cannot get the benefits for eight weeks, six weeks of penalty and two weeks of waiting time. They are so overworked and understaffed in some of those unemployment insurance offices that the fisherman files but all he gets are forms in the mail.

What political party will have the wisdom, the common sense and the sense of fair play to tell Canadians that it will right all the wrongs in the Act? What Government will do what the courts of Canada have started to do? There have been some decisions lately by the Federal Court of Appeal including a recent one dealing with the spouses' aspect of the Unemployment Insurance Act. There have been two cases overruling that section of the Unemployment Insurance Act.

People are asking why parliamentarians cannot right the wrongs in the Act. They are asking why they have to go through these appeal procedures and end up not winning when they know that there is discrimination in the Unemployment Insurance Act.

I intended to say only a few words about the trade school students to whom the Hon. Member referred a few moments ago. Again, there is discrimination in the Unemployment Insurance Act. Half a trade school class in carpentry is allowed to collect unemployment insurance and the other half cannot. Half a secretarial class at a trade school is allowed to collect unemployment insurance but the other half is not. One person is collecting unemployment insurance but the person sitting next to him in class who did the same job and has the same history is not allowed to draw unemployment insurance. That is discrimination, is it not? Any court would say that that is outright discrimination under any charter of rights.

Maybe this is not the fault of the politicians. Maybe a lot of the politicians do not know what is really happening in some cases. Maybe that is the problem. Cabinet Ministers have their dinners at the Parliamentary Restaurant and operate in a different sphere from someone who is unable to receive unemployment insurance, cannot buy school books for his or her children while his or her children cannot get student loans.

That is another thing. Why does a student have to be 21 years of age in order to get a student loan without the income tax information of his parents? There are all kinds of things that are discriminatory. Why is it that when a student is past the age of 21, he can get a loan, but when he is 19 or 20, he can't?

Mrs. Sparrow: Yes, he can.

Mr. Baker: No, he can't. Let me explain this for those who do not understand it. Obviously the Hon. Member agrees with what I have said.

Mrs. Sparrow: No, there are loans.

Mr. McDermid: That's the first time I've seen you stopped in your tracks.

Mr. Baker: A student requires a statement from his parents—

Mrs. Sparrow: Well, why don't you say that?

Mr. Baker: Look, I thought you would understand that. People are all hoping that their sons or daughters will last in university until they are 21 years of age so that they can at last get a student loan without having to produce the income tax records of their parents. That is federal legislation, operated by the provinces, and there are different programs in different provinces, but that is the law in eastern Canada.

Mrs. Sparrow: What about western Canada?

Mr. Baker: Western Canada is the same thing. In fact, western Canada—no, Mr. Speaker, I will not get into that.

I am not saying whether or not I agree with this. The other day, the Federal Court came down with a ruling that said that a person can hire his or her spouse and the spouse can collect unemployment insurance if there is a contract of service. The lady who was successful in the appeal is from a different province, Digby, Nova Scotia, in fact. The case is commonly referred to as the Druken case because the lady's last name is Druken. She carried it through to the Federal Court of Appeal and won the case.

The Federal Court of Appeal has agreed with a district judge who said that the entire section of the Unemployment Insurance Act that deals with the elimination of a spouse being able to draw unemployment insurance is completely illegal because it violates the Charter of Rights. The Charter provides that we cannot discriminate against someone because of this, this, and this and because of family considerations.

I know what the natural consequence of that decision will be if the federal Government does not appeal it, and I happen to know personally enough people in the Justice Department to know that the Minister is considering appealing this to the Supreme Court of Canada, and probably will after the election is called when no one is paying attention to it.

I see that you are indicating that I only have a couple of seconds left. I have not even got to the point I want to make.

Some Hon. Members: Oh, oh!

Mr. Baker: The point I want to make is this: the court has made that ruling, and we know about the problems in the high unemployment areas of Canada. There are rules that state, for example, that no one is permitted to be hired on a works program or summer student employment program if the person who signed the contract with the federal Government is a relative of that person. The town clerks in these small communities have to sign the contracts. It is difficult to find someone who is not related to someone else in these small communities.

Mrs. Mailly: Especially in Newfoundland.

Mr. Baker: Especially in Newfoundland. That student cannot go to work because his mother or father is the town clerk, the mayor or someone else who signed the contract.

The Federal Court of Appeal is saying that what the Unemployment Insurance Act has done is illegal because it is in violation of the Charter of Rights. Not only that, but the same is true with all the works programs.

The Acting Speaker (Mr. Ellis): Order.

Mr. Baker: I know you are going to tell me that my time is up, so I will sit down, but I just want to say, for goodness sakes, let us deal with the real issues. Whichever political party supports the removal of this 20-weeks requirement for new entrants and re-entrants and says that fishermen should be able to draw unemployment insurance is a Party that I will support.

The Acting Speaker (Mr. Ellis): Hon. Members will know that it is very enjoyable to listen to the Hon. Member, but my wife has a saying: "Don't listen to what I'm saying, listen to what I'm thinking," and that is what we have to do when the Hon. Member speaks.

Mrs. Mailly: Mr. Speaker, I rise on a point of order. I am sure that the Hon. Member for Gander—Twillingate (Mr. Baker) would want to know that something was lost in the translation when I spoke. He has given exactly the opposite interpretation to what I said in French. I said I was not waiting for this Bill because it was merely a routine matter that comes up. What I want to see is the redistribution of these regions so that in the regions in the northern part of my riding—which is not Ottawa-Hull, by the way, it is very rural, very poor, with a lot of unemployment—people can work for 10 weeks and then have access to unemployment insurance benefits. That is totally opposite to the interpretation the Hon. Member put on my speech.

• (1250)

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The Chair has heard a rumour but is not clear exactly as to where the Bill will be going. I will ask for the guidance of the Hon. Parliamentary Secretary to the Deputy Prime Minister.

Mr. Hawkes: I think, Mr. Speaker, you will find a general predisposition in the House to approve the second reading motion and then, by unanimous consent, to move to Committee of the Whole. There has been a signal from opposition Members that they would like to move some amendments. We can deal with those in Committee of the Whole.

Mr. Deputy Speaker: The Chair thanks the Parliamentary Secretary.

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

Some Hon. Members: Agreed.

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

Mr. Chairman: Shall Clause 1 carry?

On Clause 1—*Qualifying weeks*

Mr. Angus: Mr. Chairman, I distributed to the Government, to the Liberal Opposition and to the Table Officers a proposed amendment which I would like to move. I move:

> That lines 11 through 15 on page 1 of Bill C-158 be deleted and the following substituted therefore:
>
> "Person shall have in order to qualify for benefits shall be 10".

The purpose of this amendment is to provide for a fixed period of time for qualification for all citizens of Canada of 10 weeks as opposed to the flexible requirement at this time that provides for anywhere from 10 weeks to 18 weeks in order to qualify for unemployment insurance.

The Hon. Member who raised her point of order just a couple of moments ago talked about her riding where there are regional distortions and there is a need to have community standards. This amendment would ensure that all Canadians, no matter where they live, no matter what their employment prospects, would only be required to have 10 weeks of unemployment insurance credits. That is all I wish to say. I think the matter is self-explanatory and I would hope the Government would move quickly and positively to accept this amendment.

Mr. Tobin: Mr. Chairman, the Member for Thunder Bay—Atikokan did provide the Official Opposition with a copy of the amendment to Bill C-158. I wish to indicate that the Official Opposition supports the amendment proposed by the New Democratic Party. The Standing Committee on Labour, Employment and Immigration, which examined the whole question of unemployment insurance entitlements, recommended unanimously, that is, members from all three Parties, Conservative, Liberal and the third Party in the House, the New Democratic Party, that such an amendment be made to the Act and that the qualification criteria for benefits be applied equally across the country. But what we do not see today in this Bill, unfortunately, is a requirement to get rid of the 20-week rule for re-entrance.

I represent a riding where unemployment is among the highest in the country. For example, in the Port au Port Peninsula the unemployment rate is between 50 per cent and 60 per cent, even during the height of the fishing season. It is ridiculous that someone who managed to get a job last year and is going back to the same seasonal job this year, needs 10 weeks to qualify for unemployment insurance purposes, but someone who was so unfortunate as not to get a job last year, one of the ones who are not employable, not for lack of trying but merely because of lack of opportunity, needs 20 weeks.

What could be more insane than asking the workforce who lives in that part of Canada where their way of life depends upon seasonal economies, be it the fishery, the forestry or certain agricultural sectors, to wait 20 weeks? What could be more ludicrous than saying that those who seasonally find employment to give to themselves and their families the dignity of a pay cheque, can qualify after 10 weeks of employments, but those who fall between the cracks, those who are required to go out and scrape, to almost beg or steal, to find enough income to make it through the summer months and into the fall, must wait 20 weeks? Because they had a bad year, they did not qualify in one year, so the next time, in order to qualify, they are required to have 20 weeks of employment.

• (1300)

I would have hoped the Government, paying attention in a reformed Parliament to the progressive and enlightened views of Members from all three Parties on the standing committee operating in a non-partisan manner and seeking to make better laws for all Canadians, would have come in with a Bill to get rid of the variable entrance requirement and make it ten weeks across the country.

The reality is that anybody who can work beyond ten weeks will work. I do not know anyone who does not want to work. There may be a rare case, but one cannot build a law for the country based on a rare case. People whom I know want the dignity of a day's work, the pride that comes with bringing home a paycheque. This nonsense that we need a variable entrance requirement because the country, *en masse*, is going to lay down its tools and go home now that they have qualified is nonsense.

There is a work ethic that ought to be reflected in faith in the working people of this country by the Government of Canada bringing in an universal 10-week requirement and getting rid of the terrible discriminatory 20-week re-entrance requirement. Unfortunately we do not see that in this Bill today.

The Chairman: The Chair finds the amendment of the Hon. Member for Thunder Bay—Atikokan in order.

Mr. Hawkes: Mr. Speaker, this is the first time I have been in this position in Committee of the Whole. I have been on the other side for a few hours in this Chamber over the years.

Close to 20 years ago I became involved in doing research work across this country related to employment concerns from coast to coast, Newfoundland included. I would like to confirm my hon. friend's observation that Canadians want to work. They want to work productively; they are hard-working people. We have no reason to be afraid of a free trade deal because our people will make it work and the opportunities will enable them to have the jobs.

We do have arguments about the best way to provide jobs. I remember the arguments in 1984. We brought in our first Budget and opposition Members, who came to that budget process like they had come to four years of governing, said that it would be a catastrophe, that our unemployment insurance fund would be bankrupted because there would be so many unemployed people. Four years later there are 1.25 million more Canadians who pay money into the unemployment insurance fund, and there are a whole lot less people who take money out.

Voters will have a chance to decide which Party's view is the most appropriate one. We offer four years of experience of creating jobs and reducing the costs of unemployment insurance versus the preceding four years when jobs disappeared and unemployment insurance payments went up. We believe that Canadians who want jobs will vote for us, and we believe that that is the overwhelming majority of Canadians.

On the amendment, the research data shows that beginning at about 12 weeks and going up to 20 weeks and beyond is probably the best statistical definition of the Canadian labour force. If people do not, by and large, have that kind of attachment—not in every single year, but through the passage of time—it is hard, in a statistical sense, to say that they are part of the labour force. It is important to have other social programs that look after their economic needs when they are not part of the labour force, and we do have such programs.

However, the Unemployment Insurance Act compels people to put money. Every employee in the country on a wage must put money in. It is a tax, kind of a hidden tax in a way, but people do not have an option. They must put money in and the money that comes in is topped up by government, but it has to match the money that is paid out.

If we try to meet all our social needs, all our income needs for things like the welfare system under the Canada Assistance Plan, through unemployment insurance, then we would have to tell the employees of the country that they have to put more money in, that we are going to tax them higher. We would have to tell the businesses of the country that we are going to have to tax them higher to pay for that.

Any tax on labour should be entered into very carefully because it is a carrot to business to discontinue with a job, to replace a job with a machine. That is what a tax on labour does, and if we are really concerned about those Canadians who want jobs then we really have to be careful. The Opposition has put forward, and both Parties seem in agreement on this, an increase in taxation for those who have jobs.

The Member opposite raises the standing committee report. At the point at which that report was brought to Parliament, I was the chairman of the committee so I think I indeed know an awful lot about that report. It bothers me that some days in the House of Commons the report is distorted.

Members worked very hard with the resources we had. The hours, the days, and the weeks went by and we proposed a major restructuring of the unemployment insurance principle. We did not have the resources to do all the research, but we believed that it would produce better benefits at lower taxation.

When we pull a single recommendation out of the over 50 recommendations we are not treating the Act as a whole, as a total arrangement. This amendment is simply proposing an increase in taxation for people. That is really what is being proposed, whereas the Bill that the Government has brought in is saying that in areas where jobs are not available, where it is very difficult to get more than ten weeks of work, one shall qualify. However, if one lives in an area like downtown Toronto or southwestern Ontario where there is almost a labour shortage today, where jobs are readily available, one has to work longer, because jobs are there, to get one's pay.

It is the Government's view that those who really need the help because they come from an area where jobs are hard to get shall benefit under unemployment insurance, but we do not want those same people to pay the costs of people who come from downtown Toronto where jobs are readily available.

That is the reason for variable entrance. We do not want to tax the poor to pay the rich. This amendment would force us to tax the people from high unemployment areas higher to pay benefits in downtown Toronto. We think it should work the other way, that those coming from areas where jobs are readily available should pay more to help Canadians in other parts of the country where jobs are very difficult to get.

I would urge government Members to vote against this amendment for those reasons.

Mr. Cassidy: Mr. Speaker, it seems to me that what the Hon. Member from Calgary is doing is defending the program which the Liberals put in place when they were in power and which the Liberals are apparently now prepared to recant.

I would just recall to him the argument made by my friend from Thunder Bay—Atikokan pointing out that people in a high unemployment area of his constituency are still forced to have 16 or 17 weeks of contribution in order to get benefits because of the fact that the unemployment rate is relatively low in other parts of the region on which that calculation is based.

I know northern Ontario. It is a substantial drive between Atikokan and Thunder Bay. In winter it is a very substantial and dangerous drive because the roads are icy. It is just simply not feasible for a person living in Atikokan to take a job in Thunder Bay. Therefore, we do not have one labour market, we have several. The effect of the present rules is to create real inequities because of the way they are applied.

The Hon. Member has also tried to suggest that this is a tax on working people, et cetera. I would have thought that this kind of amendment would be acceptable to a Government which was committed to having full employment, not only in southern Ontario but through the rest of the country as well. In other words, if we had a Government which was committed to bringing down unemployment to the level that prevails, for example, in Sweden, down to a 3 per cent or 4 per cent level in Canadian terms, we would not be talking about major expenditures.

• (1310)

We are talking about potentially major expenditures now because the unemployment rate in Canada is an average of 8 per cent. In many regions of the country it still runs as high as 12 per cent or 13 per cent.

Mr. Tobin: 17 per cent.

Mr. Cassidy: It is 17 per cent in parts of Newfoundland as my friend, the Hon. Member for Humber—Port au Port—St. Barbe remarks. It is scandalous that the Government should be talking about the fine job it has done in economic management when many parts of the country have unemployment rates comparable to many of those that prevailed at the time of the recession in 1982.

The Parliamentary Secretary is trying to suggest that what is needed for the problems is a stick so that in areas of labour demand workers would not sit on their backsides, as he might, say, but would get a job because they would not be able to get unemployment insurance.

I would point out to him, among other things, that to generalize like that may not in fact make sense. I have walked along Bloor Street in Toronto where there are signs offering jobs. I have walked in areas of my constituency where there are signs in retail stores offering jobs.

It is a fact, as Peter Cook pointed out in *The Globe and Mail* this morning, that the rate of unemployment among older workers in Canada today is very substantially higher than it is in many other countries. Older workers aged 55 or over cannot easily get jobs waiting on tables in restaurants, standing behind counters at McDonald's, or selling trendy designer sportswear in a sporting goods shop. They may ask for a job but the manager will hum and haw, look rather embarrassed, and say that he does not think it would be appropriate for that person to take that job.

It has been suggested that in time 69-year-olds will be serving hamburgers at McDonald's because the flow of young people into the labour market is diminishing and the demand for their services will increase. While that may come in time, right now a 17-week requirement of attachment to the workforce may be very cruel to older workers who have difficulty getting sustained employment even if they live near an area of relatively low unemployment.

I suggest the Government has a stereotype of how workers just want to lie in the sun and therefore must be forced to work. My experience is that people want to work. People find a great deal of their identity and part of their contribution to society in working. Certainly people with children at home do not want to go home to say they spent the day on the beach because they did not care to look for a job. Kids expect their parents to have jobs. Parents feel inadequate if they do not have a job. Therefore, the suggestion that people under the 10-week requirement would then more or less rip off the Canadian taxpayers does not do credit to the Government.

There should be a program in Canada that is dedicated to ensuring full employment and that jobs are available in every part of the country to all Canadians, young and older workers alike. I believe that kind of program can be accompanied with a program that is relatively flexible and accommodates the fact that people at certain ages, perhaps with certain skills, unfortunately may find themselves unemployed with less than 16 or 17 weeks attachment to the labour force. That could be accommodated by the kind of amendment proposed by my colleague, the Hon. Member for Thunder Bay—Atikokan.

Mr. Boudria: Mr. Chairman, I want to take a moment to speak to this amendment offered to Clause 1 by the Member from the New Democratic Party. The Hon. Member for Humber—Port au Port—St. Barbe made a very eloquent speech a few moments ago in support of the amendment. I am sure Members on all sides of the House took note of the very excellent speech. Not only did he support the initiative, which is a good one, he added a very important component of which I hope Members opposite will take note. It is the fact that the 10-week variable entrance requirement that exists now in certain regions of Canada only applies to a person who is unemployed and had worked a sufficient number of weeks in order to qualify.

What about a new worker who is not only a young person coming out of school. Let us take the case of a woman who is re-entering the workforce after a number of years. Interestingly enough, the Government has a job re-entry program specifically designed to help women who have not worked for 10 years, 15 years, or not at all get into the workforce. The Government takes credit for inventing this program to assist them to get back into the workforce, yet when this woman gets back into the workforce in an area where this 10-week rule applies, she must have 20 weeks attachment to the workforce even though she is in that 10-week VER region. She has put all that time on this course to enable her to join the workforce. It is a double standard. The Government cannot claim credit for this re-entry program on the one hand while at the same time creating a situation that allows this to happen.

[*Translation*]

Mr. Speaker, in the riding that I represent, which you know very well—I am sure that most Members know it a little because I talk about it from time to time in the House of Commons—the Hawkesbury area, for example, has a very high rate of unemployment. But it is a small group in the whole population of Canada; it is not a region in itself, it is not even a mini-region, so to speak, for census purposes. It is not big enough for that. So the region that I represent, the Hawkesbury region, might have an unemployment rate of 12, 13, 14 or 15 per cent, but it is still within a larger region which has a much lower unemployment rate.

So when the unemployment rate is calculated for this region, it is taken for Prescott—Russell as a whole for statistical purposes; Glengarry is something else. The unemployment rate for all of Prescott—Russell is something like 7 or 8 per cent. But we know very well that for Prescott County, the unemployment rate would be about 11 per cent, and for the immediate area of Hawkesbury, maybe 13 or 14 per cent. Nevertheless, those people are not eligible for the 10-week qualifying period because they live in a region that supposedly has a lower rate of unemployment. My colleague, the Hon. Member for Humber—Port au Port—St. Barbe (Mr. Tobin), told us that the 10-week rule should apply everywhere. And he is right, because if someone is out of work, be it in Hawkesbury, in Ottawa, in Toronto, where there are many jobs, or in Newfoundland, the effects are the same. The person involved has no salary.

• (1320)

[*English*]

It does not give one much comfort to know that when one is unemployed one is part of a smaller group as opposed to part of a larger group. In other words, if one is unemployed in an area of lower unemployment or an area of higher unemployment, the effect is the same—one does not have a job. Therefore I think the 10-week rule should apply everywhere.

As people have indicated this has been suggested by various groups to committees in the past. To end on that point I want to say that the unemployment insurance rules are hard enough. I know that they are abused sometimes. Whenever they are, of course, people are quick to remind us, as they should, that it is unfair that they are working for low wages sometimes while another person is taking advantage of the rules and so on and is collecting unemployment insurance when they should not be. I appreciate that position and sometimes it is accurate.

However, we cannot generalize and say that those people who are unemployed are so by their own design. I say that because in just about 100 per cent of the cases people who are unemployed are on unemployment because they cannot find employment.

I had a case this week in which my office went to defend a person before an arbitration panel. It was a case of an unemployed worker in my constituency who wanted to get back into the workforce. What this worker did is he went out on his own to follow a training course which would then guarantee him a position. Interestingly enough, the training course is with a Crown corporation. Once this training course of 15 weeks or so is over, then he will have a full-time position. This training course that he is taking is for four hours per day. He has now been disqualified from UIC because he is unavailable for work, but he is unavailable for work because he is training so that he can get a job.

Does that make sense? It does not make any sense at all to me. That is why we went to defend the case. I am quite sure that in this particular case we will win because the decision that was originally given, as far as I am concerned, is ludicrous.

Those are the kinds of things that workers face sometimes. My same constituent could very well have been taking a course sponsored by UIC, being paid by UIC to take it, as well as receiving a little money on the side to pay for transportation to and from the course, but he did not ask for anything. He went out on his own, to get this training course in order to get a full-time position, which he is going to get in a few weeks from now. If he had done nothing at all, if he had just sat around, he could have collected benefits for a long number of weeks. My constituent did not want that; he wanted to go back to work, but the system in this case has penalized him.

I bring this to the attention of Hon. Members to give an example of how difficult it is for people who are on unemployment, and how rules that are obviously designed to make things better sometimes do the exact opposite of what there were intended to do.

I say to the Parliamentary Secretary and to the Government that if the Government had this 10-week rule in place 100 per cent of the time the system would still not be perfect. However in my opinion it would be at least a small step toward making it more fair for Canadians. Therefore I ask my colleagues to accept this amendment.

Mr. Baker: Mr. Chairman, just for the official record I want to point out that in order to collect unemployment insurance one has to prove that one is available for work. One has to prove that. One has to prove it sometimes over and over when a call is received from Unemployment Insurance Commission investigators who have been hired by the Government. One has to prove that one is available for work.

In other words, availability means that one has to be available at one's place of residence. One must be available to travel. One must be available to go wherever the job is. If one is offered a job or finds a job, then one's unemployment is cut off. Not only that, but everything one received has to be paid back because automatically the charge is then made by the commission that one was not available for work last week if one was not available for work this week, or if one is not available when one started to draw. One has to prove one's availability. If one is offered a job one has to accept it or one's unemployment is cut off and one is asked to pay back everything.

One cannot quit one's job just to collect unemployment insurance because as you know, Mr. Chairman, one is then penalized six weeks, plus two weeks waiting. That is two months. I do not know of anybody who can live on fresh air or water if one has any water—and some communities do not have any water to drink.

Someone might say that that person could go to welfare. If one goes to welfare one might end up in jail. What does one do if one qualifies for unemployment insurance and one goes to to welfare? The first thing one has to do is one must sign a form. One says in that form that when one receives one's unemployment insurance the welfare department will be paid back what has been received. It does not only apply to unemployment insurance. It applies to Canada pension, Canada pension disability, old age pension—it applies to anything one gets from the Government. Then one signs another form that states that in accepting the money from welfare—I call it welfare, it is social assistance in some places, I suppose, but welfare is the term that we know on the coastline of Newfoundland—one may now be guilty of neglect if one has a family or people to support because one has quit one's job.

That normally results in a jail sentence. There are thousands of cases every year of people who end up in jail because they quit their job. They have to wait the eight weeks for unemployment insurance that they cannot prove to the Unemployment Insurance Commission because they were working in the woods. They cannot prove there was no roof over their heads. We have had cases like this. He is not fed any food so the guy decides to quit and go home. In signing the form for welfare he ends up in jail. It is pretty difficult when one is in jail because then one cannot collect unemployment insurance at all.

Mr. Boudria: Because you are not available for work.

Mr. Baker: One is certainly not available for work, as the hon. gentleman has pointed out. From doing constituency cases it seems to be the norm now that people in rural areas, poor people, have become used to going to jail for non-payment of this or for owing the Unemployment Insurance Commission money.

That is the second thing. If one goes to welfare one runs the risk of being put in jail and being charged with non-support. Somebody might say that if we open up the system more somebody might want to stay on unemployment insurance. They could just work the 10 weeks and then go on unemployment insurance. How much does one make on unemployment insurance?

• (1330)

Have you ever asked yourself the question, Mr. Chairman, how much you would make if you were to go on unemployment insurance tomorrow? How much would you get in your cheque? I will tell you how much you would get. Your insurable employment is up to a maximum of $560 a week. That is a maximum, but you do not get that. You could be making $10,000 a week, but the maximum of insurable earnings is $560.

Once upon a time, one used to be able to get unemployment insurance, but prior to 1974 one would get 66 and two-thirds per cent of that unemployment insurance. No longer. The maximum any man or woman could make on unemployment insurance in Canada is 60 per cent of $560, which is what—$340 or $342?

An Hon. Member: $336.

Mr. Baker: The hon. gentleman says "$336". That is the maximum that one can get.

For those people who draw the maximum unemployment insurance, they run the risk in December of having to pay it back. Why? Somebody said to me one day: "You know what is wrong with the Unemployment Insurance Commission. A fellow goes out and makes $70,000 a year and then goes on unemployment insurance. He makes that during the winter and goes on unemployment insurance for the rest of the summer". That is not right. As you know, there is a law that says that there is a maximum one can make from one's total income for the year plus one's unemployment insurance. If one makes any more, one has to pay back the unemployment insurance. It is on one's income tax form.

Somebody who fills out income tax and claims unemployment insurance benefits knows what I am talking about. Some people who do not collect unemployment insurance, like Members of Parliament, do not know what I am talking about. But one fills it out. That maximum level is monitored by Revenue Canada.

How many cases do we have in Canada of school teachers who lose their jobs, are supposedly qualified for unemployment insurance, but at the end of the year, December 31, when they do their income tax for that year they find that they have gone over $40,000 in total income, that is, from their work plus unemployment insurance. National Revenue governs this. What happens? They have to pay back their unemployment insurance to the Department of National Revenue.

We have these checks and balances within the Unemployment Insurance Act if one tries to collect the maximum on unemployment insurance which, as we proved a moment ago, is about $340 a week. Boy, what a fortune that is, that is, if one claims the maximum. One runs the risk of having to pay it back to the Department of National Revenue at the end of the year because one was in a high paying job prior to that.

What is the average? What do people make on average in unemployment insurance throughout Canada? What is the average cheque that we would find in the area of the Hon. Member for Humber—Port au Port—St. Barbe with the inshore fishermen? An additional 10 per cent is knocked off the 60 per cent if he owns a boat. Anyway, that is another story. We will find that it averages to about $150 a week. One may say: "Well, $150 a week, boy, he might quit his job and go on unemployment insurance".

The average man collecting unemployment insurance in the riding of the Hon. Member to my left would receive about the same as he would receive from welfare if he quit his job and went on unemployment insurance. That is the truth of the matter.

Since the Government of Canada took office four years ago, it cut out the mobility grants. It cut them out,

You just cannot get a job where you are after you get laid off.

Mr. Tobin: If you are broke, you cannot move.

Mr. Baker: If you are broke, you cannot move, as the hon. gentleman says. There is one group of people whom I noticed the other day who get mobility grants.

Last Tuesday, the Government of Canada sent out letters to all those air traffic controllers who were fired in the United States in 1981, offering them jobs in Canada. Mobility is totally paid for. On the job training allowance for eight months is over $1,000 a week.

An Hon. Member: What?

Mr. Baker: Yes. It is the select group. Perhaps we should raise it in Question Period at the beginning of the week and ask the Government of Canada, through the Minister of Employment and Immigration who sponsors this Bill, why on the one hand it signed a piece of paper overruling the Immigration Department's guidelines on the employment of federal public servants and on the other hand approved mobility money for the movement of U.S. air traffic controllers who were fired in 1981 to fill jobs across Canada. There are 45 of them going to Pearson International Airport. That is the double standard we get.

What a change there has been for a person who draws unemployment insurance being able to land a job like they have now offered to the Americans, all those air traffic controllers, so that they can come in and fill the best jobs we have in Transport Canada, the best jobs from the point of view of money, because they are very high pressure jobs.

A lot of Canadians just wanted to write the exams for entrance to air traffic control. They are going to be surprised to learn that the Americans are being offered those jobs automatically and getting over $1,000 a week for on the job training.

What I was trying to say is that when one is looking for a job and is on unemployment insurance, one has a more distressing problem today than one had over four years ago, because the Department of manpower or the employment Department sponsoring this Bill no longer keeps records of people in manpower offices. The records are no longer kept. There is no longer a computer.

One used to be able to go in, prior to the entrance of the present Government, and register. A fellow would keep one on file and if something came up, one got a phone call. There is no more registration of a general worker who gets laid off. They do not keep all those files because the Government of Canada said that there were no jobs around. Perhaps we should not keep the files.

When we once talked about going down to register at the manpower office, that used to be the call. "Let's go down and register at the manpower office". Well, there is no such thing any more. One cannot do it. In fact, it used to be interesting, because one was either actively looking for work, where one came in every three months, or one was on the less than active file. There are no more files.

Even for the federal employment programs that hire people drawing unemployment insurance the call is: "Do you want a job? Listen to the radio. If you are not listening to the radio when the jobs are advertised, then you cannot get a job because for the 10 workers that were advertised at two minutes after one o'clock on radio station CKGA, we have already had 10 phone calls or 100. We take the first 10". Consequently, if there is a job for a captain of a ship on an ice-breaker up North, a fellow might be sitting at home who was not listening to the radio. He might have been a captain for 22 years and had the best record on the Atlantic Ocean. However, he was not listening to the radio. There may be another guy who perhaps did not have enough experience but was able to hop in and get the job because he was listening to the radio.

The entire system has changed and because of that system we now need a total revision of the Unemployment Insurance Act. It cannot be picked at or dealt with by bringing in a Bill such as the one we are dealing with today. I do not disagree with the Bill. However, it only deals with repeaters. It does not deal with new entrants or re-entrants. It does not deal with anything but repeaters. It deals with the *status quo*.

• (1340)

In the interim the mobility grants have been removed so that someone cannot go from point A to point B. Perhaps someone tells an unemployed fellow down in Bay St. George in Newfoundland that there are lots of jobs in Toronto and in southern Ontario doing drywall. Do you know what drywall is, Mr. Chairman? It is gyprocking. Then the fellow says: How am I going to get up there? I can't get mobility any more".

The Government so restricted mobility that under the new rules a person has to prove that he or she has a job that is guaranteed for over one year. The employer must also advertise locally for six months, and the employer has to guarantee a job for one year before the Government will pay up. How is a person supposed to get money to go to Toronto if he or she is poor, does not have any money, and his or her family does not have any money? I suppose he or she could hitch-hike, but that is kind of difficult.

When the person reaches Toronto there is an additional problem. If the person wants to stay anywhere, he or she has to put down a downpayment on accommodation. Just imagine someone making $120 week on unemployment insurance trying to keep the family going, hitch-hiking all the way up there, and then being told that a month or two month's rent in advance is needed.

The Department of Employment and Immigration no longer keeps any records to refer a person to the job that she or she is best suited for. That was changed when the present Government took over. There are no longer mobility grants available to go for a job search. That has all been changed. When the system is changed so completely, it has to be counterbalanced and some attempt made at taking care of the people who are being hurt by the system. That is why I would support any of those measures mentioned by the hon. gentleman.

The Chairman: Shall the amendment carry?

Some Hon. Members: No.

Some Hon. Members: On division.

Amendment (Mr. Angus) negatived.

The Chairman: The Hon. Member for Humber—Port au Port—St. Barbe.

Mr. Angus: Mr. Chairman, I have a further amendment to move.

Mr. Tobin: Mr. Chairman, I am in the hands of the Chair. It has always been my want in this place to see the House make progress in an intelligent, systematic, and responsible manner. If it makes more sense for the Member for Thunder Bay—Atikokan to move his second amendment now, I am willing to yield the floor.

The Chairman: The Hon. Member for Thunder Bay—Atikokan.

Mr. Angus: I wish to thank my colleague, the Hon. Member for Humber—Port au Port—St. Barbe, for not speaking at this moment in order to give me the opportunity to move this amendment. I move:

> That line 14 on page 1 of Bill C-158 be deleted and the following substituted therefor:
>
> "on the local rate of unemployment that".

The purpose of this amendment, Mr. Chairman, as I indicated during my contribution at second reading debate, is to change the trigger mechanism that decides on the variable entrance requirement for an individual.

Under the amendment that we are dealing with as a whole today, the variable entrance requirement is based on the regional rate of unemployment. My amendment changes that to the local rate. That would mean that Statistics Canada would have to examine unemployment city by city and community by community. Using the word "local" provides flexibility so that rural areas could be grouped together with a like kind of situation.

At the present time the Atikokans of the world are forced to have the same number of weeks' requirement as Thunder Bay because it is in the same region. However, Atikokan's unemployment rate during 1987 was 50 per cent, and its current unemployment rate is up into the 20 per cent range, as compared to Thunder Bay which is in the 8 per cent to 9 per cent bracket.

It is an important change, and it is consistent with the review that the Government itself is doing in looking at the regions. I am short-circuiting that review by placing an amendment that would ensure that entrance requirements reflect the local situation and not, as in the case of northwestern Ontario, an area that is 400 or 500 miles away.

Mr. Hawkes: Mr. Chairman, I rise on a point of order. The Government is in accord with the intent of the motion, however you must rule whether or not the motion is in order.

The word "region" appears throughout the Act, and it gives the Minister the legal authority to undertake, on the basis of regions, the type of activity that the Minister cares about. On August 16, the Minister announced a special study of those 48 regions in an attempt to be more sensitive, and the urban rural split is being looked at. If the wording is changed to "local area" in this particular clause, without consequent amendments to other parts of the Bill, we may create a legal difficulty which might work against the type of thing that is important to Parliament, that we have sensitivity throughout.

I do not know if you will find the amendment in order, Mr. Chairman, or perhaps the Member would like to reconsider and seek unanimous consent to withdraw it on that basis.

Mr. Angus: Mr. Chairman, I want to thank the government spokesperson for his comments. I do not want to prejudge what you, Sir, may decide in terms of the appropriateness of the amendment, but I am looking at the clock and I am guessing that we will not reach third reading stage today and there would be some time, assuming that you, Mr. Chairman, rule it in order—

Mr. Chairman: If the Member will give me a second, I will make a ruling right now.

The Chair finds the amendment to be in order. The Hon. Member for Thunder Bay—Atikokan has the floor.

Mr. Angus: Mr. Speaker, I thank you for that ruling. I recognize the comments made by the government spokesperson. I would rather leave it to the House to decide today. If there is an opportunity for the Government to examine the amendment when we come to third reading, and assuming the House does not accept it, but perhaps it will, perhaps there will be a chance to put it forward after the Government has done some research.

Mr. Tobin: Mr. Speaker, I think the proposition put by the Hon. Member for Thunder Bay—Atikokan is the appropriate one, given that the Parliamentary Secretary to the Deputy Prime Minister and the President of the Privy Council has said that the Government is in accord, at least with the spirit or the intent of the amendment that the entrance rate be determined by circumstances in the local region.

If such an amendment were accepted, it would necessitate other changes in the Bill in order that the language was consistent throughout the Bill. Between now and third reading I believe there is every opportunity for the Government to have its draftsmen look at the Bill to reflect not only in spirit and intent what it desires, but also to reflect what the Member has properly proposed by way of amendment. It is more than a good wish, a goodwill, or a desire, but it is spelled out in the Act as now drafted.

• (1350)

There is another area which the Government, between now and third reading if it chooses, could address to remove a major piece of discrimination in this Bill. There is only one group of people in Canada who have a special set of requirements that apply to them based on the definition of their work. Every other worker in Canada qualifies or is disqualified for unemployment insurance based on a variable entrance requirement, and the rules that apply throughout the Act apply to every working person in Canada. However, there is one group of workers who have a set of rules designed only for them. That group of workers is fishermen. Only fishermen have a clause in the Unemployment Insurance Act tailor-made for them.

Canadians watching could be saying to themselves: "What a fortunate group of people these fishermen are, a special clause just for them. My gosh, they are well represented in the House of Commons in that they were able to cause such a tremendous feat to occur that they have special rules just for fishermen".

What is this special rule? It is a rule which says that a fishermen cannot qualify, cannot receive, cannot be paid, cannot cash an unemployment insurance cheque between May 15 and November 15. No fisherman in Canada for that period of time, six months, between May 15 and November 15, can receive an unemployment insurance cheque. Why? It is because fishermen are supposed to be fishing between that time.

It is a perfectly logical, rational rule brought in by a previous Liberal Government and maintained by the current Conservative Government. It was well intentioned but it no longer works in some areas. I represent the great northern peninsula of Newfoundland.

Mr. Lewis: That is their problem.

Mr. Tobin: It is a problem for the Government, of that there is no doubt. Members can laugh, but on the great northern peninsula of Newfoundland we will find some of the hardest working, heartiest, dedicated people with the biggest amount of pride and dignity in their belly. They manage to scrape out a living, and a decent one, in difficult circumstances, clinging on by their fingernails to the rocks at the edge of the salt water, harvesting the resource of the sea. Proud people, proud to go out and work when they can, while they can, in every kind of circumstance, overcoming every kind of difficulty.

Yet there is one thing they cannot overcome with this rule that says they cannot collect unemployment insurance from May to November. They cannot overcome the fact that some 14 feet of ice does not melt on the great northern peninsula until July. Yes, throughout the winter, right straight through until the middle of July some years, can find ice rafted up in the harbours, barring the boats, and on the land right into July. Yet the rule says that by May 15 they should be fishing. Therefore, on May 15 there is no more unemployment insurance. From May 15 through June 15 to July 15, two months, there is no income. Why? It is because some lad in Ottawa sitting in his ivory tower, with his coffee cup and his pack of butts, perhaps with his feet on his desk and his central air-conditioning on, contemplating lunch with his buddy down the hallway in the subsidized cafeteria, said that Genge or Anchor Point is supposed to be out fishing so, damn it, let them fish.

They cannot fish. It is physically impossible. There is ice as high as the gilded roof of this glorious chamber on their front doorsteps, their boats are barred in, but some bureaucrat has said they have got to be fishing. It is impossible, so every year from May until July these fishermen, year in and year out, are penalized. They are discriminated against because they cannot go fishing. In the interim they cannot receive an income.

That is only half the story. There is another problem. This time of the year, September 23, you can do down to Dow's Lake on a Saturday with your sweater on, if you have a good day you can do down in your bikini, and watch the pretty boats sail around. It is a wonderful day. However, on September 23, if you are in Port au Choix, in St. Anthony, Quirpon, or if you are in Anchor Point, Flower's Cove, Savage Cove, Sandy Cove, or Bear Cove, you are not going down to the water to watch the pretty sailboats in your sweater or maybe your bikini. No, we have another problem, invented by God. It is called weather, fall weather.

We have the fact of no fish because the fish migrate. God invented that as well. He set up a migratory pattern and the fish move in and the fish move out and at a certain time of the year they move off again. Also at a certain time of the year, the fall and winter weather begins. Anyone who does not live there does not know what happens on the North Atlantic. They have no concept of what it is like to be in a small boat at sea at that time of the year. From September until November 14 these fishermen cannot fish either. There is a six-month period in which they cannot qualify because they are supposed to be fishing. For three of the six months they cannot fish. It is not because they do not want to fish, nor because they are not prepared to fish, nor because they do not have every desire to be out so they can have the dignity of a paycheque. It is because it is physically impossible.

What does the Parliament of Canada say as it brings in Bill C-158 to those fishermen from the great northern peninsula or the other Atlantic provinces in similar circumstances? There are some regions where the fishery is a winter fishery and not much is done at all during the summer season. Do we say "let us invent an Act that has a variable zone recognition like we have a variable entrance requirement recognizing this fact of life, this creation of God, this planet earth where not all things are consistent"? No, that does not happen. What we have every year is the *status quo*. Every year the fishermen are told that we will take a look at it next year. Every year the civil servant, whoever he is, who advises that faceless, nameless Minister, puts his feet back on his desk, once again sucks back deep on his coffee cup, thinks once again about his meal over at Hy's restaurant, his expense paid lunch, and says: "We will get around to it next year".

Let this be the last year that this Parliament, in the splendid comforts of these felt covered chairs, these great stained glass windows, these hunks of marble, sits here in comfort and forgets the plight of hardworking fishermen on the great northern peninsula of Newfoundland who want nothing more than a fair shake. They want, for once, these people who draft their Bills on the edge of the Rideau to think about those people who live on the edge of the Strait of Belle Isle, who work hard for a living, and want nothing but a fair shake from the Parliament of Canada.

The Chairman: Shall the amendment carry?

Some Hon. Members: No.

Some Hon. Members: On division.

Amendment (Mr. Angus) negatived.

Clause agreed to.

Clause 2 agreed to.

Title agreed to.

Bill reported.

Hon. John McDermid (for the Minister of Employment and Immigration) moved that the Bill be concurred in.

Motion agreed to.

• (1400)

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

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

SOCIAL SERVICES

OVERPAYMENTS TO BENEFICIARIES

Hon. Bob Kaplan (York Centre) moved:

That, in the opinion of this House, the Government should consider the advisability of prohibiting any federal department or agency which has in error made an overpayment to an individual under a social program from claiming repayment or withholding the overpayment from future payments to the individual, unless the individual is responsible directly or indirectly for the error.

He said: Mr. Speaker, I rise to deal with what many Canadians will think is a small injustice, but it is an injustice nonetheless. What attracts me to it is that it is an injustice from which poor people in Canadian society suffer more than others.

The matter came to my attention through the coincidence of three constituents coming to me with exactly the same type of problem. They were living on the benefits of one government program or another. In the case of all three, they were veterans living on veterans' pensions. Because of a computer error made in Prince Edward Island, I suppose, because that is where the administration of the veterans' pensions is, they received overpayments for, in one case, a year and a half.

During that period of time these people received more money than they were entitled to under a government program, but not a lot more. They were not in a position to confirm the exact amount of money they should have been getting. They simply received cheques, took them to the bank, and lived on the amount of money they were getting. In one of the three cases there was no other source of income for the family. It was the entire income of an elderly couple.

It turned out in these three cases, and as my investigations have shown in hundreds and hundreds of other cases across Canada, that a computer error had occurred. The computer was not wrong; it was human error, but it is an understandable error that can occur in a government department.

After the mistakes were discovered, the Government got in touch with these people and told them that they had received overpayments and that their subsequent payments would be reduced while the Government paid itself back for the excess amount it had paid out. It creates a very great hardship for people who find themselves in that situation. It is not that they were entitled to the overpayment. They were not entitled to it, but they were unaware of it.

When the time came for their payments to be reduced, it was extremely difficult for these people to adjust. They wrote to me as their Member of Parliament and I got in touch in one case with the Ministry of Veterans Affairs and in another case with the Ministry of Employment and Immigration. The Ministries feel that their hands are tied and that they have no recourse but to recuperate the overpayment. That is why I am inviting my colleagues on all sides of the House to pass a resolution to give some guidance to the Government in cases like this.

Unfair is perhaps not the exact word for this kind of circumstance, but it is very unfortunate and it is also a circumstance which is in no way the fault of the people involved. They were the beneficiaries of an overpayment, but as Hon. Members will see from the language that I have used in my resolution, an important factor in not reclaiming payment is that the recipients not be at fault.

In other words, I am not addressing the situation of the recipients of overpayments giving wrong information to the Government or, as happens in a lot of other cases that are very regrettable, failing to reveal that they have jobs and are collecting unemployment insurance at the same time, and then down the road, someone learning about it and the unemployment insurance payments have to be paid back along with interest and in some cases penalties. I am addressing in this resolution only situations in which it is wholly the Government's fault that people received overpayments in the first place. In cases like that, they ought to be allowed to keep these usually very modest overpayments.

I will not speak a long time on this motion. It is a simple idea and I do not think it takes an a lot of explanation, but I would like to indicate that when I raised this matter before the parliamentary committee that considers these matters, committee members asked a very good question.

[*Translation*]

They asked me how such a situation would be handled, say where someone receives a payment that is a million dollars more than what was sought. I admit that can happen!

We often read in the newspapers of people who got something like $10 million instead of $10 from some government department. I am ready to admit that this must be considered.

If the Government is prepared to accept the motion, and if the Members of the House accept it, setting limits of say 15 or 20 per cent in excess, I would be very grateful for such a policy.

I do not want . . . I am not suggesting that if a public servant gives a citizen one million dollars too much, that person should keep it. We can imagine conspiracies, situations where a government official wanting to help someone could have the computer make a mistake and give the individual in question a million-dollar overpayment. One can ask whether it would be fair to keep that money. This is not what I am talking about.

I ask Members who will speak to consider the situations they no doubt know of in their ridings, like cases where people have received overpayments that the Government wants back.

By setting reasonable limits, we can control extreme cases. [*English*]

I do not want to write a blueprint for getting super windfalls when the decimal point is five or six digits out of line. I am only referring to the very real and increasingly frequent situation of a modest overpayment over a prolonged period of time, resulting in a really tough time for elderly poor people who rely on government payments, did not know the amount was excessive, and are suddenly forced to live with an important amount of money less than they were getting before. I think that is the kind of situation that my resolution is meant to address. I hope that Hon. Members will support it, that it will pass, and that the Government will adopt it as a policy within the range of a certain margin of error.

Mrs. Barbara Sparrow (Calgary South): Mr. Speaker, in response to Motion No. 167, let me begin by thanking the Hon. Member for raising the matter of overpayment to an individual under a government program and for providing an opportunity for the House to debate the issue.

The Government is of course very aware of the importance of its social programs and the concerns expressed by the Hon. Member for York Centre (Mr. Kaplan) about the recovery of overpayments. It has been and continues to be the practice of this Government to deal with such matters with compassion and understanding. To this end, the Government, in 1986, included specific statutory provisions authorizing the remission of overpayments resulting from administrative error in program legislation such as the Canada Pension Plan, the Old Age Security Act, the Family Allowances Act, and the War Veterans Allowance Act.

• (1410)

Section 65(3) of the Canada Pension Plan, which is typical of such provisions, provides that the Minister may remit all or any portion of an overpayment on any one of four grounds, and I quote:

> The amount . . . cannot be collected within the reasonable foreseeable future.
>
> The administrative costs of collecting the amount or excess of the allowance are likely to equal or exceed the amount to be collected.
>
> Repayment of the amount or excess of the allowance would cause undue hardship to the person or institution, or
>
> The amount or excess of the allowance is the result of erroneous advice or administrative error on the part of an official of the Department.

During the last fiscal year over 11,000 overpayments were written off under these provisions. Furthermore, in the event that an unforeseen situation arises for which no specific provision has been enacted, the Minister concerned can turn to the regulations made pursuant to Section 18 of the Financial Administration Act which provides for the writing off of debts as uncollectable on grounds of hardship.

From what I have just outlined, Mr. Speaker, I believe that the necessary legislative authorities are in place for a compassionate implementation of the recovery of overpayments. The Government will, of course, continue to monitor the situation as part of its ongoing regular review of program delivery and will make any statutory adjustments that may be required as the needs arise.

I would like to point out that what may appear to be an administrative error may in fact be a deliberate strategy aimed at ensuring continuity of payment. The Government is acutely aware of the need for Canadians on fixed incomes to be assured that they will receive their payments regularly and without interruption. Cheques are, therefore, often prepared in advance, on the basis of expected entitlements and adjusted later, if necessary. This practice does not normally present major financial difficulties when the adjustment is made immediately, that is, on the subsequent payment.

However, as I am sure you can understand, Mr. Speaker, the alternative of verifying entitlement before each and every payment is just not practical for all programs. First, it would cause delays while the Department concerned waited for the benefit recipient to file the necessary information. Second, it would create an additional administrative burden for both the recipient and the Department and would result in a waste of resources which could better be used to process new applications and improve service to the program recipients.

In some cases, entitlements may be scheduled to be adjusted quarterly, semi-annually, or even only annually. Because of changes in a recipient's status in the intervening period, entitlement and hence the payment may be reduced on the next scheduled adjustment date. However, the higher amount received during the previous period should not be classified as an overpayment, but the amount to which the individual was entitled during that period. Nor is the subsequent reduction a recovery, but merely a reflection of the revised entitlement.

This House should also bear in mind that in the case of general programs like the Canada Pension Plan and family allowances, not all recipients are living on a limited income. To remit automatically all overpayments, even where recovery would not cause hardship, would be unfair not only to all taxpayers in general, but more important, to the other program recipients who would not receive the same "windfall". I maintain that the current system which allows Ministers to remit overpayments on a case by case or class basis provides a reasonable balance between equity and compassion.

Finally, the Government is continuing to take action to improve the accuracy and response time of the complex and automated systems used to deliver benefits. For example, the Department of Veterans Affairs has just completed the implementation phase of a major overhaul of its benefit delivery systems. The Department of National Health and Welfare has embarked on a similar exercise. Such improvements, of course, must be done in such a manner as to respect the dignity of the individual as well as the provisions of the Privacy Act. Otherwise, I am sure that the Hon. Member for York Centre would be among the first to complain about government intrusion and data matching.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to participate in the debate today on the motion put forward in the name of the Hon. Member for York Centre (Mr. Kaplan). I want to compliment and thank him for bringing the motion forward. It is an important issue.

When I called my constituency office in Thunder Bay to update my memory in terms of work we have done in this area, my constituency assistant, Rosemary Cox, was quite excited about the motion because it is an area with which she has to deal quite frequently. She gave me examples of three areas where we have had problems, but they are only a reflection of many problems because, as Hon. Members know, the constituency offices which are provided to us by Parliament are there to help our citizens work through some of their problems with government bureaucracy. We are really the one focal point they have to find out how they can appeal what has been done to them.

I have found that all the problems centre around people who have very small incomes. Whether it is unemployment insurance, veteran's allowance, Canada Pension Plan, or old age security with the income supplement, by and large we are talking about men and women who do not have that much money.

Therefore, we are talking about people who, when asked to make a repayment for whatever reason, have great difficulty in doing so. They can and they do make those repayments, but it means their meagre income for that repayment period is reduced. Even if it is only $10 a month that is agreed to for a repayment plan, it has an impact on a senior who only has the old age pension with the income supplement. It is important that we highlight this problem. Hopefully, the House will send a direction to the Government, as suggested by the Hon. Member for York Centre in terms of the motion. The motion reads:

> That, in the opinion of this House, the Government should consider the advisability of prohibiting any federal department or agency which has in error made an overpayment to an individual under a social program from claiming repayment or withholding the overpayment from future payments to the individual, unless the individual is responsible directly or indirectly for the error.

We have had a number of such cases with the Canada Pension Plan where through no fault of their own but through some bureaucratic mix-up seniors have received more money than they were entitled to. There was no fraud or attempt to beat the system. Someone along the line pushed the wrong button in the computer or misread the regulations and the pensioner received an overpayment. The Government then came, as is its responsibility, and said "I am sorry, you were overpaid. We have to get that money back".

• (1420)

In some cases they are able to negotiate with the individuals to find a repayment scheme that is acceptable to them, that is within their financial means to handle. Other times, and again through the same kind of bureaucratic snafu, all of a sudden the cheques stop coming and that creates a panic because they rely on them.

Under old age security with the income supplement, because it is based on your over-all income, in some cases there is retroactivity. You find when you fill out your income tax form that you goofed on your projection, that you actually made a couple hundred dollars more than you told the Government you were going to when you applied for your income supplement. The Government sees this and matches it with its other records, decides it overpaid you, and wants the money back. These are, again, people with meagre incomes.

We had one case where the Unemployment Insurance Commission ruled that an individual was eligible to receive unemployment insurance benefits. That individual received them for one full year and, lo and behold, Revenue Canada decided that unemployment insurance had made a mistake, that this individual was not eligible. It demanded full repayment of a full year's worth of unemployment insurance benefits.

The final example I want to use is a program called Futures developed by the Province of Ontario. It was designed as a youth employment training program to provide a combination of classroom studies, life skills, how to do resumes, and how to dress for an interview, plus some on the job work experience.

At the start of the program the students involved applied for unemployment insurance and were told that this program was eligible, that they would be able to count every week in this program because they were getting paid by the Province of Ontario to be trained to get a job. They were told that every week they were in this program would be counted as a UI week.

Later, after the program was over, the rules changed. I do not know whether it was somebody higher up in UI, but they decided that only the time spent at the on the job training was eligible for UI. These young people were making minimum wage and would not have received all that much in any case because, as we know, the level of unemployment insurance benefits is based on earnings. In effect they would be getting less than minimum wage in UI benefits. They were told that they had to repay almost half of what they received from unemployment insurance. That is not exactly a good way to introduce them to the working world, is it?

There are hundreds of examples out there. If Members just talk to their constituency assistants I am sure they can all provide examples. This motion does not say how to do it, and I recognize that there is some ministerial discretion. That is tied up, too, in the bureaucracy, and getting to that level takes time. These people do not have time.

Our seniors, the people who built this country, really get upset when somebody in authority comes knocking at the door saying that they owe the Government money. It makes them feel as if they they did something wrong, that instead of being the victims they were the perpetrators. I think it is important that we give them the benefit of the doubt. The former Minister of Veterans Affairs turned his Department around when he took over that portfolio. He made massive changes based on the premise of giving the veteran the benefit of the doubt.

That is what the motion of the Hon. Member for York Centre does. It gives the benefit of the doubt to those individuals who, through no fault of their own, through no attempt to beat the system, find themselves in an overpayment situation and unable to deal properly with it. I hope the Government is listening.

Mr. George Baker (Gander—Twillingate): Mr. Speaker, this is certainly an important motion introduced into the House by the Hon. Member. It is important because today there are thousands of Canadians who have third party attachments on their wages. The province you are in determines how much money you get out of your cheque. If you are the only person working in a family of four, in most of the provinces you can be assured that all you will get from your cheque is less than $200 a week because of a third party attachment placed there by the Government of Canada for an overpayment you received.

When you look at the Auditor General's report you always see—and this is what makes the news—that under such and such a program millions and millions of dollars were paid out to people who were not eligible to receive those payments. We were talking about unemployment insurance a minute ago. All those payments are called overpayments.

I listened very carefully to what the hon. gentleman who introduced the motion said and then to what the government spokesperson said following his address. What she said sounded very fair. Imagine, Mr. Speaker, that you owe the Government of Canada money as hundreds of thousands of Canadians presently do through no fault of their own. They are receiving a benefit from unemployment insurance or any of our social security programs. Of course, the rules vary from the Department of Verteran Affairs to National Revenue or the Unemployment Insurance Commission.

Thousands of people go before judges. I always recall the words of one of the foremost authorities on overpayments in Canada today. His name is Justice Dubinsky. He is a Federal Appeals Court Judge. He always says that the forgiveness of the overpayment is in the hands of the Minister or, in the case of the Unemployment Insurance Commission, in the hands of the Commission. He knows they cannot afford to pay it back but he cannot do anything about that. The court, in Canada, is not authorized to forgive an overpayment. That is in the hands of the Minister or the Commission.

The Hon. Member who spoke on behalf of the Government sounded very eloquent when she said "in cases of undue hardship", or did she say "in the case of extreme hardship"? I am not sure which she used because the wording differs in various regulations. "Undue hardship" is the most common expression.

In the case of undue hardship the Minister may—not shall—forgive the overpayment, or if it costs more money to collect it than the Government will get back, it does not collect it. She mentioned another one which does not apply to all social legislation, that is, if the error is made by an official of the Department it shall be deemed not to be paid back by the person who received the money.

• (1430)

The fact is that there are thousands of people in Canada today who are getting $120 a week to feed their families because there is a third party attachment on their wages by the Government. These are not rich people. These are people who had overpayments on a social security benefit, not from the stock market.

Members of Parliament go before a judge on behalf of constituents to say that a constituent should not have to repay a that particular overpayment. It was not his fault. He did not do anything wrong.

An Hon. Member mentioned a few moments ago cases he had where the Unemployment Insurance Commission made a mistake. The funny part about it is that it did not make a mistake because an overpayment and the determination of eligibility do not rest with the Department of Employment and Immigration. They rest with National Revenue.

When one applies for benefits, the official fills out the form, sends it in, and the cheque is sent. The error takes places after because the determination of eligibility in the case of the largest social security program in this country, unemployment insurance, is made by National Revenue. It has nothing to do with the Unemployment Insurance Commission. The Unemployment Insurance Commission has no more to do with determining eligibility of a person drawing unemployment insurance than I do with going to the moon.

Who has made the mistake? No one has made the mistake. The official down in National Revenue perhaps made a correct judgment. Let me give an example. An accountant working for a company by the name of Beothic in eastern Canada, which deals with fish products, was wrong and therefore made incorrect receipts for people who sold to that company. Therefore, 293 people now have to pay back to the Government amounts varying from $2,000 to $30,000. That occurred within the last two years.

I could list other cases where many people have been trapped by this. Somebody will say that they received a letter from the Government of Canada saying that they owe a certain amount of money. They want to know why. Is it because an accountant made a mistake in a company? The person, according to the law of Canada, under all these programs, is responsible for paying it back if a mistake is made even by the government Department concerned. That is in the Unemployment Insurance Act that the hon. gentleman was quoting a few moments ago.

The problem is that the Minister will not use the ministerial authority granted under the Act to forgive those payments. That is the problem.

There is only one other way to overcome the problem. It is to drag it out long enough in the courts to go beyond the three years which is normally the period after which one cannot be held accountable for money owed to the Unemployment Insurance Commission. Stretch it out as long as you can, ask for an adjournment or a postponement until you get to the point where they cannot collect it anyway. That is the only choice.

However, if people do not work the system that way or cannot afford the lawyers, in some cases they are left with having third party attachments on all their wages and end up getting anywhere from $120 to $190 a week regardless of the size of their family until the money is paid back. That is wrong.

[*Translation*]

Mrs. Monique Tardif (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, with your permission, I too would like to speak to Motion M-167 introduced by the Hon. Member for York Center (Mr. Kaplan). He proposes that the Government consider the advisability of prohibiting any federal department or agency which has in error made an overpayment to an individual under a social program from claiming repayment or withholding the overpayment from future payments to the individual, unless the individual is responsible directly or indirectly for the error.

On April 26, 1988, the Hon. Member also suggested to the House that the Government should not demand repayment for excess amounts when the recipient is not responsible for the error.

Mr. Speaker, I am sure we all share the basic sentiments expressed in the Hon. Member's motion. The federal Government would rather not make life any harder than it is for people drawing such social benefits as those paid under old age security, the Canada Pension Plan, or family allowances. We are aware that the recipients generally have a low income and cannot readily cope with reduced benefits.

I would point out to Hon. Members that the federal Government thinks it is important for Canadian men and women who are in a difficult financial situation to know that the amount of their benefits will not be reduced overnight. As an example, Mr. Speaker, I would say that under the income security programs which I just mentionned and which are administered by the Department of National Health and Welfare the procedure followed to recoup overpayments is very flexible indeed. In difficult circumstances, overpayments may be repaid in very low instalments, in fact as little as $1 a month in the case of people with limited income.

In additoin, Mr. Speaker, pursuant to the Old Age Security Act, the Familly Allowances Act and the Canada Pension Plan the Minister may waive such repayments in extraordinary circumstances, including unforseen difficulties, erroneous advice or administrative mistakes on the part of the Government.

The federal Government can appreciate the situation of low income and underprivileged Canadians, but still it has to answer to the taxpayers.

Overpayments under social benefit programs are debts against the Crown and if they are not recouped they must be offset through higher tax levies on all Canadians. After all, it boils down to financial responsibility, and I would suggest that this federal Government has done very well in that respect.

In the discharge of our mandate we have maintained a policy to recoup excess benefits by using procedures which respect both the people who are overpaid and the taxpayers of the country, but every year such overpayments still account for millions of dollars in government outlays.

Clearly, Mr. Speaker, no system is perfect. Further, simple solutions to the problem might lead to new problems in other areas. The Hon. Member's motion in my view is a good example. If implemented, his proposal would require a new, complex, and costly bureaucratic process to determine whether the claimant is directly or indirectly responsible for the error that led to the overpayment.

This process could be long and arduous, and generate various delays. Participation from public servants, judges and lawyers could be needed, as well as a relevant appeal mechanism. In addition to imposing a new burden on public servants and taxpayers, such a system no doubt would be frustrating and confusing for claimants, especially where their own testimony could be the only available evidence to determine whether an error had been made or not. No doubt, in a great many cases, a clear and satisfactory decision might be impossible. Therefore, such a system could lead both to a miscarriage of justice where the evidence was limited, unsupported or unverifiable.

Some people might suggest, Mr. Speaker, that there is another solution than the existing systems or the one put forward by the Hon. Member's motion, namely that the Government should delay initial payments on social programs until an absolutely accurate computation of benefits can be made. Or, alternatively, it could be suggested that the Government should make smaller payments while waiting for further information concerning the computation of benefits.

Such a procedure, Mr. Speaker, could however do significant harm to a number of claimants. For instance, one could wait up to two years after the initial benefit payment in order for the current Canada Pension Plan benefits to be adjusted based on an updating of the claimant's gains by Revenue Canada.

Similarly, benefits based on income under federal programs such as Guaranteed Income Supplement and Spouse Allocation normally are calculated on the claimant's income during the previous year for income tax purposes; under certain circumstances, they can be based on an estimation of the claimant's current income, subject to possible review.

Overpayments made in either of those cases would not necessarily be the claimant's fault. It is my view that serious attention should be paid to the matter before introducing a system, the underlying principle of which would be that an error can always be blamed beyond the shadow of a doubt to someone. Indeed, Mr. Speaker, when considering the practicality of the Hon. Member's motion and any relevant proposal, legislators should evaluate whether those very real negative impacts would be warranted.

As I explained, the ways used by the Canadian Government to recover overpayments made under social programs are both sensitive and flexible to Canadians who receive those overpayments, and they are indicative of this Government's responsible attitude toward Canadian taxpayers.

• (1440)

[*English*]

Mr. David Daubney (Ottawa West): Mr. Speaker, I am pleased to have an opportunity to join in the debate this afternoon on the issue raised by the Hon. Member for York Centre (Mr. Kaplan). I am sure we all have sympathy for people who, through no fault of their own, are suddenly asked to make a substantial repayment of an overpayment to them. The bewilderment, the panic, even the anger involved must be considerable.

We have heard already this afternoon that there are a number of safeguards in place to protect Canadians who have been overpaid unwittingly by federal Departments. I would suggest that the worthy objectives in the motion before us have already been met or can be met provided those safeguards are compassionately administered.

In effect, this motion calls for the House to make a blanket amnesty for anyone who was overpaid. In other words: "Keep the extra money. Good luck to you on the windfall". The only people who would be asked to repay money to the Crown under the motion are those who are responsible directly or indirectly for the error. I think of the recent case three or four months ago involving a women, who I think lives here in Ontario, who received a cheque from the Department of National Revenue, I believe, for several hundred thousand dollars, thanks to a computer gone wild. On the plain reading of the motion before us today there would be no discretion whatsoever in the Minister or the Crown. They would be obligated to allow this person to keep that type of windfall. I think that where the public's money is involved we have to do better than that. I believe we need more checks and balances than that.

I believe that in order to judge whether any new legislation is needed we should first see how the present regulations are working.

I wish to take a few minutes to look at one Department in particular. Reference has already been made to it by the Hon. Member from the New Democratic Party who spoke earlier. I refer to the Department of Veterans Affairs. This is a Department which sends out over 200,000 cheques every month. Disability pensions, which are not subject to a means test, account for 144,000 of those monthly cheques.

With such a volume it is not surprising that overpayments are made from time to time. For instance, a veteran may die and his widow may forget to inform Veterans Affairs of his death for a period of time.

Naturally, every possible effort is made to recover these overpayments. It is worth noting that the recovery rate is in the 90 per cent to 95 per cent range. What that tells us is that Canadians are honest. They do not want to receive a benefit to which they are not entitled. They are very understanding when they realize that they have received money and are not entitled to it. Generally, they are quite willing to pay it back.

For the other 10 per cent or so this is where the safeguards come in. When it is plain that recovery in whole or in part could result in undue hardship to a veteran or his family, a recommendation for recovery of a partial settlement or for a total write-off is made under Section 18 of the Financial Administration Act.

It is important to know that recommendations for write-offs are also considered seriously when it is clearly evident that an overpayment was due to an administrative error.

I want to outline how Veterans Affairs handles the question of overpayments involving war veterans and civilian war allowances. These benefits are only paid to needy veterans. In other words, they are subject to a means test.

There are over 64,000 veterans or their families receiving allowances. Given the average age of this clientele overpayments do occur. The whole nature of the allowance program means that at age 65 the male veteran becomes eligible for Health and Welfare support programs and so is less dependent on Veterans Affairs.

Because of this transition the War Veterans Allowance Program administration was overhauled in 1986 in order to cut down on overpayments. It is now closely aligned to the Guaranteed Income Supplement and spouses' allowance programs of Health and Welfare. This alignment I am advised has greatly reduced the chance and the number of overpayments.

One key improvement was the annual reporting by war veterans allowance recipients of changes in their financial status and the subsequent adjustment of Veterans Affairs in the annual rate of payment. But overpayments still do occur, and doubtless always will.

I think it is instructive to see how Veterans Affairs deals with these overpayments. The then Minister of Veterans Affairs, the Hon. Member for Northumberland (Mr. Hees), told his Department in 1984 when we formed the Government that he wanted all veterans and their dependants to be treated with the utmost generosity. That instruction has been followed to the letter when it comes to overpayments. The remission of an overpayment is usually the most favoured position.

I think this is illustrated by the operational guidelines given to to those involved with the allowance program. I would like to quote the opening paragraphs in full because I think they render this motion unnecessary. They state:

> The very nature of the services provided under the Acts and Regulations administered under the direction of the Minister of Veterans Affairs dictates that the general policy and overriding principle to be considered in the handling of overpayments must be one that is based on justice, equity, compassion and human dignity.
>
> Translated into practice, this means that all cases, remission of an overpayment must be considered before any further action is taken. If it has been determined that the overpayments are not eligible for remission, the subsequent recovery or deletion action should never, in any case, deprive the veterans or his dependants of any moneys required to live in dignity.

I suggest that those instructions to bureaucrats on the front line are more compassionate and effective than any new legislation we could pass today.

• (1450)

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I am pleased to speak today to motion No. 167 which was moved by the Hon. Member for York Centre (Mr. Kaplan) and which states:

> That, in the opinion of this House, the Government should consider the advisability of prohibiting—

Already the wording of the motion seems to indicate that there is something tortuous about this.

As I was listening to his remarks a while ago, I could not help wondering how it is that as a former Solicitor General and Cabinet Minister, he could move such a motion.

How can he ask the Government to consider the advisability of not seeking repayment when an overpayment has occurred? Does he not realize that such a situation could be interpreted as a way for the Government to encourage incompetence and for the individual to justify keeping the money by arguing: I may not be entitled to this money, but why should I advise them of this overpayment, since they are not going to ask me to pay it back? I suggest that we are here to develop and emphasize the competence of our employees and also promote integrity.

Mr. Speaker, it is clear that such a motion will look very nice in *Hansard* or in householder mailings. Yet, this Hon. Member who sat on Government benches for 15 years would have been taken much more seriously if he had moved this motion at that time, instead of waiting until he sits in the Opposition. But since we live in a democratic system, I will deal with this proposal. If I may, I should like to develop the two major ideas I put across a while ago by providing concrete examples associated with the unemployment insurance scheme. A great many people have visited my office—you know how in a hurry people are when they visit their elected representatives—to ask me to rush a decision concerning an employment insurance application. It is not dishonest but quite normal. When a man or woman working in the Beauharnois—Salaberry riding—or any city or town for that matter—does not get his or her unemployment insurance benefits they pay us a visit and accuse federal employees of procrastinating, for they have bills to pay.

Our employees, on the other hand, must be very careful with our taxpayers' money, they have to go by the book, and I am full of admiration for all those working in unemployment insurance offices who always hear bad news and never good news. As their former Parliamentary Secretary, I saw the long line-ups in the morning and I am full of admiration. It is a job that has to be done, but let me tell you that you forget about the 3, 200 others who got their cheques in time when every morning you get complaints from 40 or 50 people who blame the delays on your incompetence.

What's happening, for example, at the Unemployment Insurance Commission? What would happen in a Commission or Government where the staff are not responsible or where they are . . . But how far can responsibility take us? If a civil servant makes an error resulting in an overpayment, can the Government claim repayment? I think that government officials would be the first to be unhappy with such a law because it would minimize their role and bring discredit upon the civil service. People could ask John Doe: "Why don't you make a mistake and give me just a little more; it doesn't matter since they can't touch you." I am sure that most if not all our civil servants are honest people and would not entertain such a suggestion. That is primarily why they try to respect the laws and regulations. On the other hand, as I said a few moments ago, I don't know if most citizens would be happy with such a law that, in fact, encourages a certain flexibility in its enforcement.

If I were to get $2,000 more than I usually draw in family allowances it seems to me I would notice. The fact that I get an extra $2,000 in benefits does not automatically mean that it is due to me, it is something that does not belong to me!

What is to be done for example in a case like the unemployment insurance incident I referred to earlier? People imagine that if the UIC paid $2,000 too much it was not aware of it. Imagine a citizen saying he did not know! "If you got an overpayment of $2,000 you have to pay it back!" Generally speaking, I must say that people were aware of it.

Again recently, unemployment insurance recipients came to see me at my office. Yet we know very well that full-time students are not entitled to unemployment benefits. He was overpaid by mistake because the inquiry had not been completed and a false statement was made.

In such cases, Mr. Speaker, the Unemployment Insurance Commission takes the situation into account. In the case I just mentioned there are two important elements: first an administrative error and, second, a false statement. This is altogether different from a case where there has been a clerical error, for example, and the individual receives a cheque for $182 when in fact the benefits should not be more than $172. I can understand an average man not realizing he is getting $10 more a week. But I am sure he can tell the difference when he aplies for unemployment benefits to which he is not entitled.

Mr. Speaker, the UIC takes into account specific cases and the situation of the person who has been overpaid. Where for instance repaying the overpayment leads to undue hardship, I suggest, Mr. Speaker, and I am convinced that the appropriate afficials should, where there has been no dishonesty, schedule repayments so that the claimant can refund within the prescribed period, while abiding by the existing Act and regulations.

Mr. Speaker, this is a very simple concept because it takes responsibility into account. We, as managers of the Unemployment Insurance Fund, are using our money, not only government money. One third of the money comes from the Government. As we know there are three partners in this . . . employers and taxpayers also are involved. We have absolutely no right to be free-handed in the management of assets that come from the Government. But we have no right either, and still much less, to be free handed with moneys that are entrusted to us by taxpayers, moneys entrusted to us by companies and moneys contributed by the employees.

Because of the very nature of payments and the source of those funds, we must make absolutely sure that we are dealing fairly with all Canadians. It would be unfair, for instance, to those who had contributed, if an overpayment caused by an administrative error, is automatically written off. Some might suggest that the matter already was dealt with in another Private Member's Bill, right at the beginning, I remember it was in 1984 or 1985; it said that any debt to Revenue Canada should be written off. Well, simply preparing my income tax return and stating that I owe a debt and I will have it written-off . . . Nothing is as simple nor as nice!

Administrative errors of this kind reflect badly on our competence.

In closing, I repeat that federal employees must be guided by legislation which bars them from making negative value judgments. They also need such legislation for their own personal satisfaction. An honest citizens also want the money they provide for the poor to be spent wisely because, all too often, people jump to conclusions.

Mr. Deputy Speaker: Order, please. The hour provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 42(1), the order is taken off the *Order Paper*.

It being 3 p.m., this House stands adjourned until Monday at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 3 p.m.

HOUSE OF COMMONS

Monday, September 26, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to two petitions, Nos. 332-5329 and 332-5371.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

STRIKING COMMITTEE

PRESENTATION OF 72ND REPORT

Mr. Scott Fennell (Ontario): Mr. Speaker, I have the honour to present the seventy-second report of the Striking Committee.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Mr. John Nunziata (York South—Weston) moved for leave to introduce Bill-329, an Act to amend the Criminal Code (protection of the unborn).

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

Some Hon. Members: Agreed.

Mr. Nunziata: Mr. Speaker, since the Supreme Court of Canada rendered the Criminal Code provisions relating to abortion as being contrary to the Charter of Rights, Canada has been without any federal law regulating abortion.

The Bill I am introducing today is the identical Bill introduced in the Upper Chamber, the Senate, by the Hon. Senator Stanley Haidasz on May 18 of this year. That Bill is presently being debated in that place.

The net effect of this Bill would be to afford protection to the innocent unborn from the moment of conception with one exception and that is where the life of the mother would be in danger.

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

* * *

PETITIONS

PROHIBITION WITH REGARD TO KNIVES

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I have the honour and duty to present a petition signed by a number of constituents of Vancouver East. It concerns the high incidence of crimes, including murder, robbery, and sexual assault, which are committed with knives. This is on the increase in all major cities across Canada.

Whereas the federal Criminal Code and court decisions allow people to carry knives for self-defence, the petitioners state that this is directly responsible for knives being used in a variety of crimes. Therefore, the petitioners ask Parliament to amend the federal Criminal Code to prohibit the carrying of knives by citizens in public places with the exception of those activities where the use of a knife is integral to legitimate work or for religious reasons, such as in the case of the Sikhs.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

• (1110)

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed from Wednesday, September 21, consideration of the motion of Mr. Epp (Provencher) that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the third time and passed; And on the amendment of Ms. Mitchell:

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

"Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be not now read a third time but be referred back to the legislative committee for the purpose of considering Clauses 3, 4, and 5."

Mr. Gauthier: Mr. Speaker, I rise on a point of order. There have been negotiations and discussions. The Leader of the Opposition (Mr. Turner) would like to be recognized on debate. I understand the Hon. Member for Halifax West (Mr. Crosby) had the floor when we adjourned this debate last week. I have talked with him. He has generously and very nicely agreed to step down temporarily to give his place to the Leader of the Opposition, with the proviso that he maintain his position after this speech, that is, that he be recognized for the 18 remaining minutes of the speech which he was going to make this morning. I would like to thank him and all Members of the House. I hope there would be unanimous consent to allow the Leader of the Opposition to take the floor.

Mr. Speaker: The Hon. Member for Ottawa—Vanier has indicated that there is an agreement in the House. I might say to all Hon. Members and to the public that this is an example of the courtesies that are extended in this place. I want to thank the Hon. Member for Halifax West.

I take it that there is consent. Is that agreed?

Some Hon. Members: Agreed.

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, nothing is more important to us as Canadians than the future of our children. We want the very best for them. We want to give the next generation the very best we can give: good education, a good apprenticeship in life, opportunities for a meaningful job, a secure future. In terms of today's living, one of the most important priorities for the next generation for our children is affordable, accessible, high quality child care.

You and I know, Mr. Speaker, that society has changed dramatically in the last 20 years. Today only one in six Canadian families fits the traditional family pattern, the nuclear family: the wife at home with the children, the husband at work. Many families are headed by single parents, most of whom are young single mothers. More than half of all women with pre-school children work outside the home, but only about one in five of these children is served by an adequate child care system.

Hon. Members know that there is a child care centre here on Parliament Hill because some time ago we recognized the needs of the people who work here and the needs of their children. The same need exists right across the country, but it is obvious from this legislation that the Government of Canada really does not have a deep understanding of this need. The legislation before Your Honour and before the House is nothing more than a cruel hoax on the children and parents of Canada.

[*Translation*]

Mr. Speaker, I could find at least a good dozen reasons for the importance of this debate. Today's debate will shape the future. It is a debate about justice and social balance. It concerns our children and grandchildren and the place they will have in our society.

What we are talking about today is of course not just a plan or a system to look after our children. What we are really talking about is the kind of society we want to build. Our policy will have a direct impact on social peace, family harmony, equality of opportunity, criminality and even the demographics of our country.

Families have to face very different challenges, responsibilities and objectives than our ancestors or even our parents did. By changing the family structure, the evolution of society has also changed the role and responsibilities of our governments.

[*English*]

We ask ourselves, Mr. Speaker, how the Conservative Government has responded to that challenge. What is the Government's approach to the future of our children? First, it must be said that the Government has dragged its feet for the last four years. We have had study after study, delay after delay, and only now, on the eve of an election, has the Government suddenly discovered the importance of child care. The three-year-old who needed child care at the time the Government was sworn in is now seven years old and no longer eligible for the programs under this legislation. The single mother looking for affordable child care still does not have it under this legislation.

Worse than that, the Government has been playing politics with our children's future. After four years of delay and double talk the Prime Minister (Mr. Mulroney) is now trying to blame the Senate. Last week he posed on the steps just outside this House and declared to reporters that the women of Canada were not going to be denied child care by a bunch of elderly Senators. That is the kind of shallow cynicism we have come to expect from our Prime Minister. It is the kind of cynicism that I do not believe Canadians will tolerate any longer.

Let us begin with the facts. The Government hesitated, delayed, and postponed for four years the bringing in of this

legislation. This Bill reached the floor of the House only on July 26. There were only two days of committee hearings. Before that committee there was almost unanimous condemnation of this legislation.

After four years of procrastination the Government had the arrogance to impose closure on a Bill of this magnitude and importance. When the Prime Minister blamed the Senate last week this Bill was still before the House of Commons; this Bill was still before the deliberation of Members of Parliament from all sides of the House. If the Prime Minister wants us to facilitate his timetable, his agenda for an election, he should tell us the date. He should let us know what he has on his mind.

Frankly, as a Canadian I would really like to know what the Prime Minister sincerely believes about this Bill. He slipped into the House of Commons early on the evening of August 11. He did not say much about child care. I have searched that speech and I cannot glean his views. I have no perception of what he really understands about the issue. The speech was nothing but a ritual bombast boasting about the flimsy record of the Government.

As I recall that evening, Mr. Speaker, even you were moved to accept the intervention of my colleague, the Hon. Member for Bourassa (Mr. Rossi), and point out to the Prime Minister that there are rules in this House that we have to speak to the subject, that we are bound by relevance. I suppose one really could not expect the Prime Minister to understand that, he so seldom participates in debates in this House.

In that speech the Prime Minister boasted that his program was better than that offered by Governor Dukakis or Vice-President Bush in their mutual quest for the presidency of the United States. The branch plant manager says that he is doing better than head office.

• (1120)

The last time I looked, I thought we were talking about Canadian children. I thought we were talking about improving Canadian social programs. To make a comparison with a country that has a completely different approach to social justice, to social equality, to fairness and opportunity, is both misleading and irrelevant.

When the Prime Minister spoke in the House on August 13 about trade, again his speech did not really deal with the issue. It was largely a list of citations from business people. It was a speech of paid endorsements. Surely in the speech to the House of Commons on this issue on August 11, he could have found at least one endorsement. We would have been presented with them if he had them. It is significant that he was unable to bring one shred of evidence from one recognized group in this country having any knowledge or appreciation of the problem facing the future of our children and Canadian families. There was not one citation. The reason was that he could not find any.

During these truncated, restricted hearings before the committee limited to two days by the Government, there was unanimous condemnation of the Bill. There were 40 witnesses, including the Canadian Teachers Federation, British Columbia Daycare Coalition, the Advisory Council on the Status of Women, the National Union of Provincial Government Employees, the Canadian Ethnocultural Council, the National Action Committee on the Status of Women. They were limited to half an hour each, but unanimous in their condemnation of this legislation.

We are prompted to ask you, Mr. Speaker: Who then supports this legislation? Only a Conservative Government, only that Government.

Inadequate child care is a major barrier to providing equality for women at work. It is not just a woman's issue. It is not just an issue for parents. It is an issue for all of us. It is an issue for everyone in this country. It is an issue for parents, yes; women, certainly; Governments, of course; and employers. But fundamentally it is an issue that this country must face and with which every Canadian must come to grips.

We need a system that catches up to the demand. We also need a system that provides minimum national standards negotiated with the provinces. We need equality of treatment across the country. We need accessibility that is equally distributed across the country. The Conservative Bill does not even come close to meeting those criteria.

[*Translation*]

Mr. Speaker, there is a major flaw in the Tory system, and it is that child care should be aimed exclusively at children of pre-school age. This means leaving thousands of school children alone, without supervision, for several hours a day for a number of years.

These are the so-called latchkey children, usually wearing around their necks the key to their home or apartment. It worries me, every time I meet one of these children with a key around his neck. I am not only worried but downright apprehensive about what might happen to them.

I think it is absolutely essential to take a comprehensive approach to child care that must not be restricted to children of pre-school age. By excluding children between the ages of 6 and 13, we would certainly save money today, but we would also incur a disproportionately high social cost in the future. It is my firm belief that Canada must have a child care system that is designed to give Canadian families the widest possible range of options and, within that range, child care that is of high quality, accessible and affordable.

[*English*]

We also know that Canada now has approximately 240,000 accredited places either in day care centres or at home. The Conservatives want to add a maximum of 200,000 additional spaces in the next seven years. That would less than double the number of places by the year 1995.

Some of the evidence that was addressed in committee indicates that based on past trends and the current funding arrangements, the number of licensed places would have increased by about 300,000 over the next seven years without the Government's Bill. The Government is saying that over the next seven years we will get 200,000 additional places. That is why I said that this Bill is a hoax. If your child happens to be No. 200,001, tough luck, you are out.

Moreover, by trumpeting this totally inadequate program, the Government is trying to make Canadian parents believe that it offers a solution to the problem. The reality is that it is no solution at all. The fact is that 70 per cent of our children who require child care services will still not have access to this program after seven years. We find that totally unacceptable. Canadian parents know that. Canadian families understand that. That is why, universally, they are condemning the Government for putting forward a totally inadequate plan for child care in Canada.

Part of the Government's so-called strategy for children is to increase the tax deduction for child care expenses. Tax deductions give the highest priority to those families in the highest income brackets. Under this legislation the family that happens to be in the top tax bracket and has two pre-school children will receive a total deduction of $3,600 per year. A single mother will receive $200. That is the Prime Minister's idea of fairness.

It is the same lopsided idea of fairness that has motivated the entire tax policy of the Government during the last four years. The rich get richer, the poor get poorer, and the total burden has been placed almost completely on the lower and middle income groups.

[*Translation*]

I think it is shameful that the Government of Canada has taken so long to realize it has a responsibility to ensure that in the distribution of joint programs to Canadians, the basic principle of equity is observed, wherever they may happen to reside. Establishing national standards would give Parliament and Canadian families the assurance that across this country, federally-financed child care services will not fall below acceptable levels.

Our basic criticism of this Bill is that it does not contain national standards nor provide for national accessibility. There is nothing in this Bill!

The Government's Bill is also disturbing in other respects. In addition to setting a ridiculously low ceiling on development of the network, the Tory program makes no provision for transferring to subsequent years any unused budget surplus for a given fiscal period.

This means that if for some reason, a province is unable to invest all of its federal funding within the prescribed time-frame, it will not have a chance to catch up during the following year. Here again, it is Canadian families who will be deprived of a service they really and urgently need.

• (1130)

[*English*]

I clearly indicated my position at the beginning of what I had to say this morning. I firmly believe that we must provide Canadians with a child care system offering a wide range of services of the highest possible quality. After having read this Bill, it is clear that families and community groups will not receive the support they need to develop a high quality child care system in this country.

We in the Liberal Party have committed ourselves to establishing a national child care foundation. This organization will provide groups with the funds needed to create and build the facilities which would best serve their needs. These facilities would then be eligible for cost-sharing grants to cover operating costs.

We on this side of the House are convinced that child care services in our native communities must be compatible with and not in conflict with their culture and traditions. Money put aside for native child care in this Bill is not only inadequate. It is discretionary and left to the whim of the Cabinet as to how and when to spend it.

We in the Liberal Party believe that any child care system that merits our approval must be based on two principles—on sharing the burden and on providing choices. Our proposal is that parents, the private sector and Government, provincial and federal, share the costs of the program. It will be a mixed program with more facilities and help for those who do not have access to those facilities, particularly in rural areas. It will give all parents a choice.

The establishment of a national child care program is essential. We must allow everyone, particularly women, to participate in the economic, social, cultural and democratic future of our country.

We must relieve parents in Canada of the agonizing choice between the children they love and the jobs they must have. We must invest today in young Canadians who will build the future of Canada. Any system should provide adequate support for low and middle income families. A percentage of this child care support should come from the conversion of the child tax deduction into a refundable tax credit. This support should allow an average family to pay for 50 per cent of child care costs, while giving low income families freer access to child care.

We must also encourage business, our professions, and private companies to provide quality child care support for their employees. They will immediately benefit in terms of improved quality of work, in terms of improved peace of mind and, indeed, in terms of minimized absences for family reasons. To promote this type of program, I have proposed a capital cost deduction which exceeds 100 per cent over five years.

This child care legislation now before you, Mr. Speaker, and before the House is not a plan designed to protect and nurture our children. It is a plan designed to protect and nurture this Conservative Government at the end of its mandate. It is designed to deceive Canadian parents into believing that the Government was serious when it said that it would give our children an adequate child care plan. It is yet another reason in the upcoming election that Canadians are going to replace this Conservative Government with a Liberal Government.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): It will be a Liberal Government which will give Canadian children and Canadian families a child care system of the highest quality, a system which is accessible, which is affordable, and which is available for every family in the country.

Some Hon. Members: Hear, hear!

Mr. Howard Crosby (Halifax West): Mr. Speaker, it is my privilege to continue the debate on Bill C-144, the Canada Child Care Act. I have particular reason to participate in the debate at this point, having just heard the best arguments of the Right Hon. Leader of the Opposition (Mr. Turner) against Bill C-144.

I must say, and I think you will agree, Mr. Speaker, that while the Leader of the Opposition was eloquent in his remarks, he did not provide one cogent reason for delaying the passage of Bill C-144, never mind stopping its passage in this House or in the other place through his friends in the Senate. I urge him to instruct his colleagues and his friends in the New Democratic Party to get on with the business of passing this piece of legislation so we can start on the road to accomplishing some of the goals and aims that he outlined.

I have to say that the Leader of the Opposition is new to the matter of child care, and especially new to its priorities in the House of Commons. On March 20, 1987, he made it clear to *The London Free Press* and to the students at the University of Western Ontario that child care did not have a high priority with him or with the Liberal Party. In fact, he said that it would be done responsibly, that it had to be done within the financial capacity of the country to digest it. He said that there were greater needs in national defence, a guaranteed income plan, and tax reform, but that he had first to create a system in which business could flourish, and that that was his Party's greatest concern. The words sound a little hollow in the House of Commons today when they are compared with statements made in the past with respect to child care.

That is partly why I rose to participate in this debate. It was not because of the outlandish comments made by some of the members of the Opposition in the last day's debate wherein the Hon. Member for Cape Breton—East Richmond (Mr. Dingwall) made comments which I thought were simply not in accord with the facts relating to child care or the provisions of the legislation before this House of Commons. I also heard the Hon. Member for Kamloops—Shuswap (Mr. Riis) denigrate this initiative in terms that simply are not supported by the facts and the provisions of the Bill.

What is the purpose of the Bill that we have before us? This is another step along the road to an evolutionary process that has had dramatic changes over the last three decades with respect to the care of children in Canada. I think that some of us in this House are old enough to remember the history of this evolution and the beginning of it.

One only has to go back to the late fifties and early sixties to remember the orphanages that were present across the city centres of Canada, and I speak particularly of the City of Halifax where, in the 1950s, we had organizations such as St. Joseph's Orphanage wherein children were hidden away from public view because their families could not support them or, indeed, they were unable to support them due to their economic problems or for other reasons. It was only in the late sixties, 1968 and on, that there was a dramatic change in this attitude and, in fact, in the City of Halifax—and I was very much proud to be a part of this transition—St. Joseph's Orphanage was phased out and a new kind of institution was created which became known as St. Joseph's Day Care Centre and which is now called St. Joseph's Child Care Centre. For all that period of two decades it has been leading in innovative care for children in Halifax and in other parts of the Province of Nova Scotia. As I say, this was part of an evolutionary process which is ongoing and which is present in Bill C-144.

In dealing with day care I have specific reason to recall 1970 because in that year Nova Scotia passed what I understand at the time to be the first day care legislation in Canada. I was a party to the creation of that Bill, and I am very proud to stand here today and make reference to it. That too was a milestone in the evolutionary history of child care in Canada. I think there were people who denigrated that initiative at the time. In 1970 people said that this was not, enough, that it was going in the wrong direction, or that should try something else.

• (1140)

Those who lead the way always have to take risks. In being innovative, they always have to put their ideas down on paper and present them to the legislatures, to the Parliaments, and to the public and accept the criticism from those who would delay their actions and divert them from their goals.

Does the Leader of the Opposition and do opposition Members realize that in this very day in Canada the only access to federal funds for child care is through the Canada Assistance Plan? Do they not realize that that plan contains a means test, which excludes most of our married couples from assistance for day care services? Is that what they want? Is that why they would delay and stop passage of this Bill, because they do not want the very medium income families mentioned by the Leader of the Opposition to have access to high standard day care with government assistance? Are they

against that? They simply say that we should take no action because they do not like the action that is proposed.

We heard mention of other features of this system, and nobody is arguing that the national strategy implemented by Bill C-144 is the be-all and end-all. As I said, it is part of that evolutionary process. It is part of going down the road to an ultimate solution to day care and child care in Canada.

Let us talk about the need for day care. I think that is what the Leader of the Opposition and his colleagues are forgetting. We have in Canada at the moment a real need. Some would argue that people should be left to their own devices in order to provide for their children. Some would say that providing a system of child care is encouraging women to leave the home. While we understand and appreciate the views of all our people, I think, on balance, we recognize that women in the workforce, married women with children in the workforce, are part of our society in this day and age. I think every Member of this House and most of the public accept that.

I think it is important to note that this is in fact reflected in the statistics. We have 60 per cent of women who care for children under five years of age in the labour force today. If we were to create a situation in which those women could not remain in the labour force but had to return to the home to look after their children, we would dramatically increase the number of Canadian families below the poverty level.

I understand that with a statistic of 850,000 families below the poverty level that would increase that number of families by almost a half-million. I think that that is an argument in itself for prompting the House of Commons and the Parliament of Canada to take immediate steps to assist the situation so that we will not have that reversal and we will proceed on the road to economic equality and not reverse our process.

One thing I have always noticed in my involvement with the social services field is that it becomes, in the words of a current TV advertisement, a "pay now or pay later" situation. If we do not provide the assistance required by Canadians, particularly young Canadians and indeed children, we will simply pay for it later in other kinds of social costs.

The ultimate cost is that of keeping a person in prison. That is the ultimate failure of society in providing social assistance to our citizens. We end up paying what we refuse to pay in child care and in other social services and benefits, in the cost of maintaining the person in a prison institution. That is really why we have to continue to look at our social services programs to determine whether they are adequate to keep all Canadians and all Canadian families moving in the direction of progress.

We just had an election in Nova Scotia, and we got used to listening to the hollow complaints of opponents, people who denigrate and criticize the system and so on. We have heard in Nova Scotia from the New Democratic Party, its view of a new world and its criticism of the existing world. What happened? It won two seats, down from its current holding of three seats. Some 30 of 52 candidates lost their deposits in the Nova Scotia election. The Leader of the New Democratic Party, that paragon of virtue, won her seat by 26 votes, and that is currently under recount.

Members of the New Democratic Party have no monopoly on virtue. They have no right to preach to the people of Canada and to tell them what to do, because the people of Canada, particularly those taxpayers who are directly involved in government expenditures, know what kind of services they can afford. They are now squawking. They have come to life and they are worried. Nationally, they are saying the same things that their counterparts in Nova Scotia said, and it was rejected. They have dropped in popular vote. Their two winning candidates only had 36 per cent of the vote, the minimum required for victory. When we hear them talk and shout, we know that very few people are listening, and thank God for that.

With that in mind, I want to review briefly in the time remaining the provisions of Bill C-144. We have all heard that Bill C-144 sets out the national strategy for child care. That national strategy is to build on the existing system, to take advantage of 20 years of accumulated experience of people involved in institutions like St. Joseph's Children's Centre in Halifax. We should not throw that out and start again because of some ideological position taken by some political pundit in the New Democratic Party or by the back-benchers of the Liberal Party. We have to add to what has become an evolutionary and sensible system.

What is the Government of Canada going to do? It is going to pay 50 per cent of the cost of child care across Canada in all its aspects, up from 35 per cent. Who could possibly oppose that? The Government is going to spend $6.4 billion over seven years, and it is going to add 200,000 new subsidized child care spaces.

The Leader of the Opposition told us: "Oh, no, they are not going to do that, because there is going to be over 300,000 subsidized child care spaces created in the normal course". If the normal course creates 300,000 new spaces, then we will have 500,000 spaces in Canada because the goal and determination of the Government is to create 200,000 new subsidized spaces. Again we hear the Opposition saying: "This won't happen. Don't pass the Bill because that won't happen".

My advice to opposition Members on behalf of the people of Canada is: "Let it pass. See if it does not happen. If there is no new subsidized child care spaces, then you can come back and complain. You will not even need to do that, because the people of Canada will know what has happened. Do not stop the progress and the measure because you fear some evil resulting from it that might adversely affect the political interest of the New Democratic Party or the Liberal Party. Let it go ahead in all its evilness, and see what difficulty transpires".

I know and I think that the members of the Opposition know—

Mr. Cassidy: It is a lousy Bill to put into place.

Mr. Crosby: —that their fears will not be realized, that that is not the purport of the Bill, and I will tell you why. It could not possibly be, because the Bill provides that national strategy will provide $100 million for a child care innovative fund. That means new directions for child care and that handicapped children who cannot be accommodated in current child care facilities will have an opportunity to have financial expenditures that will allow them to be accommodated. Are the members of the Opposition against that?

Ms. Mitchell: We want child care to be accessible. That is no way to make it accessible.

Mr. Crosby: If they are, stand up and say so. Stand up and say that you are against innovative action for handicapped children in our care system.

The other day I received a call from a woman—believe it or not—listening to the debates in the House of Commons. She explained the situation. She has three autistic children and she cannot find accommodation for them on a subsidized basis. This kind of innovation may resolve that problem.

Members of the Opposition say: "Stop the Bill. Get the Senate to stop the Bill. We do not want this". They are acting against the interests of Canadians when they say that. Then they say: "We want a national system. We want a national system right here. We in the House of Commons are going to establish a system for all Canadians, and we are not going to listen to anybody from the provinces when we do that". That is not a system of government in Canada.

We have a federal system, and each provincial Government plays a role in that system. I defy any Member to say differently. We all stood up and endorsed the Meech Lake Accord that assured each province participation beyond what they are now guaranteed in the Constitution of Canada.

Mr. Cassidy: What about national objectives? We have the right to do it. Do it.

Mr. Crosby: Now they want us to go back and say: "No, no, no. National standards. Forget about the promises". Pay no attention to them. They do not know anything about child care.

I ask the Hon. Member for Ottawa Centre (Mr. Cassidy): What does the federal Government know about child care?

Mr. Cassidy: Nothing, according to this Bill. Nothing at all.

Mr. Crosby: I have not seen the federal Government under the Liberals in the last 20 years establish any day care centres. I have not seen them change any orphanages to new, modern institutions. That has been done by the people of Canada in the provinces, and they are represented by their Government, just as they are represented in this Parliament of Canada.

• (1150)

What we need is co-operation: co-operative federalism. Do Hon. Members want to go back to the Trudeau days? Do Hon. Members want to tell the provinces to shove it, that we are not paying any attention? That is not what national reconciliation is all about. National reconciliation is getting together, recognizing the problem, and proceeding to resolve it. That is what the national strategy on child care is.

I want to mention one other aspect of child care, which is tax reform. I did not stand up here the other day like the Leader of the Opposition did when he changed his view from March, 1987, threw out his documented views expressed in March, 1987, and took a new tack on child care. I started my campaign in 1981, and I have the *Debates* in the House of Commons to prove it. In 1981 I asked the House of Commons to change the tax laws relating to child care. Finally, eight years later, after four years of refusal by a Liberal Government, the Progressive Conservative Government is finally changing the laws with respect to the tax treatment of child care expenses.

We propose a child tax credit that will increase to $760 in 1989, doubling the allowance for child care expenses from $2,000 to $4,000 and removing the limit of $8,000. That is exactly what we asked for in 1981. It has taken all that time because, first, the Liberals would take no action for four years. The New Democratic Party never will be in power, so it does not make any difference what its Members say about it. Now we have a Government that will look at the problems, will study the issue, and will recognize that we have to be financially responsible in implementing these matters. The Government had a parliamentary task force look at the whole situation, responded to the task force, and came up with a piece of legislation that creates a proper balance between the needs of people in the area of child care and the limits of the nation and each province within the nation to provide that type of child care.

We have achieved that balance. It is not the end; it is not the ultimate; it is not a panacea. Canadians will still have to be careful in their expenditures. They will still have to be prudent in how they provide for their families. They will not get a bonus beyond that which they have earned. What we are getting is a balanced system and a recognition by the national Government in 1988, and never before recognized, that there is a serious obligation to provide child care in Canada. It is a serious obligation to the women of Canada who should have the full opportunity to participate in the labour force. However, more important, it is in pursuance of an obligation to the children of Canada to see that each child receives the type of care that will allow them to be nourished and to flourish in our society. If we do not, we will pay a price down the line. What we save in child care and in other social benefits, we will expend in other ways.

Let me conclude my remarks by saying that we have a goal in child care and we have a national strategy to implement

that goal. It is a system that is responsible, respects the rights of women, respects the interests of children, and realizes that Canadians have to pay a price and that all Canadians should contribute to the payment of that price. It combines the national Government and provincial Governments, and the private and public sectors. That is what national reconciliation is all about. That is what co-operative federalism is. Jointly, as Canadians we can achieve that goal. All we need is not to be stopped or delayed *en route* to achievement of that goal by petty arguments in the House of Commons, by procedural delays, and by misuse of the process. Let us get on with the job.

Mr. Cassidy: In view of the commitment of the Conservatives to national reconciliation and the talk that we heard three or four years ago about the commitment to women, why is it that the Government has chosen to ignore the comments of the people who know best about day care?

In fact, representatives of some 40 groups came before the legislative committee on Bill C-144. All witnesses stated that the Bill was inadequate, it should not go forward, it was a bad Bill, and it represented a failure to provide an adequate base for expansion of day care services across Canada.

Why did the Hon. Member not stand up and ensure that the Government at least listened to women or to families from eastern Canada? Is the Hon. Member not concerned about the fact that not a single group from his constituency, from his province, or from his region, came before the legislative committee to comment on Bill C-144? Is the Hon. Member not concerned that only two groups came from the Province of Québec? From all of eastern Canada, east of the Ottawa River, only two groups were able to appear before the legislative committee. Does that not suggest that the Government was acting in undue haste because of the failure to act before?

The Hon. Member suggests that it is a bad Bill but that it is the Bill that is here, so let us go forward and do it. Is that not a ridiculous manner in which to treat families across Canada who have need of adequate child care services and who will not get it with Bill C-144?

Mr. Crosby: If the Government of Canada did not want to listen to the people of Canada on the subject of child care, did not want to afford an opportunity to groups to make representations, why did it allow a parliamentary task force to be appointed? Why did it allow that task force to sit? Why did it allow the task force to send out invitations to all interested parties to come before the task force? Obviously, it was because the Government of Canada did want to consult with interested parties. Nobody ever made the commitment to take what was said in each case and inscribe it into a law. That would be ridiculous. That is not what the consultation process is about. It is about listening and then deciding, because it is the Government of Canada that is responsible for child care in Canada. It is not the National Action Committee on the Status of Women, although everybody wants to hear what its representatives have to say, and they said it. They said it in spades. Hundreds of pages were reviewed. Therefore, what is the point that the Hon. Member makes?

Is the Hon. Member mad because every recommendation made to the committee was not written into the Bill? Let the Hon. Member look at the Bill. The Bill does not deal with those types of recommendations. The Bill states that the Government of Canada will agree with the provinces on a number of matters. That is the system.

If the Hon. Member wants to debate the system, I suggest that he rise under the constitutional heading and debate the system. Do not come into the House of Commons with blind nonsense and empty statements and complain about the system in relation to child care when the Hon. Member supports the system in all its other respects.

Ms. Mitchell: I would like to comment on a couple of points made by the Hon. Member. First, he does not seem to realize that the report that he held up, which is commonly called the Katie Cooke report, is not a report of the National Action Committee on the Status of Women. It is a very comprehensive research document commissioned by the former Liberal Government. It recommended comprehensive child care. It is interesting that the Liberal Party has also not picked up on the recommendations contained in that report. That report recommended a comprehensive system of child care across the country that would be available to all children where there was a need and would be developed systematically over a period of time. I wish to correct the Hon. Member on that point.

I was on the special committee on child care established by the Government, and in my view the main purpose was not to deal with the Katie Cooke recommendations. In fact, we repeated a tour across Canada. Many people felt that was an unnecessary expense. We learned that most of the witnesses who spoke to us recommended the same things as Katie Cooke, and the same things as those recommended by the witnesses who appeared before the legislative committee. We must have a national program of comprehensive, quality, affordable, accessible child care. Of course, that is what this Bill is not doing. It is a capped funding. It finishes after seven years. It does not even give adjusted funding for the poorer provinces after seven years.

• (1200)

It is really a very restrictive program, even worse than the Canada Assistance Plan.

The Hon. Member referred to one issue with passion and I know he feels strongly about it. That is the issue of handicapped and disabled children, or special needs children as they are sometimes called. It is very costly to provide child care for that group of children. In any good quality child care program we cannot have a token federal initiative which may or may not provide a program here or a program there for a few disabled kids. Some groups who are specialists in this field said disabled children have the same right as other children to be in regular child care centres, just the same as they have the right

to be in school. We must start in the pre-school years to open up spaces for them. That means we have to have extra capital funding and extra staff. That costs more. This program does not do that. We felt that there should be at least a $2 per space per day top-up for those kinds of spaces, and the Hon. Member thinks an initiative fund, which will be gone in probably a year, is the way to deal with disabled children.

Mr. Crosby: Mr. Speaker, I do not know how long that speech was but it certainly went beyond the bounds of a question. I cannot even begin to take the time of the House to answer it but I will try and do it this way.

I listened carefully to the Hon. Member and sometimes I think her and her colleagues in the NDP, not only in this House but right across Canada, do not want to solve these problems. They want misery. They live on it. That is how they get elected. If you eliminated poverty in Canada they would be gone. They would be dead. They would have nothing to talk about. They do not want to solve the problems of day care. If you cannot get everyone in there who wants a space, then close the day care centre. Leave them out on the street. If they are out there they are on television and the NDP have a problem to present to the House.

If that is your attitude, oppose the Bill because it does not spell things out the way you want. If you want to keep people out of day care centres, if you want to keep children from having improved benefits, stop the Bill. Criticize it. Complain about it. Worry about whether the cover on the report is yellow or orange. Point these things out. Carp and crab and stand in the way of progress if that is what you want to do, but you are going to have to stand up and be counted. In Nova Scotia people found out what you were doing and they are going to find out nationally.

You thrive on poverty. You are going to nationalize poverty to eliminate it, but you cannot do it that way. You have to go out and fight it in the streets. You have to fight it in the institutions. You have to build the system, not denigrate it, not carp about resolutions or solutions. We are trying to resolve the problem. You are trying to stop the resolution.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The period for questions and comments is now over. The Hon. Member for Ottawa Centre (Mr. Cassidy) now has the floor.

[*English*]

Mr. Mike Cassidy (Ottawa Centre): Madam Speaker, I would like to thank the Hon. Member for entertaining the House with his comments and suggest that when he leaves this House, as he may well do after the election, he apply for a job at Skit Row row on Elgin Street in my constituency.

I would like to remind you that the history of this country over the last 50 years is that the New Democratic Party and the Co-operative Commonwealth Federation were the Parties consistently at the cutting edge in the fight for social reforms. Whether adequate pensions, medicare, or hospital insurance, it was the CCF that carried the fight. It was an NDP Government in Saskatchewan that brought in hospital insurance and medicare. The Conservative Party, backed by its allies and friends in the business sector, has consistently been on the opposite side, carping, complaining, bitching, and trying to find every way possible to oppose these social progress measures. I could go back to the 19th century—

Mr. Crosby: That is where you are.

Mr. Cassidy: —when people like the Hon. Member were saying we could not have laws to prevent child labour. They were saying Great Britain could not afford that and making similar arguments here. I think it is about time we had a Government that responded to the needs of average Canadians and their families. The legislation before us, Bill C-144, fails to do that. Nothing could indicate that more clearly than the fact that every one of the some 40 groups who appeared before the legislative committee on this Bill opposed it. They told the committee in very explicit terms how inadequate and flawed this legislation was.

The Hon. Member who just spoke on behalf of the Progressive Conservative Party, and I am not sure why they call themselves Progressive Conservatives, said: "Yes, it is a bad piece of legislation. It really does not do the job very well. However, do not criticize it. Accept it, try it out, and let us see what happens. In five or ten years we can turn around and maybe do something better".

There has been time enough and advice enough that we can do better now. That is why the NDP opposes this legislation. That is why we have been so unhappy and angry with the way the Government has pursued this legislation.

[*Translation*]

The Government has been in power for four years now. It was elected with a huge majority on September 4, 1984 and it has had a lot of time to implement a plan to finance and expand the child care system in Canada. Since 1976, Madam Speaker, the proportion of mothers in the labour force with children under three has increased from 30 to 60 per cent. Madam Speaker, if one includes all mothers in the labour force who have children that do not attend school full-time, the figure is now 75 per cent. So there is a great need for child care services, which is not at all being met by the inadequate measures proposed by the Conservative Government.

Personally, Madam Speaker, I am disappointed by the way the Government presented this Bill. Since its election four years ago, instead of bringing in a social reform package to implement a national child care system, the Government has chosen to use delaying tactics and schemes. It set up a special committee on child care, which admittedly heard a great deal of testimony and traveled across the country, but the recommendations made by families and Canadian men and women were ignored to such an extent that when Bill C-144 was presented in August 1988, this Bill was already challenged by

the 40 groups that had an opportunity to testify before the Committee in the mere two days reserved for hearings.

Madam Speaker, I wonder how a Government that prided itself on fiscal responsibility and on planning could wait until August, that is, until the 47th month of its term, to bring in a Bill to expand child care services in Canada. Madam Speaker, what did the Government do in those 47 months? The answer is that it found all sorts of ways to delay its decision.

Finally, what did it do? At last, it presented a Bill! Parliament again sat during the summer, because the Conservatives no longer know how to manage Parliament's business so that it sits 10 and not 12 months of the year.

The House met, we had maybe three days of debate at the second reading stage of the Child Care Bill, and after that, a legislative committee was formed. Did the Committee give the right to travel? Did the Committee give the right to hear all representations from groups interested in this Bill? No, it did not. Madam Speaker, the schedule set by the Tory majority for this Committee provided only two days for hearing witnesses, during which we heard about forty groups. There were no groups from Newfoundland, from Nova Scotia, from New Brunswick or from Prince Edward Island to make representations on the Child Care Bill. So there was no testimony on the impact of this Bill on the four poorest provinces in Confederation. Madam Speaker, the fact that the provinces are supposed to drop their support for day-care under the Canada Assistance Plan in order to receive the assistance proposed in this Bill is certainly significant to many groups in the Maritimes, since in many parts of the Maritime provinces, financial resources are such that they cannot even pay half the cost of commercial day-care, for instance, which will be subsidized under the system proposed by the federal Government under this Bill. However, we had no testimony from these provinces.

What will happen in Quebec? Only two out of forty groups that testified came from Quebec. I think it was the FTQ and the *Coalition pour les garderies de la province de Québec.* Only two groups were able to testify within the limited timeframe allowed the legislative committee by the Tory majority. Subsequently, amendments were examined in Parliament, at the report stage. This took about three or four days. After that, we got to third reading. At the third reading stage, the Government imposed closure to limit the debate to one day, which is today, which leaves us only a day or a day and a half to listen to the debate on third reading.

Madam Speaker, if the Government was truly proud of drafting legislation that had the support of Canadian families and Canadian women, would the Government have imposed closure? No. The Government would have been so sure of the Bill that it would have put the Opposition in a position where it had to support the Bill proposed by the Government. Madam Speaker, the reason we are opposed to this Bill is that we know we can defend our position before the electorate in a general election that will be called very shortly.

As you know, Madam Speaker, we will be criticized. True blue Tory Canadians will say, as did the Hon. Member for Halifax, that if the New Democrats are opposed to this Bill, they are opposed to supporting day-care. That is not the case. Canadians know our Party favoured a bill that would increase day-care services at a faster pace, by providing more spaces in less time and at a lesser cost then the Tory Government's proposal. We are proud of what was said by my hon. friend, our day-care spokesperson, the Hon. Member for Vancouver East (Ms. Mitchell) and by my Leader, the Hon. Member for Oshawa (Mr. Broadbent), on the New Democratic Party side.

I notice that in the polls, the Conservatives do not enjoy the same support among women as they do among men in Canada, and one wonders why. Could it be partly because the Tories continue to ignore the needs of Canadian families and that, although equality is now a fact, young children continue to be more the woman's than the man's responsibility, more the wife's than the husband's?

Such conditions still prevail, although we are trying to change the situation.

Canadian women know that the Conservatives' child care policy will not meet the needs of ordinary Canadian families.

Madam Speaker, what are the weaknesses of this Bill? It fails to set national objectives, and everybody came here to tell us that under the Meech Lake Accord we have the right . . . The national Government of Canada, the federal Government of Canada has the right to define in the legislation the national objectives which the provinces must fulfil if they are to benefit from the assistance proposed in a Bill on cost sharing programs.

Second, there is a lack of vision in terms of available child care options. In ever more families people seeking good jobs have or will have to choose between working the 8-to-5 shift or perhaps from midnight to 8 a.m.

Madam Speaker, what can we say to waitresses and women who work as hostesses, good work in a restaurant but more often than not they have to work evenings. Wages and tips are better in upper class restaurants, but invariably this is evening work. Are child care facilities open at night? Of course not. In addition, Madam Speaker, the jobs that are open require people to work outside normal hours.

Madam Speaker, if we want to tell women that they have just as much right as men to hold well paid jobs in non-traditional trades, if we want women to apply for work as electricians, plumbers, long distance truck drivers and similar employment, child care services will also have to be available during non-traditional hours because this kind of work is not necessarily done between 7.30 a.m. and 5 p.m. This issue has hardly been mentioned and there is no way the federal Government can force the provinces to set up child care facilities during such odd hours.

Madam Speaker, we could not help notice that child care Bill C-144 gives no special consideration to a number of groups

such as the Inuit and native people. Just one more problem ignored by the legislation! There is no guarantee that the necessary services will be offered by the governments or by child care centres.

Madam Speaker, the Government has promised the creation of 200,000 new spaces over a seven-year period, but we in the New Democratic Party believe this objective can be achieved within four years. The Government's premise is that the development of child care facilities in this country will slow down over the next seven years, and then nothing will happen after that. The funds made available for child care capital costs under this Bill will be expended at the end of seven years. After that, nothing at all!

Funds will be paid to child care agencies without any assurance that in certain cases existing child care agencies would be subsidized, something which would create new spaces under the measure proposed by the Government.

Madam Speaker, perhaps I might quote . . .

• (1210)

[*English*]

I would just like to mention as well that in deciding to give as much assistance to commercial day care centres as it is the Government is making a serious mistake. Among other things I fear that the Government may be opening the door—and the free trade deal will add to that—to for profit American day care chains establishing themselves here in Canada and to Canadians being unable to limit them—

Ms. Mitchell: The Liberals agree with that.

Mr. Cassidy: Apparently the Liberals agree with that—and by using the clauses respecting services in the trade deal to restrain them from any limitations by a federal Government or by the provinces. I know of some commercial services which are provided by small operators, let us say, a husband and wife who provide day care. There is a hands on delivery of service. Those kinds of services can, in certain cases, work well. However, some of those services, even where there is a hands on delivery and they are commercial, can work extremely badly.

• (1220)

I have been quite close to the case of a day care facility in the City of Nepean in the Ottawa area where members of the staff were paid from $9,000 to $12,000 per annum, but they were forced in certain cases to work longer hours than were being recorded on their pay sheets. In other words, their wages were being driven down by tricks like that. The operator used to come in and scream at her staff, and there was no qualified director despite provincial regulations that that be the case. The turnover was enormous. Often the requirements in terms of the minimum number of staff required to meet minimum ratios were not being met because workers were walking out in anger. People were not being paid. The workers finally got so angry that they chose to have a union but then the operator refused to bargain in good faith in order to establish a contract.

I could go on with this particular case. This is one of the problems which will emerge with the Government's unregulated proposals that do not set out national objectives, do not ensure quality day care, and will effectively leave things in the hands of provinces without really knowing exactly what is going to come out of it. In his own speech—

[*Translation*]

Madam Speaker, in his speech on the subject, the Prime Minister (Mr. Mulroney) stated that the Government wanted to introduce a child-care system that would be available, affordable, high quality and accessible. Unfortunately, the four objectives stated by the Prime Minister have not been met by Bill C-144.

As far as affordability is concerned, Madam Speaker, the Government will reduce instead of increase the growth of day-care spaces in Canada over the next seven years.

Affordability—if only it were affordable! Madam Speaker, in Sweden, under a Social Democratic government which has been in power for fifty years, a family with an income of about $25,000 earned by the head of the family and perhaps a joint income of $40,000 or $45,000 in Canadian dollars, pays about $200 a month for day-care services for each child. This is affordable, and this is a national service that exists across the country. People accept that. The situation is the same in France and in many other industrialized countries in Europe.

From time to time, people in Canada say we must compete with the Europeans. I agree. But I wonder why, in European countries, day-care is available for everyone, at a limited and affordable cost, while here many parents have to pay for informal services. They either have no access at all to day-care or they have to pay $800 a month, I believe, the service.

They used to say in England that if you were a member of the upper classes, as soon as your child was conceived, you had to enrol it in one of the famous public schools such as Eton or Harrow, to be sure the child would be able to go to that school once he was seven years old.

Madam Speaker, it seems we now have the same situation for day-care. When a child is conceived or even if you are only considering the possibility, if you want day-care for an infant under the age of two in Ottawa, you should consider registering it with a day-care centre because there is such a shortage of spaces.

We on this side of the House, Madam Speaker, believe that the Governement has proposed a poor way of spending taxpayers'money on children. Some people I meet on my door-to-door campaign have told me: I can't afford day-care! My answer was: You know that a lot of what the Government is saying is aimed at giving people in the middle or upper-middle class a minor tax reduction because instead of ensuring a good

supply of day-care services, in terms of spaces, the Government is wasting a large proportion of this money just to ensure that seven years from now, only 25 per cent of the spaces required for children whose parents work outside the home will be available.

Madam Speaker, I conclude by pointing out that nearly a million children in Canada live in poverty. We have a problem of poverty in Canada. This problem is in no way solved by Bill C-144 on child care. All who are closely interested in our children's needs, in our families' needs, oppose this Bill from the Conservative Government. So I say to the Conservative Government: Withdraw your Bill. You presented it too late for it to pass before the elections. Propose something really worthwhile for all Canadian families.

[*English*]

Mrs. Collins: Madam Speaker, despite all the rhetoric at the end of the Member's speech, I think he is talking to a different group of Canadian parents than the parents I have spoken to in the last few months. These are parents who are very happy and supportive of the initiative this Government has taken for the first time to make some very significant advances in the provision of child care services and to allow parents choices. Both the profit and non-profit sectors will be involved in the provision of child care.

I would really like to comment on the fact that both this Member today and his colleague, the Hon. Member for Kamloops—Shuswap (Mr. Riis), spoke last week about the fact that representatives who appeared before the legislative committee oppose this Bill. To set the record straight, in the goodness of the hearts of government Members on that committee, they proposed that the witness who appeared before the committee would be chosen by the Opposition. We gave up our spots and enabled the opposition Parties to choose the witnesses. Naturally they chose witnesses who opposed the Bill.

There were 44 groups that appeared. They represented a cross-section. There were witnesses from British Columbia, from Alberta, from Ontario, and from Québec, and they were groups which had an interest. Most of them would like to have universally available and financed child care, a goal which is just not realistic in terms of the cost to the country at this time. I was not surprised when I heard that those groups were not particularly supportive, but I do not believe they represent the broad interests of Canadian parents, Canadian parents who support this Bill and support this initiative.

I do not find it very surprising that the Hon. Member for Ottawa Centre (Mr. Cassidy), the Hon. Member for Kamloops—Shuswap, and other members of the New Democratic Party are asking the Government to scrap the Bill and are critical of it because they had a relatively small handful of groups and organizations from central Canada which were opposed to the initiative appear before the committee. I remind the New Democratic Party that the early committee, chaired by the now Minister of State for Transport (Mrs. Martin) went across the country—and many of my colleagues served on that committee—and heard from hundreds of organizations. They were presented with a wide variety of viewpoints and had a lot of support for the kinds of initiatives we have now brought forward.

This legislation is a major step forward and does indeed have the support of the majority of Canadian parents who will benefit.

Mr. Cassidy: Madam Speaker, I want to comment on the intervention of the Hon. Member for Capilano (Mrs. Collins) who represents one of the wealthiest ridings in the country. Perhaps tax breaks assist her constituents, but I would like to point out to her that if there were groups involved with the problems of families, of women and of kids across the country that supported the day care legislation, they have had six weeks or seven weeks to speak out. If the Conservatives agreed that those groups would not appear before the committee, why have those groups not spoken out in other ways? Why have we not been reading about their interventions in *The Globe and Mail* or *The Vancouver Sun?* Why have I not had correspondence from them urging me and members of my Party to support Bill C-144? The groups that have come forward carry a great deal of weight. I notice that the Canadian Day Care Advocacy Association was opposed to Bill C-144, as were the Canadian Advisory Council on the Status of Women and the National Action Committee on the Status of Women.

• (1230)

Does the Hon. Member for Capilano suggest that those groups have no credibility on this particular issue at all? Does she think that on day care we should be listening only to the Business Council on National Issues, the Canadian Chamber of Commerce, or the Citizens' Coalition in London with its right wing views? Is this whom we should be listening to, or should we in fact be listening to women?

The Labour Congress, the Canadian Union of Public Employees, the National Federation of Nurses' Unions, the Canadian Association of Social Workers, the Ottawa-Carleton Day Care Association, the teachers, and many other groups oppose this legislation.

The Hon. Member for Capilano speaks of the initiatives taken by her Government and suggests that those have aided families. Does she mean the deindexing of the family allowance, the deindexing of the child tax credit, the increase in taxes on average families of more than $1,000 since 1984 while taxes on rich people were reduced to aid people in her constituency? Does she mean the deindexing of the child tax credit? Are these the measures of which she is so proud? Let her defend those during the election campaign.

Mr. Gray (Windsor West): Mr. Speaker, I was listening to the exchange about the committee. I wonder if we could have an explanation of why, if the Conservatives wanted to bring people forward to the committee, to support their Bill, they limited the committee hearings to only two and a half days.

Surely if the Conservatives were worried that only one side of the argument was being presented they must share the blame for forcing the committee to restrict its hearings to only a few days.

Furthermore, I am given to understand that the opposition Members on the committee did not refuse to allow people who supported the Bill to come forward. If the Conservatives had people who wanted to come forward to support the Bill, they certainly could have had them on the witness list. I am sure Members will agree that the record speaks for itself. If no one came before the committee to support the Bill, that means that there was not a good word to be said about it by those who know the most about the child care field.

Mr. Cassidy: Madam Speaker, the Hon. Member's comments are well taken. I am puzzled. As I said earlier in my speech, if the Government wanted to ensure that there was adequate time to consider this matter, of course it could have brought its legislative project forward six months or a year ago. Instead, it was so tied up with the trade deal that it did not do so. Therefore it has boxed itself in. I suspect that this initiative will not be put into law and proclaimed because the House is likely to be prorogued for the election by the end of this week. If that is the case, the blame and responsibility are solely on the Government.

I appreciate what the Hon. Member says. I do want to say though, perhaps more in sorrow than in anger, that I noted with some concern that the official Liberal policy, although not mentioned by the Leader of the Opposition (Mr. Turner) today, is that the Liberal Party stands for expanding day care as the deficit is reduced. That suggests that its commitment to child care is a little less strong than he perhaps tried to suggest in the speech today.

The Liberals have supported funding for commercial child care. and I heard the Leader of the Opposition say today that there would be a child care foundation set up which would mean, effectively, that the ability of the Government of Canada to determine national objectives for child care would to some extent be either delegated or mitigated, or perhaps weakened, by such a foundation.

I believe that in the forthcoming election we will be talking about the record, not only of the Conservatives on major issues like day care but also about the record of the Liberals. Many people whom I meet on the doorstep these days are telling me that they do not like what the Conservatives are doing but that they still cannot forget what the Liberals failed to do when they were in office.

Bear in mind, Madam Speaker, that while child care funding did come out through the Canada Assistance Program, as the number of working women increased and the number of families in which day care was a necessity increased because there was only one income earner, one parent, in the family, there was no initiative to meet that from the Liberals. There was no national child care strategy proposed. In fact, if anything, the Liberals were trying to cut back in a number of these areas through such means as the Established Programs Financing Act, which of course took away funding from the Canada Assistance Plan at the provincial level.

I remark on that because, while the Hon. Member's comments on what the Tories did were well taken, I would not want people to fail totally to remember some of the problems in this area which existed under the previous Liberal Government.

Mr. Rob Nicholson (Niagara Falls): Madam Speaker, I am pleased to make a few comments on this debate. I would suggest that there is probably no Bill, certainly that I have heard of or witnessed, that has come before this Parliament on which there is so much misunderstanding and misinformation. It is clear, and the point should be made, that Bill C-144 will result in improved access to quality licensed child care in Canada. If the opponents were completely frank and open, they would acknowledge that.

I think that members of the Opposition know that by delaying it until after an election they will be breaking faith with the provincial Governments which are, at the present time, expanding their child care systems in the expectation that 75 per cent of their capital expenditures, and in the case of have-not provinces more than 50 per cent of their operating expenditures, will be reduced by the federal Government. If they do not allow this Bill to go through, they will have to answer to the provincial Governments which will not be able to get the funding upon which they are basing their present plans. As well, they will be breaking faith with the parents and children who will benefit now from an expanded child care service program.

If some of the simple facts were ever to get through to the Canadian people the opposition Members would be justly condemned as obstructionists by the parents, children, and provinces in Canada which have so much to gain by the passage of Bill C-144.

Instead of allowing this debate to go forward they want to distract the people of Canada. They put out misinformation which I think they know is incorrect in an effort to obscure the purpose of this debate. We should make very clear that this debate is about helping children in this country and that help will be delayed if the NDP and Liberals get their way in this debate.

It would be an endless task for me and every government Member to try to refute all the misinformation that has been placed before this Parliament, particularly by members of the NDP. However, I would like to touch on a couple of the different areas that I have heard discussed in this debate over the last couple of days.

We will remember some of the comments that were made by the Hon. Member for Kamloops—Shuswap (Mr. Riis). Some of those comments were picked up by the Right Hon. Leader of the Opposition (Mr. Turner) a little over an hour ago. I

would like to comment on some of those arguments and point out to this House why it is misinformation.

First, there is the red herring that while there were approximately 240,000 licensed day care spaces in Canada in 1987, there were two million Canadian children who needed licensed day care and that, therefore, this Bill's goal of adding 200,000 licensed subsidized spaces over the next seven years is totally inadequate to meet the needs.

I know that you have heard that argument, Madam Speaker, on many occasions throughout this debate. That figure of two million children represents every child in Canada under the age of 14, both of whose parents or whose single parent is working for pay or is a full-time student for at least 20 hours a week. Of these children about 850,000 are under the age of six while the rest are between the ages of six and fourteen. Can one jump to the conclusion that all these children, or even the ones under the age of six, required licensed day care?

Clearly the answer is no. That is not what Canadians told a special committee on child care.

• (1240)

The fact that children aged 6 and over are in school is a point that seems to be lost in this debate. They are in school for more than 20 hours a week and many under the age of six are in nursery school, pre-kindergarden or forms of non-parental care that are not counted in the total of licensed day care spaces. Many others are being cared for by a neighbour or relative in their home or in the parental home.

Also, many parents are able to arrange their work schedules so that one of them is at home with children while the other is earning. These facts have been completely ignored. I have not heard them mentioned at all in this debate by members of the Opposition.

We are told by opponents to the Bill that these so-called informal arrangements are forced on the parents by the absence and lack of licensed day care spaces. That is nonsense. In February, 1981, Statistics Canada surveyed Canadian families on their child care arrangements. At that time there were 1.13 million children under the age of six receiving some form of non-parental care. Of these, just 127,000, or 11.2 per cent, were cared for in licensed day care centres.

Parents were also asked to give up to three reasons for their current child care arrangements. The parents of only 89,000 children gave as one of their reasons that it was the only arrangement available or that they were not aware of alternatives.

Parents were then asked if they wanted to change their child care arrangements. The parents of only 165,000 pre-school children answered yes. When asked to give up to three ways they would want to change their arrangements, the parents of only 48,000 children gave as one of their desired changes an arrangement in a day care centre.

I am not saying that we only require 48,000 new child care spaces in Canada. The survey to which I referred was done seven years ago. While tens of thousands of licensed day care spaces have been put in place since then, I believe that the need has increased. But the survey demonstrates that the vast majority of parents then using informal child care arrangements were satisfied with those arrangements and did not want to change to have their child cared for in a licensed day care centre.

I would like to have seen a follow-up from that 1981 study, but I do not believe that the situation has changed to justify the argument that licensed day care spaces are required for every child of earning parents.

Those listening to this debate may not have guessed that this is an area within provincial jurisdiction. Our Government, under the leadership of the Prime Minister (Mr. Mulroney), is attempting to stimulate the provinces to add at least 200,000 new licensed subsidized spaces over the next seven years. What is the response to that? I have already mentioned the House Leader of the New Democratic Party. He said: "If the Government had done nothing at all, if it had not even introduced legislation, we would actually have more child care spaces than we have under this initiative". That is ridiculous.

Unfortunately, this comment was picked up by the Right Hon. Leader of the Opposition. No economist or person has studied what has actually happened in the day care field who would honestly and fairly make that kind of statement.

The NDP House Leader says as well that at the moment there are 240,000 child care spaces in Canada, and the Conservatives have said that over the next seven years they would like to add another 200,000 spaces. He said: "Over that length of time on an annual basis, that is an increase of about 10 per cent a year. We have seen a growth of about 15 per cent under the *status quo*".

Let me indicate what is wrong with that argument. First, the goal set by this Bill is one of adding at least 200,000 licensed subsidized spaces, not licensed spaces. Second, there are not 240,000 licensed subsidized spaces now, as suggested by the NDP House Leader. There are in fact 160,000. Our Government is proposing to increase that to at least 360,000 over the next seven years. That is the appropriate comparison and the one that should be made in the House in this debate. Of the 15 per cent annual growth in licensed spaces between 1982 and 1987 which the NDP House Leader refers to, just under 40 per cent was in commercial day care spaces. That is a form of child care which his Party would like to abolish. Obviously he did not take the time to reconcile his quotation of the facts with this fact.

Third, I believe that it is a rather elementary principle of arithmetic that growth rates tend to decline as the bases from which they are calculated increase. For instance, if one begins with 20,000 day care spaces in Canada and adds 20,000 each year, the growth rate in the first year is 100 per cent, then 50 per cent and 33 per cent the year thereafter. In short, the

growth rate falls despite the fact that we are maintaining the same level of increase. That is what is happening to the growth of licensed day care spaces in Canada. We are encountering the law of diminishing returns.

The provinces have told us that growth rates and absolute levels of growth in licensed spaces, much less in subsidized licensed spaces, would not be as sustained unless more generous cost-sharing arrangements than the Canada Assistance Plan provisions now available are provided.

Continuous growth in the number of day care spaces cannot be assumed. Between 1976 and 1978, the number of licensed care spaces available in Canada actually dropped by a total of 1,241. This occurred at a time when the female participation rate in the paid labour force increased from 56.8 per cent to 59 per cent, well above the average for the past 15 years.

Of those 160,000 licensed spaces which are subsidized either from direct operating grants or through parental subsidies, many are subsidized at very low levels, such as 38 cents a day or 50 cents a day. That is the present situation under the Canada Assistance Plan.

Under the legislation now before the House, we will not count any new subsidized space toward our goal of 200,000 unless it is subsidized by the province by at least $2 a day. We will not count the spaces that are subsidized at 38 cents and 50 cents. In other words, even saying that there will be an increase from 160,000 licensed subsidized spaces to 360,000 understates the extent of the improvement because many of those 160,000 spaces are subsidized at less than the level that would be brought about under this Bill. Only members of the New Democratic Party can describe that improvement as bringing the growth rate down.

In describing the recent 15 per cent annual growth rate in licensed spaces as inadequate, the NDP House Leader overlooks the fact that that is all his own Leader is proposing. He recently said that he would increase the number of licensed spaces over the next four years by 200,000. It is the same annual, inadequate growth rate of 15 per cent quoted by the NDP. The New Democratic Party states out of one side of its mouth that a 15 per cent annual rate is inadequate; then out of the other side of its mouth it trumpets its commitment to increase the number of spaces over the next four years by 15 per cent.

Finally, let us look at the growth rate record in licensed day care spaces in Manitoba from 1982 to 1987. When I was on the child care committee I could not wait to get to Manitoba. Manitoba alone would have the perfect system in Canada from all I heard about the NDP commitment. I was waiting with bated breath to find out what would happen in Manitoba.

• (1250)

I can tell Hon. Members, and the statistics will bear me out on this, that it is a pretty disappointing story here. I know that members of the NDP will agree with me when I say that. If there were a perfect system of day care, surely it would have been created in Manitoba with all those years of socialist government.

Unfortunately, the facts are these. The annual growth rate in licensed, non-profit spaces in Manitoba between 1982 and 1987 was not, as a matter of fact, among the highest in Canada. It was not even close. In fact, the growth rate was 8 per cent per year—barely half the national average for that period of time, putting socialist Manitoba number eight in growth rate in this country behind three of the four Atlantic provinces and behind the other two prairie provinces. While members of the NDP rant about increasing the growth rate, I wish they could have said something like that to the members of their own Party and done something about it when they had the opportunity.

Getting back to the speech read by the member of the New Democratic Party from Kamloops—Shuswap, he referred to the $3.94 billion in federal money committed in this Bill over the next years. He said: "What is worse is the Government is putting a cap on it. It is saying that this is it, that it will inadequately fund child care only for the next seven years".

There are two points that should be made in response to that comment. First, while there is an over-all cap and an annual cap on federal spending over the first seven years, that cap is set at such a level that it will permit a much larger financial commitment from the federal Government than would have been spent under the Canada Assistance Plan. Members of the New Democratic Party and the Liberal Party know that that is the case.

As well, I would like to make this analogy before I leave this cap of the federal Government. We have heard it a number of times. I will put it in terms I think Members opposite can understand. Let us consider a union which had been negotiating 5 per cent increases each year under a collective agreement and the employers came to members of the union and said this: "Instead of that 5 per cent agreement that you have been getting and negotiating each year we will give you 10 per cent and guarantee it every year". Would any union turn that down? Would the NDP turn that down? No. That is why the provinces will be co-operating with us in the implementation of Bill C-144.

Second, since the purpose of this Bill is to improve the availability and affordability of quality licensed child care in Canada, it proposes a seven-year boost period in which the number of licensed spaces will more than double. After that, our Government, again under the leadership of the Prime Minister, will see to it that we continue with our commitment. We will all be here to do that. Members of the New Democratic Party and the Liberal Party will not be. They will have an even narrower corridor in this House. But I know the Prime Minister will continue beyond that to assess the situation and take care of the needs of all Canadian children.

I see that my time is just about up. I am very pleased to have been able to make some comments. This is a great step

forward. This is an historic document for Canada's children, and one that if the NDP and the Liberals or their friends down the hall block is one with respect to which they will have to pay the price and answer some tough questions from Canadians in the next general election.

The Acting Speaker (Mrs. Champagne): Are there questions or comments? The Hon. Member for Vancouver East.

Ms. Mitchell: Madam Speaker, I certainly listened with interest to my friend's remarks. It is a good thing that the Hon. Member for Kamloops—Shuswap (Mr. Riis) made a speech, otherwise I do not think that the Hon. Member would have had anything to say today. He certainly used that speech as his background.

Since the Hon. Member was on the Special Committee on Child Care and also on the legislative committee and must have been very involved in the government planning for child care, why did the Government decide to put a seven-year limit on this program? Why are capital funds only going to be available for seven years? Why are they grandfathered at that point?

There is a great need for child care across Canada. Every indication is that that need will increase and not decrease, particularly if employment remains up—and members of the Government have been bragging about employment which means many more jobs for women. It goes without saying that the need and demand for child care will increase. I want to ask the Hon. Member this question. Why has the Government limited the amount of money that it will provide to only 200,000 spaces over seven years? That really is not very much. Why did the Government just pluck an arbitrary figure out of the sky?

If members of the Government were to look at the information from the Day Care Information Centre, which is a branch of Government, they would see that the figures that were provided show that this would not even meet 25 per cent of the need for child care in Canada. Children are not going to go away. We are going to have more and more children of working mothers, fathers, and single parents who will need child care.

When there is such a need and when that need is going to increase, I am wondering why the Government has put these two limits on—the seven-year limit and the 200,000 spaces. There is another limit in the Bill which is very subtle. The poorer provinces, the Atlantic region in particular, had no representation at committee to speak about this matter, nor did the two territories. Yet we know that they are very undeveloped as far as child care services are concerned. There are many caring people in those communities, but there exists mainly an informal type of baby-sitting arrangements. The people we heard from when we toured those areas indicated they wanted to have training programs. Some provinces do not even have a basic training program for child care workers. They certainly need to get decent wages and need to get licensed centres and licensed family day care homes so that they will be able to have good quality, affordable care and pay decent wages.

Why also is the Government at the end of this seven-year program saying that it will reduce the top-up in the variable cost sharing for the poorer provinces and territories? Again, that seems quite unrealistic. Many of them will just get organized about half-way through this period and will not be able to have reached anywhere near meeting their needs by the end of seven years.

The questions are three. Why just seven years? Why is there this arbitrary figure of just 200,000 spaces? Why is there a reduction in cost sharing for poorer provinces at the end of seven years?

Mr. Nicholson (Niagara Falls): There is a lot there, Madam Speaker, and I see I do not have much time.

Let me pick up on one of the points I would like to clarify for the House. I refer to the the Hon. Member's comments which would leave the impression that somehow people from all areas of the country were not heard on this particular subject. That is nonsense. As a member of the Special Committee on Child Care, of which she was a member, I think that committee heard more witnesses, had more briefs, and we did more research on this—

Ms. Mitchell: I rise on a point of order, Madam Speaker. I think the Hon. Member should be factual. This was a legislative committee with experts who were here on this Bill. This Bill was not before us when we had the Special Committee on Child Care. There were no Members from the Atlantic regions or the North, and only one from most of the other provinces.

The Acting Speaker (Mrs. Champagne): I realize the Hon. Member for Niagara Falls may want to continue to respond to the comments made by the Hon. Member for Vancouver East, which could be done after Question Period. There are five minutes left in the period for questions and comments.

It being 1 p.m., I do now leave the chair until 2 p.m.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

AIR CANADA

TRANSPORTATION OF PCBS ON PASSENGER FLIGHTS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, this weekend it was revealed that Air Canada transported 27

tonnes of PCB wastes to Great Britain on three different commercial flights. In doing so, Air Canada complied with international and federal laws and regulations.

While legal, this action raises serious questions. Should toxic wastes be transported with passengers? Are we fully aware and willing to accept, should a flight crash, the consequences of the burning of PCBs, perhaps in a densely populated area near the airports where the flight takes off and lands?

So far, the Minister of the Environment (Mr. McMillan) has not announced in his PCB policy that he would ban the export of PCB wastes from Canada. He has the power to do so, through the Environmental Protection Act.

We urge the Minister to adopt a policy whereby we manage our toxic wastes at home instead of shipping them to other nations. The Minister should use the power that he has and ban PCB exports from now on.

* * *

SPORTS

OLYMPIC GAMES—BEN JOHNSON, 100 METRE WINNER

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, some people complain that Canada is giving too much to the Third World. But often that world gives much to Canada, such as our first 1988 Olympic Gold Medal.

All Canada is bursting with pride today because of Ben Johnson, and especially so is the City of Scarborough, where he grew up. But if his mother, Gloria, had not brought Ben and her other children from Jamaica less than 20 years ago, Canada would be less proud as a nation and Scarborough less proud as a city.

When anyone says that Canada is admitting too many immigrants—and I have heard many say that—let him ask himself if he would like the number to have been one less the year that Ben Johnson came here as a young child.

Some Hon. Members: Hear, hear!

* * *

SPORTS

OLYMPIC GAMES—BEN JOHNSON, 100 METRE WINNER

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, it was a difficult week for those of us who dared dissent from the professional pessimism of Canadian sports journalists. But not for Ben, who was carefully and quietly maintaining his own counsel, seemingly expending, sometimes dangerously, little of his talented reserves, and sowing deliberate doubt, mostly, though it was not noticed, among the competition.

Finally, the gun went off, and as Ben promised, the race was over. At that moment, among Canadians throughout the world a brilliant flash of ecstatic joy drowned the shadows of doubt.

There remains a euphoric glow as we remember, as we will always remember, the explosive flight from the blocks, the arm raised not only in victory but in a promise of victories yet to come, and the flag—the Canadian flag—flashing red, the colour of passion, and of passionate pride.

We salute you, Ben, and we thank you not only for a victory of historic and incomparable magnificence, but as well we thank you for a lesson in the persistent pursuit of excellence provided for our youth, for our nation.

Some Hon. Members: Hear, hear!

* * *

AGRICULTURE

MANITOBA FARMERS—COMPENSATION FOR WET WEATHER CROP LOSSES

Mr. Maurice Foster (Algoma): Mr. Speaker, the Prime Minister (Mr. Mulroney) for the last three months has been announcing billions and billions of dollars' worth of promises to Canadians. Over a year ago the then Minister of Agriculture announced that farmers who are farming in the Interlake area of Manitoba would receive a special payment of some $1.5 million in co-operation with the provincial Government. This would be a special payment for the loss of crops in the fall of 1985 and 1986, due to the damp and wet weather during those two seasons in which they lost their crops. Over 400 farmers are still waiting for these payments promised by this Government.

I call on the new part-time Minister of Agriculture (Mr. Mazankowski) to make good on this promise by the former Minister of Agriculture, and not renege on this promise to these hard-pressed farmers, as the Prime Minister has on many of his other promises.

* * *

PIPELINES

VANCOUVER ISLAND NATURAL GAS PIPELINE

Mrs. Mary Collins (Capilano): Mr. Speaker, the announcement last Thursday that the federal Government would contribute $150 million towards the construction of the Vancouver Island gas pipeline is not only the fulfilment of a project which the members of the B.C. caucus have worked towards for many years, but it will bring real, tangible benefits to thousands of British Columbians on Vancouver Island.

Often missed in the discussion are the opportunities which it will bring to residents on the Sunshine Coast, and particularly to the wonderful community of Squamish on the Howe Sound.

Now the people of Squamish will be able to look forward to a cheaper source for domestic heating, but even more important, to the possibility of attracting new industry to their community.

With an economy based on forestry, Squamish is well situated on tide water. Now, with the possibility of natural gas—a clean and efficient fuel—it is a logical location for development of new industries to add value to the forest resources and to diversify the economy.

The Vancouver Island gas pipeline is not only good news for Vancouver Island, it is very good news for Squamish.

* * *

FOOD

SUSPENSION OF FINANCING FOR THIRD WORLD FOOD IRRADIATION PROJECTS

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, funding of food irradiation projects in developing countries has been put on hold by the International Finance Corporation, an affiliate of the World Bank. The corporation claims that it would be inappropriate to finance food irradiation projects in developing countries until the technology gains wider consumer acceptance and commercialization in Canada and the United States.

It concluded: "Issues related to the environment, consumer acceptance and operating safety of food irradiation projects are so complex that it is unlikely that such projects in developing countries will meet our stringent standards".

Canada, a member, investor, and shareholder in the IFC, is involved in many food irradiation projects abroad. The Canadian Government has declared the technology safe, and this summer it introduced regulations that permit the widespread use of the technology on Canadian foods.

When the only way that Canada can get food irradiation technology into Third World countries is by giving it away through CIDA, we certainly question the wisdom of imposing it on the Canadian public.

Once again I call on the Government to abandon its ill-considered plans for food irradiation, both in Canada and in the developing world.

Some Hon. Members: Hear, hear!

ENVIRONMENTAL AFFAIRS

METROPOLITAN TORONTO—GARBAGE DISPOSAL—FEDERAL ROLE SUGGESTED

Mr. Alan Redway (York East): Mr. Speaker, next to the housing crisis and the ever present danger of dioxin seeping into drinking water from the chemical dumps on the American side of the Niagara River, garbage disposal is the greatest problem facing the Metropolitan Toronto area.

Every Metro resident creates one kilogram—2.2 pounds—of garbage each day. Fifty per cent of all garbage comes from packaging. Individuals can help to reduce the amount of garbage by recycling and by using environment-friendly biodegradable shopping and garbage bags.

Just as the federal Government has a role to play in solving the housing crisis and in cleaning up toxic waste, it also has a role to play in reducing the amount of garbage generated by packaging. So let us get on with it.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

REQUEST THAT 10-WEEK QUALIFYING PERIOD FOR BENEFITS BE RETAINED

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, in New Brunswick on the weekend, I heard things that trouble me. I heard angry words from people affected by the changes to the qualifying period for unemployment insurance. In many cases in New Brunswick, it is difficult to find 16 weeks of employment when under the best conditions, it is hard enough to find 10.

The workers' anger is a result of the Government's lack of concern for the problem. Although this Government changed the unemployment insurance regulations to accommodate people in a region of Quebec, it has done nothing for the people in New Brunswick.

This injustice cannot continue any longer. The Government is provoking the workers. The Government's inaction could have unfortunate consequences. The Government cannot threaten the income security of families and expect people to take it lying down. The Government must act now. It is urgent!

* * *

[*English*]

THE ECONOMY

FOURTH QUARTER JOB CREATION PROSPECTS

Mr. John Oostrom (Willowdale): Mr. Speaker, a poll reported by the *Montreal Daily News* on September 22 found

that jobs are being created at an unprecedented rate in the fourth quarter, which is traditionally a slow growth period. There were 1,500 companies polled across Canada. About 26 per cent said that they plan staff increases, and 13 per cent said that they plan to reduce staff. Job creation in the fourth quarter is the highest for any year in the 1980s.

Take construction, for example, which faces lay-offs at this time of the year. It is reported that 23 per cent will be seeking to increase their hirings.

This trend is concrete proof of our Government's economic policies which have seen the creation of 1,295,000 jobs, lower interest rates, price stability, low inflation, and an improved investment climate.

* * *

• (1410)

PLANNED PARENTHOOD WEEK

NEED FOR EDUCATION AND COUNSELLING

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, since this week is Planned Parenthood Week I would like to take this opportunity to congratulate the Planned Parenthood Federation of Canada for its excellent work in the field of healthy sexuality.

Planned Parenthood is calling upon government to move quickly to formulate and adopt a comprehensive reproductive health policy which provides sex education in schools and homes, access to birth control information and services, as well as counselling and research.

Canadians are incurring extremely high health care costs, both social and personal, because of the lack of information and services in the field of sexuality.

We urgently need a co-ordinated approach to provide education and counselling services. At present various Departments at all levels of government deal with only parts of this problem. This completely fails to provide adequate information or reproductive health services for Canadians.

In today's world, especially with the pressure of AIDS, other sexually transmitted diseases, and unintended pregnancies, such a policy is desperately required.

I urge the Government to develop a comprehensive reproductive health care policy immediately in consultation with the Planned Parenthood Federation of Canada.

[*Translation*]

POLITICAL PARTIES

GOVERNMENT'S INITIATIVES—POSITION OF LEADER OF THE OPPOSITION

Mr. Marc Ferland (Portneuf): Mr. Speaker, I wish to thank the Leader of the Liberal Party for having circulated to the press a list of 69 initiatives our Government took between May 30 and September 9. However, he does not seem to agree with many of those initiatives.

Am I to understand he is against the $110 million for cleaning up the St. Lawrence River; the $515 million for Quebec regional development; the $25 million for the establishment of a geoscience research center in Quebec; the $30 million for the upgrading of the airport in Montreal; the $600 million Mr. Masse announced in Montreal for research and development of new energy sources and energy conservation?

Am I to understand that if the Liberal Leader were elected, he would tear up those agreements?

* * *

[*English*]

SPORTS

OLYMPIC GAMES—BEN JOHNSON, 100 METRE WINNER

Hon. Bob Kaplan (York Centre): Mr. Speaker, I rise to pay tribute to Ben Johnson for his remarkable and heroic achievement which has brought so much glory and honour to his adopted country of Canada.

More than glory and honour, I can report that benefits are already abounding. On Sunday I attended a rally in the Jane-Finch area of my riding called "Say No to Drugs". Of course Ben Johnson's flying start was much admired. There were hundreds of kids around the field showing, like Ben Johnson, that people can fly, or try to fly, without the benefit of drugs.

* * *

PUBLIC SERVICE

WAGES OF EAST COAST NAVAL DOCKYARD WORKERS

Mr. Howard Crosby (Halifax West): Mr. Speaker, I was shocked last week, and I am sure that some of my Nova Scotia colleagues share my concern, when we heard the Minister of State for the Treasury Board (Mr. Lewis) indicate that regional wage rates would continue to be paid with respect to members of the ship repair unit at CFB Halifax.

The reason for our concern is that we on the East and West Coasts are asked to share in other elements of the nation's economy, in particular high interest rates generated from the Province of Ontario. I was especially concerned that a Member

from the Province of Ontario saw fit to raise this particular point in the House of Commons and say that he certainly did not want people on the East Coast to share in the revenues of Canada to the extent of having parity.

I am sure that westerners will agree with me that wage parity is an essential element of our parliamentary situation. We pay ourselves on an equal basis. We pay the Armed Forces on an equal basis. If we are going to pay public servants on a different basis, then we better have a very good reason for it. I would like the Minister of State for the Treasury Board to tell me very exactly what that reason is.

* * *

EMPLOYMENT

CALL FOR OLDER WORKERS PROGRAM

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, for two and a half years the Government has announced that it would have a program for older workers, and it still has not delivered. I am very concerned that there are many resourceful people in our community who cannot find work because this program will not be implemented.

The Hamilton Help Centre went around the program and found one that the Government could deliver. For two years it has been operating with an 86 per cent success rate. Now the Government is about to cancel that and not give it any other options. This is a disgrace for older workers.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—POSITION OF LEADER OF THE OPPOSITION

Mr. William C. Winegard (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, last weekend on a national television show the Right Hon. Leader of the Opposition (Mr. Turner) spoke about the free trade agreement with the United States.

Unfortunately, rather than shedding light on the agreement he perpetuated many of the myths. For example, he insists that we cannot continue our policy of helping the various regions of Canada. We know that is simply not true. There is nothing in the agreement with respect to regional development. Nothing has changed and nothing will be changed in 1990 over what it is in 1988. The people of the West know that, the people of Québec know that, and the people of the East know that.

Mr. Speaker, is it not time that we began to look at the specifics of the agreement rather than perpetuate the myths? We owe the people of Canada that.

ORAL QUESTION PERIOD

[*Translation*]

NATIONAL DEFENCE

SALE OF MOISIE BASE—MUNICIPAL EVALUATION—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, further to our discussions last Friday, my question is directed to the Minister of Public Works.

Saturday, the Minister issued a press release in which he confirmed that the sole assessment made of the property in question amounted to $28,000 and that the property was being sold for $187,500.

Mr. Speaker, on Saturday the Minister informed us that according to him this property, which includes 93 houses, a community. centre, an Economat store, an electric power station and 733 acres of land on one of the ten best salmon rivers of the world, was worth $28,000.

Mr. Speaker, the Minister went even further. This year, he went so far as to send an initial payment of $50,000 to the Town of Moisie, in lieu of taxes, and the town says the total tax bill will be $113,454.51 for a municipal assessment of $6.2 million.

My question to the Minister is this: How can he send a cheque for $53,000 as an advance payment in lieu of taxes on a property whose value he assesses at $28,000? How can a ratepayer pay more in taxes than his property is worth? How is that for incompetence! Could the Minister explain this discrepancy to the House?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I confirm the information in my statement released during the weekend that there is only one appraisal outstanding for this property by a competent appraiser. It states that the value is $28,000.

Some Hon. Members: Oh, oh!

Mr. McInnes: In response to the tender call, 19 firms submitted a quotation of the value of the property; 17 of those were under $12,000, one was $50,000, and the other was $100,000. I suggest that that is the best indication of the value of that property.

[*Translation*]

LETTER SENT TO MINISTER—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, I want to direct another question to the Minister. As we know, his valuation is not reliable, because even the Prime Minister's friend says the asking price is $30,000 for one house only. Therefore, I feel the Hon. Minister should check his figures and see what is going on in Moisie, because that property is

worth much more than the $28,000 referred to by the Minister, as he himself acknowledged when he paid municipal taxes based on a $6.2-odd million valuation, unless of course the Minister is utterly incompetent.

But I would like to deal with another aspect of his press release, in which the Minister confirmed having provided the RCMP with the letter he received on August 8, 1988, from Mr. H.D. Hyland.

What he failed to say is at what point in time that letter was provided to the Royal Canadian Mounted Police. And I know Mr. Hyland has not yet been questioned by the RCMP. Therefore, what has the Minister been doing with that letter between August 5 and last weekend?

• (1420)

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I am very anxious to make a comment on the whole of this case, but unfortunately, because of the RCMP investigation, I am precluded from doing so.

Some Hon. Members: Shame!

Mr. Speaker: I would remind Hon. Members that, while I understand their interest in this case, the Hon. Minister is trying to respond to a question asked by one of their colleagues and they should extend him the courtesy of being able to do so. The Hon. Minister.

Mr. McInnes: Mr. Speaker, Hon. Members cry "shame". If I did try to pre-judge this case the Hon. Member would be the very first person in this House saying that I improperly interfered with an RCMP investigation.

* * *

PUBLIC WORKS

MINISTER'S HANDLING OF OFFICIAL'S LETTER—SALE OF MOISIE LANDS

Hon. Bob Kaplan (York Centre): Mr. Speaker, we are not asking questions having to do with the affair that the Minister tells us the RCMP is now investigating. The simple question put to him is about his conduct as a Minister. That question is: having acknowledged that he received the letter on or before August 5, when did he do something with it and what did he do with it?

It is his conduct we are questioning, not the conduct involving the sale of the land.

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I repeat, and I will continue to repeat, that while I am very anxious to comment fully on this file, of which I have and have had total knowledge, the matter is the subject of an investigation by the RCMP. They will report soon enough and then the Hon. Member can ask me any question he wishes.

BIDDING PROCEDURE—LEGAL OPINIONS

Hon. Bob Kaplan (York Centre): Mr. Speaker, I want to turn to another aspect of the matter, the bidding procedure. In the questioning last week Mr. Hylands was quoted accurately from his tape as indicating that the Department had legal opinions condemning the bidding procedure followed. I want to ask the Minister about those legal opinions.

Does he have them? Has he reviewed them? If the procedures did not meet government standards or the standards they should have, what is the Minister going to do about it?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, no legal opinions were ever given to me at any time during the course of this particular matter. Legal opinions have now been brought to my attention. Nevertheless, I reiterate and confirm that we must and should, in the interests of all those people who may or may not be prejudiced as a result of the investigation, and in fairness, let the RCMP continue and finish its investigation.

[*Translation*]

MOISIE AFFAIR—MINISTER'S POSITION

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, my question is for the Minister of Public Works and concerns his conduct as a Minister of the Crown upon receipt of the letter from Mr. Hyland about August 5, which is some seven weeks ago.

Can the Minister indicate . . . The questions do not concern the conduct of the RCMP, but of the Minister before the RCMP investigation was launched. The RCMP received the letter from the Minister.

How long did the Minister take to decide to give the letter to the RCMP after he received it? Did the Minister turn over the letter right away, because of the very serious allegations made by Mr. Hyland, or did he delay for some time, perhaps until this week? If there were delays, why?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I suppose the Hon. Member might temper his remarks if he knew what was in the letter. I have indicated that I had the letter. It is now in the hands of the RCMP. I will refrain from making further comment until they have completed their inquiry.

[*Translation*]

APPARENT DELAY IN FORWARDING LETTER TO RCMP—MINISTER'S POSITION

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, we have not seen the letter, but we have heard the tape recording by Mr. Hyland that apparently contains the same allegations as

were made in the letter that the Minister received in early August.

If the Minister did nothing with the letter, if the letter contains serious allegations and the Minister did nothing for six or seven weeks, we must ask the Minister to resign for failing to do his duty.

So my question is: When did the Minister submit the letter to the RCMP and why did he defer giving the letter to the RCMP once he had read it?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the Hon. Member and others are making and have made many erroneous statements of fact. Some of their statements are based on conversations on a tape, some on a letter which they have not seen. People up there are making error after error. I would like to try to clarify it but I must await the report of the RCMP investigation.

CONTENTS OF LETTER

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, we are talking about the conduct of the Minister prior to his passing this letter on to the RCMP and the commencement of their investigation. We are talking about whether or not the Minister acted appropriately and properly. He knows the letter will sooner or later be made public. In not indicating when he passed it to the RCMP he is indicating that he must have failed in his duty as a Minister to pass that letter on if it contained serious allegations.

Did it contain serious allegations? If it did, how long did the Minister have it and why did he not pass it on to the RCMP immediately?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I would ask the Hon. Member to have patience.

MINISTERIAL RESPONSIBILITY

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the Deputy Prime Minister and I have been following this issue and I would like to put a question or two to him relating to the sale of the radar base in the Prime Minister's riding.

Quite apart from the issue of any criminal responsibility or any investigation by the RCMP, there is the issue of political responsibility and competence. I would have thought that the Government by now, particularly after the multimillion dollar Parker inquiry, would have understood the difference. We are talking here about ministerial responsibility and ministerial competence. I will try to stay within the facts as they have been presented to the House.

Speaking to the Prime Minister through the Deputy Prime Minister, does he think it right for a Conservative organizer to have interfered actively in the bidding process and sale of the radar base? Was it right for the former Conservative candidate from Hull, now on the staff of the Minister of Public Works, to intervene in the process?

Mr. Speaker: The Chair is in some difficulty. These seem to be very direct charges.

Some Hon. Members: Exactly!

Mr. Speaker: I have had to say in past cases like this that it is not appropriate to use a preamble to make a charge. If a charge is to be made, there are of course formal ways to do it. I know the right hon. gentleman would understand that.

At the same time I am repeating what I have said in the past, that on issues like this the Opposition not only has a right to ask questions, it has a duty. At the same time I have to ask Hon. Members to make sure that the preambles to the questions do not amount in effect to a charge in lieu of a charge put in a formal way.

Mr. Turner (Vancouver Quadra): Mr. Speaker, I will stay within the parameters you have laid down. My questions are also within the parameters of the issues discussed here Thursday, Friday, and today.

Was it competent for the Minister of National Defence to say there had been no intervention by the Prime Minister's Office when we learned there was a phone call from that office? Was it right for the Minister of Public Works to be meeting only this weekend with his staff on this issue when he received a registered letter from a senior official of his Department on August 5?

Hon. Don Mazankowski (Deputy Prime Minister, and President of the Privy Council and Minister of Agriculture): Mr. Speaker, the Right Hon. Leader of the Opposition is a distinguished Member of this Chamber and has served here for a long time. He is also a lawyer and I think he knows something about basic and fundamental justice. I believe he is indeed making allegations which I am not sure he can substantiate. Perhaps it is time for me to remind the Right Hon. Leader of the Opposition of the four criteria that he set out to govern the conduct of his own members in dealing with these kinds of issues.

I am reading from the *Toronto Star* and an article by Joe O'Donnell where the right hon. gentleman said that strict rules of conduct for MPs should be applied. Number one, unless you know the facts and really know the facts, don't say them. Number two, know when you have made your case. Number three, remember that this is not only affecting government but an institution called Parliament, and affecting us as Members of Parliament.

Mr. Rossi: Number four, answer the question.

Mr. Mazankowski: The fourth one is to remember that we have unemployed out there and farmers and fishermen and other people who are in desperate difficulty. Perhaps the Right

Hon. Member might be of more value to the country in addressing those issues. I suggest he heed his own advice.

• (1430)

REQUEST FOR PARLIAMENTARY INQUIRY

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, I will not only do my best to stay within your parameters but also within the criteria that I set for myself. Nothing is more important in this House, and the Deputy Prime Minister knows it, than political responsibility and the accountability of Ministers.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): Let us deal with some further facts. We are told that the Department of National Defence valued the radar base at $4.5 million but it was sold for $187,500.

Mr. Beatty: Who told you that?

Mr. Turner (Vancouver Quadra): Over 700 acres in the Prime Minister's riding—that is a fact—

Mr. Beatty: Who told you that?

Mr. Turner (Vancouver Quadra): —93 homes on that property—that is a fact—were sold by the federal Government for a total of $187,500.

We are also told, and the Hon. Member for Shefford (Mr. Lapierre) has produced the assessment list, that the municipal property taxes on that land this year were $113,000.

Mr. Fennell: It is a radar station.

An Hon. Member: A year?

Mr. Turner (Vancouver Quadra): A year, for which the Minister's own Department sent an interim cheque for $53,000. The property is assessed by the Town of Moisie at over $6 million. Those happen to be facts.

Wouldn't the Deputy Prime Minister feel in the circumstances that the Prime Minister ought to authorize a parliamentary inquiry relating to political responsibility here to ensure that the property sold in the Prime Minister's riding, owned by the federal Government, was sold at an unbelievably low price against all the available facts?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I ask the Right Hon. Member how much he would pay for one slightly used radar base? The proof of the pudding is that 19 firms, people knowledgeable in that particular area, people knowledgeable in real estate, people knowledgeable about the future, made bids. Seventeen of them were under $12,000, one was $50,000 and one was $100,000. Isn't that the fairest indication of the value of this property, Mr. Speaker?

[*Translation*]

REQUEST FOR PUBLIC PARLIAMENTARY INQUIRY

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, in the July 12 issue *Le Nord-Est*, a newspaper published in the Prime Minister's ridding, reports that Mayor Bernard Saint-Laurent has denounced the politicization of this case and the newspaper refers to political interference in the sale of this property. What did the Prime Minister do when he read this paper, a paper published in his own riding?

On August 5 the Minister of Public Works got a letter from one of his senior Quebec officials claiming there had been interference. What did the Minister do before the weekend? Absolutely nothing! Will the Prime Minister give Canadians a public parliamentary inquiry to uncover the real objectives and reasons why the property was sold at such a ridiculously low price?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the Minister of Public Works has tried to answer the questions—

Some Hon. Members: He never did.

Mr. Mazankowski: —within the limitations that are placed upon him as a result of the RCMP review.

Mr. Cassidy: Not true.

Mr. Mazankowski: The Hon. Member talks about facts and then he quotes from a newspaper. I am not sure whether he can substantiate them but if he wants to quote from a newspaper, maybe we should quote *The Montreal Gazette* for September 24, from an article by Bill Johnson which really puts this whole thing in perspective.

Referring to the Liberal Party, he wrote:

> The Commons way is to smear, to rush to judgment, to condemn before hearing, to demand instant answers to complex questions and to shout "coverup" if the answers are not instantly supplied—as they cannot be.
>
> There is no concern for people's reputations, no respect for the presumption of innocence until guilt is established, no sensitivity to fairness in the manner of raising questions and in allowing people properly to defend themselves.

Where is the fairness in this institution, Mr. Speaker?

FORWARDING OF LETTER BY MINISTER TO RCMP

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, the Deputy Minister is quite right. What we are concerned about here are facts.

I want to ask the Minister of Public Works to answer a specific question with respect to the facts surrounding this case. How long did it take him to pass on the letter that he received from Hugh Hylands to the RCMP? How much time elapsed between the time he received that letter and the time that he passed it on to the RCMP?

Hon. Stewart McInnes (Minister of Public Works): As soon as I knew there was an investigation into this matter, I immediately gave the letter to the RCMP, Mr. Speaker.

Some Hon. Members: Oh, oh!

[*Translation*]

QUERY WHY MR. HYLAND'S LETTER WAS NOT FORWARDED IMMEDIATELY TO RCMP

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, for the first time, the Minister has admitted that he handed over Mr. Hyland's letter to the RCMP six or seven weeks after he received it. The people of Canada are fed up with a government which spends public money on gifts to Conservative friends.

My question is very straightforward, Mr. Speaker. Why did the Minister wait some six or seven weeks before handing over to the RCMP such an important and incriminating letter? Why didn't he hand it over immediately?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the basis of that question, the basis of all the reports is that there are some facts of which they have knowledge which were not indicated in the letter.

I have indicated to the RCMP they can have all the material. I have given them all the material germane to this particular issue. If the Hon. Member has knowledge of some particular fact or correspondence, he should give it to the RCMP. The Hon. Member assumes there are incriminating facts in the letter.

Mr. Robinson: You have the correspondence.

Mr. McInnes: Let the RCMP make that decision.

* * *

ENVIRONMENTAL AFFAIRS

LICENSING OF RAFFERTY DAM—MINISTER'S POSITION

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I would like to raise a question concerning the integrity, veracity and credibility of the Minister of the Environment.

We have put questions in this House previously about the resignation from his staff of Miss Elizabeth May, senior policy adviser, in which she alleged there had been a political deal by which the Minister of the Environment would sign off a licence for the Souris Rafferty Dam project on the Souris River in exchange for the Grasslands Park project in Saskatchewan without undertaking any environmental impact studies or reviews on how it would impact upon the Province of Manitoba. These allegations have been said by the Minister to have no foundation.

We now have a secret briefing paper prepared by officials of the Department of the Environment given to the Minister before his meetings with the Premier and Deputy Premier of Saskatchewan in May in which it clearly states:

> The Deputy Premier might offer a compromise linking an agreement on the creation of the Park to the early issuance of the IRIA license for the Rafferty/Alameda Dam.

This is a clear and direct refutation of the statements made by the Minister in this House and made by the Premier and Deputy Premier of Saskatchewan, and supports the allegations made by Miss May.

In light of this kind of evidence, is the Minister prepared to retract his previous statements and try to explain to the people of Manitoba why he went ahead and sold away their environmental concerns and responsibilities, to say nothing of his own responsibilities, for the sake of the kind of political deal that his Prime Minister wanted him to sign?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Hon. Member says that he has in his hands some leaked secret briefing notes to the Minister of the Environment documenting that the Minister of the Environment traded a park for a dam or a dam for a park. I invite the Member to read those briefing notes.

Prior to my meeting in May with the Deputy Premier of Saskatchewan, a meeting was scheduled between myself and him for December 16. Those are the briefing notes he has and the meeting never occurred. It was impossible for the two of us to mesh our respective schedules and arrangements. The briefing notes have no import. What is more, they were prepared by my officials in light of some conjecture, some speculation, by environmental groups in the west that the Province of Saskatchewan might—I stress might—link the Rafferty Dam with the formation of a Grasslands National Park. In light of that conjecture, the officials rightly advised me that the matter might be raised by the Province of Saskatchewan and in the unlikely event that it were, that the Minister of the Environment might respond accordingly.

The meeting never took place, Sir. Second, Saskatchewan never raised the issue. Third, I would not have acquiesced even if it had.

Mr. Axworthy: Mr. Speaker, I just simply point out to the House that the real answer to the question now is that the licence was issued without an impact study, and a deal was made on the Grasslands Park.

What better evidence do you need that this Minister is implicated in the most scurrilous sell-out of Manitoba environmental interests in the history of this country?

• (1440)

ADVICE OFFERED BY DEPARTMENTAL OFFICIALS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): I will ask the Minister another question about documents. In this House

the Minister said again that his officials had advised him to issue the licence, that it was the best move. Documents prepared by the departmental officials said that there were two options, either issue the licence or don't issue the licence, and the officials would recommend: "That it would be desirable to resolve the apportionment in the Manitoba matter before the licence is issued".

Considering that it was the advice of the officials of the Department of the Environment that the licence not be issued until the matters with Manitoba had been resolved, why did the Minister issue the licence without having those matters resolved? Is it not simply once again because he was party to a deal?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Hon. Member has just made one of the great classic fallacies in logic. Because something happens after something else, ergo, it happens as a result of it. I think nothing would be further from the truth. In any event, the officials advised me to issue the permit only after Manitoba's interests were fully taken into account. I acquiesced in that advice, first, by weaving into the fabric of the permit 13 environmental conditions among which the conditions stipulated that Saskatchewan would have to honour all relevant international obligations with respect to the effect of the Souris River on Manitoba, second, that the boundary waters agreement signed in 1909, which protects Manitoba, would apply to the Rafferty Dam.

Mr. Axworthy: After it is all finished.

Mr. McMillan: Third, that the 1959 apportionment agreement that protects Manitoba's quantity of water from the Souris River through North Dakota would apply. So every single relevant provision apropos of Manitoba, and the effect of that dam on Manitoba, applied in spades.

Mr. Axworthy: After it's done.

Mr. McMillan: And only after I was assured by my officials, the top hydrologists in the country, that those conditions attached to the permit would protect Manitoba did I agree to it, and I did.

* * *

AIR CANADA

MAINTENANCE CONTRACT AWARDED IN BRITAIN

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is directed to the Minister of Transport who, I assume, still has some responsibilities for Air Canada. We learned on Friday that 8,000 person-hours of maintenance work for Air Canada are being subcontracted to a company in England. Could the Minister explain to the House and to the workers at Air Canada why maintenance work is being done not in Canada where it should be done, but in Great Britain?

[*Translation*]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I was indeed informed, if I have understood my hon. colleague's question, that such a transfer was made by Air Canada. I would like him to repeat his question because I have not quite grasped its meaning.

[*English*]

EFFECT ON JOBS

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, Air Canada on Friday sent Aircraft No. 512, a Lockheed 1011, to Marshalls of Cambridge in England for approximately 8,000 person-hours of work over a one-month period. According to the documents provided to the union, the IAM, the nature and volume of the work is such that undesirable fluctuations in employment would automatically result. Obviously, there would be an increase in employment for a short period of time here in Canada, yet they decided to take those jobs over to Great Britain instead of putting Canadians to work here. Could the Minister explain why Air Canada is allowed to do that, or is it all because of privatization?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I will try to answer the question of my friend. As long as he is talking about privatization, I think it has nothing to do with that, but in terms of the operations of Air Canada I think he would agree with me that I should have more information from the company because this is the first time this question is raised in front of me.

Mr. Angus: The Prime Minister got a telegram on Friday.

Mr. Bouchard: I listened to your question. You could listen to my answer. As soon as I have a good explanation, or any explanation, I will give it to my friend.

* * *

ENVIRONMENTAL AFFAIRS

TRANSPORTATION OF PCBS ON AIR CANADA PASSENGER FLIGHTS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is directed to the Minister of the Environment. In view of the fact that by transporting some 27 tonnes of PCBs on commercial flights, Air Canada put at risk the passengers and residents near airports where Air Canada takes off and lands—understanding, of course, this was done within existing regulations—and in view of the fact that the Port of Montreal is still being used for the export of PCBs, I would like to ask the Minister whether he would use the power he now has under the Canadian Environmental Protection Act and immediately ban the export of PCBs from Canada.

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I think the representation made by the Hon. Member for Davenport is not an unreasonable one. The priority of the Government of Canada is, of course, first, to ensure the safe storage of PCBs everywhere in the country under federal jurisdiction and provincial jurisdiction alike and, second, to ensure their expeditious incineration or destruction, for which purpose the Member knows I have announced a major funding project and also a set of regulations that will apply across the land. Obviously, if we can get PCBs out of use and destroyed, the need for the kind of transport of PCBs to which he makes reference will be mitigated.

In the meantime we do have the problem at hand and I think the suggestion the Member has made is both reasonable and a recommendation that the Government should take seriously, and it will.

Mr. Speaker: The Hon. Member for Davenport on a short supplemental.

REQUEST THAT EXPORT OF PCBS BE OUTLAWED

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Minister will realize that this is an important element missing in his Government's recently announced PCB policy. Therefore, in the light of his answer I would like to ask when the Minister thinks he will be in a position to announce that the export of PCBs will be effectively made illegal out of Canada. What date, approximately?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I think the Hon. Member for Davenport will appreciate that it is a very complex issue. This is the first time, I think, he has himself or his Party made the recommendation he now has put on record. In any event, if it were done through the normal course, through regulation, it would probably take several months to take effect. It is possible it could be accomplished under Section 35 of the Canadian Environmental Protection Act through an interim order which would, to some extent, short-circuit the process in favour of the environment.

I will consult with my officials and scientists to see if that would be a commendable course. If it is, the Member can be assured it will be done with some dispatch. Again, it is an issue about which I have to consult my colleagues, the Minister of Transport, and my federal colleagues, generally.

* * *

[*Translation*]

STATUS OF WOMEN

QUERY WHETHER MINISTER CONSULTS IMMIGRANT WOMEN'S GROUPS AND ASSOCIATIONS

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, my question is for the Deputy Prime Minister. The Department responsible for the status of women is preparing an interdepartmental report on immigrant women. This document is certainly intended as a tool for developing policies on immigrant women and visible minorities.

Can the Minister tell us if he is presently consulting with immigrant women's groups and associations to ensure that the report benefits from their expertise and experience?

[*English*]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I cannot reply specifically to that question. I will take it on notice for the particular Minister. I just want to remind the Hon. Member that a number of proposals and programs especially for immigrant women, for their health and second language education, have been in place, but the specifics of the question I will take back to the Minister.

REQUEST FOR CONSULTATIONS

Ms. Marion Dewar (Hamilton Mountain): Mr. Speaker, this is an interdepartmental report that has been commissioned. We know in the past this Government has not consulted with immigrant women and visible minorities. I would like to ask the Minister of National Health and Welfare if he could assure this House that immigrant women and visible minority women would be consulted before the report is sent to the printers.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, what the Hon. Member has said is simply not the fact.

Ms. Dewar: It is.

Mr. Epp (Provencher): It is not the fact. I have met with them on various issues. I know that the Minister of Multiculturalism has met with them as has the Minister of Employment and Immigration.

• (1450)

I will take the specifics of the exact question back to the Minister, but the Member should not make a blanket statement saying we have not consulted when in fact that has been the case. She would have more credibility if she stuck with the facts rather than using the kind of preamble that she did.

* * *

PUBLIC WORKS

MOISIE LAND SALE—FORMER OFFICIAL'S LETTER

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is also directed to the Minister of Public Works whose office has refused to give information on the Moisie land deal to my office since July of this year. I remind him that I wrote to him at that time.

The *sub judice* rule which he invoked earlier today in the House does not apply, according to *Beauchesne's*, until trial stage. Given that this is the case, will the Minister here and now stand—

Mr. Speaker: Order. I know the Hon. Member would want the Chair to make the rulings on procedure. It may well be that the question is out of order once a criminal prosecution has begun. The Hon. Member quotes *Beauchesne's*. It is, nonetheless, always within the prerogative of a Minister not to answer a question. If the Minister responds and says that in the opinion of the Crown, the Minister, or the Government, because of an investigation it would be inappropriate to answer, one can argue as to whether the Minister is right or wrong, but that is the position that the Minister has taken and I cannot force the Minister to answer that question no matter what citations may exist in *Beauchesne's*.

I only say this because, in view of the subject matter and the vigorous questioning, all Hon. Members, and the public who are watching, should understand the procedural laws of which I have to remind Members from time to time.

Mr. Boudria: Mr. Speaker, I want to ask a very specific question of the Minister of Public Works. The letter was sent to him on August 5, 1988. When did he receive the letter? Was it that date, was it shortly thereafter? What did he do with the letter? Did it give it to the RCMP at that time or did he wait until last weekend to give it after it was raised in this House and it became a public issue?

Did the Government act to do what was proper or did it only act once it got to the attention of the media? Is that what the Minister waited for?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the Hon. Member indicated that he wrote to me on July 4. The records of my Department indicate that we have never received such a letter.

Further, when I did—

Mr. Boudria: Harvie, you should consider that an insult.

Mr. McInnes: Would the Hon. Member like an answer to his question?

When I received the letter some time in August I immediately reviewed it. There was nothing in there that indicated to me that it should be turned over to the RCMP. Subsequently other oral statements by people have suggested that it would be appropriate to send it to the RCMP. There is nothing in the letter indicating that I should have put it to the RCMP or anything of that kind.

REQUEST THAT MINISTER TABLE LETTER

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the Minister has partially answered by telling us that he originally did not give the letter to the RCMP. He has now told us that he did not do it at that time.

Is he prepared to do two things; one, tell us the exact date on which he chose to give it to the RCMP—we now know it was not at the beginning—and, second, will he undertake to ask for the consent of the House immediately after Question Period to table the letter here today?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, perhaps the Hon. Member was absent for the first part of Question Period. I indicated that because there was an ongoing inquiry by the RCMP, and that this was part of the record, it was difficult for me to comment.

* * *

CONSUMER AFFAIRS

INCREASED DRUG DISPENSING FEES

Mr. Reginald Stackhouse (Scarborough West): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. Many consumers are concerned by rising prescription costs which seem to be due to dramatic increases, not in the costs of drugs but in the dispensing fees.

For example, one constituent in Scarborough West reports that the prescription cost was so divided that the drugs represented only 22 per cent of the total cost while 78 per cent was for the fee alone.

In view of so many consumers being of limited means but having no choice but to purchase prescriptions, what action can be taken to protect consumers against these impossible fees for service?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, there is not very much action available to us at the federal level in that prescription fees and the cost of dispensing, indeed the retail sale of drugs, are totally within provincial government jurisdiction. My advice to this Member and other Members is to refer this matter to the appropriate provincial Government.

The wholesale manufactured cost of patent drugs is now under the purview of the Drug Prices Review Board and, as indicated, those prices will be kept at less than the cost of living unless there are other circumstances which dictate a higher price in a specific case. We can control or examine the manufacture price of drugs although retail price is under provincial jurisdiction.

* * *

PUBLIC WORKS

SALE OF MOISIE RADAR BASE—REQUEST THAT OFFICIAL'S LETTER BE MADE PUBLIC

Mr. John. R. Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Minister of Public Works and has to do with

this latest Tory scandal at the Canadian Forces radar base in Moisie, Québec.

Mr. Speaker: Order. I have said repeatedly that it is the duty of the Chair not only to make sure that the Opposition has the right to ask questions but that, in the general interests of decorum in this place and in fairness to others, those questions must be asked carefully.

At the moment there are vigorous questions being asked about something and I am asking Hon. Members not to use words in the preamble that take the questions way beyond at least what we have heard so far in the Chamber, and attribute a lot of conclusions, to what we have heard. The Hon. Member will ask his question. I ask him to be careful.

Mr. Rodriguez: Thank you very much, Mr. Speaker. I will take your admonition very seriously and I will rephrase my question.

My question is directed to the Minister of Public Works and has to do with certain alleged land sales raised previously today in this House.

The Minister of Public Works said that he received the letter from Mr. Hylands sometime in August. He also said that there was nothing in the letter that would lead him to consider turning it over to the RCMP. Is the Minister now prepared to make this letter public, if it is so innocuous, so that all Members of Parliament and the Canadian public can judge whether or not he made the right decision?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, that Member and other Members are alleging that there is fraud, that there is scam, that there is incriminating evidence. It seems to me that they cannot have it both ways. If there are those things then they are the subject of an RCMP investigation and we should let the investigation proceed and conclude. I will then be happy to answer all the Hon. Member's questions.

REQUEST THAT MINISTER TABLE LETTER

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, far be it from me to make a suggestion to this Conservative Cabinet Minister as to how he could slay the Opposition in one fell swoop. He could put all of this to rest by simply tabling the letter.

Will the Minister do what is right, will he do what is fair, will he do what is demanded to clear up the so-called rumours and innuendoes of the Opposition? Will he table the letter in this House so that we can decide whether he made the right decision or not?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, it seems to me that I have done a little better than turning it over to the House. I have turned it over to the RCMP. Let them complete their investigation.

TRANSPORT

TRANSPORT ROUTE CANADA—PAYMENT OF GASOLINE BILLS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Minister of Transport. On September 12, Route Canada ceased operations. Yet in July of this year its revenues were $10,747,729. In August of this year, just days before it ceased operations, its revenues were $6,961,012, yet it stopped operations. During that period of time it did not pay its bills yet it was able to get gas. It was able to get gas because, as the invoices of Ten Wheels Truck Plaza in Kingston, Ontario, show, the gas bills were sent to CN.

• (1500)

Will the Minister confirm that Canadian National paid for the gasoline of Transport Route Canada during the period it was making millions of dollars but not paying its bills? Why would CN pay the gas of a company it sold two years ago, which was going to buy an American trucking company, put the Canadian trucking company out of business and lay off over 2,500 employees?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I stated repeatedly last week that the Minister of Transport does not have the power to look into the operations of Route Canada as a private company. My hon. friend brings forward some information today about the payment of gas bills by Canadian National. It may or may not be true. It is the first time I have heard it. I hope that he will give me the time to check with Canadian National to see if it was done, and, if so, if there is any good reason for it. I will come back to him with more information as soon as I have it.

COMPANY'S REVENUES—REQUEST FOR PUBLIC INVESTIGATION

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, in July and August, Transport Route Canada made millions of dollars. Where did that money go?

Will the Minister table all of the agreements between CN and the Government of Canada on the one hand, and Transport Route Canada on the other? Will the Minister initiate a public investigation into this company? Millions of dollars were taken in, yet no bills were paid. Thousands of workers are laid off and are owed thousands of dollars. Will the Minister initiate an investigation?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I repeat what I said last week. I met the truckers myself. The Department of Labour and the Department of Finance have worked on their side in terms of all the operations of the company. But it is not yet in bankruptcy or even receivership. I repeat for the tenth or fifteenth time that, as long as there is no official declaration of that kind, we cannot get into the operations of the company.

The Hon. Member says that it does not pay its people but makes profits. Again, it is a private sector operation. If there is

any reference to bankruptcy and so on, I said last week and told the truckers that I will make all the investigations I can. Again, this is a private sector operation. I will not do that and cannot do that at the present time.

* * *

BUSINESS OF THE HOUSE

Mr. Lewis: Mr. Speaker, there have been some discussions among the Parties and, notwithstanding any Standing Order, I think you will find unanimous consent to defer the recorded division at 4.45 p.m., presuming that one will be called for on third reading of Bill C-144, until 6 p.m. this evening. At that time we will have the vote on the report stage amendments to the Broadcasting Act. It makes more sense to call the Members together to vote at one time. We would then suspend the sitting from 4.45 p.m. until 5 p.m., and commence Private Members' Hour at that time.

Mr. Gauthier: Mr. Speaker, I hope that will be made an order of the House. In the interest of having more Members speak, could we not agree to debate Bill C-144 until five o'clock, then proceed to Private Members' Hour as agreed? Members could then vote on Bills C-144 and C-136.

Mr. Lewis: Certainly, Mr. Speaker. In fact, in my remarks during debate on time allocation, I offered to sit through lunch today. When that was not taken up, I naturally did not think my hon. friend wanted the 15 minutes from 4.45 p.m. until 5 p.m. However, before he rises again, let me say that we naturally agree to go until five o'clock. Any recorded division requested at that time would be taken at 6 p.m.

Mr. Angus: Mr. Speaker, we are in agreement to the changes in the proceedings today. Also with respect to the House business question—

Mr. Lewis: There is no House business question.

Mr. Angus: —could I ask the Hon. Minister if there will be any response to our request for proceeding with the Election Expenses Act.

Mr. Speaker: I think I must respond to the Hon. Member for Thunder Bay—Atikokan and indicate that there does not seem to be any response, at least at this moment.

I am obliged to give precedence to a question of privilege. The Hon. Member for Glengarry—Prescott—Russell.

PRIVILEGE

CADIN-PINETREE SITE DISPOSALS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I rise on a question of privilege. The Minister of Public Works (Mr. McInnes) is still in the House and I would like to raise this point while he is still here. The Minister responded to a question I asked concerning a letter that was sent by my office on July 7, 1988, regarding the cases of all CADIN-Pinetree site disposals.

I remind the Minister that not only did he receive my letter of July 7, 1988, the letter was even answered by the Department of Public Works. I have a copy of the reply of August 23, 1988, which I would be willing to table. The Minister seemingly answered a letter that he did not receive.

Mr. Speaker: I do not know whether it is a question of privilege, but it is an assertion of fact. I think we will take it as a representation and leave it there. It is not a question of privilege.

GOVERNMENT ORDERS

[*English*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Epp (Provencher) that Bill C-144, and Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the third time and passed; and on the amendment of Ms. Mitchell (p. 19454).

The Acting Speaker (Mrs. Champagne): When the House rose at one o'clock, there were five minutes remaining in the question and comment period following the speech by the Hon. Member for Niagara Falls (Mr. Nicholson). The Hon. Member had the floor.

Mr. Rob Nicholson (Niagara Falls): Madam Speaker, I want to comment on the subject of witnesses before the legislative committee on Bill C-144. The New Democratic Party cannot have it both ways on this issue. During the hearings of the special committee on child care, a committee which visited 31 cities and received representations from over 1,000 individuals, the NDP said the same thing at every city we visited and at every meeting here in Ottawa. They said that there had been enough talk on this subject. They said there had been enough discussion and enough study. The NDP said: "We want to cut this out. We want to see legislation".

The Minister of National Health and Welfare (Mr. Epp) responded to the recommendations of the special committee on child care and came forward with legislation. Immediately the

NDP said that this should be taken across the country because it needs more discussion, more study and more witnesses.

The people of this country are too smart for that kind of thinking. The NDP cannot say one thing in the House of Commons and something else in the cities across Canada.

As well, I want to comment on the suggestion and the implications that I think arise from the comments of the Hon. Member for Vancouver East (Ms. Mitchell), and the Hon. Member for Kamloops—Shuswap (Mr. Riis), that somehow there is no funding available after the seven year period. That is absolutely incorrect.

There is a clause in the Bill which lays out minimum guarantees to the provinces of the level of funding which they will receive in year eight, which amounts to at least $800 million per year. I recommend that the Members of the Opposition Parties read Clause 4(3) of the Bill which says, among other things, that an agreement will not be less than the contribution payable to the province in respect of the year ending March 31, 1995, the difference being adjusted to the national rate of inflation. There is provision beyond the seven-year period of time.

• (1510)

With respect to the 200,000 spaces, you will note in the preamble to Bill C-144, Madam Speaker, that it refers to at least "200,000 spaces". We have 160,000 subsidized day care spaces now in Canada.

Looking at the development in this particular area and assessing the need as we have found it across the country, as outlined in our own studies, it seems to me that 200,000 spaces is reasonable, but it is the minimum. We have said at least that. If the provinces can create more, we would of course support that. But we think it is a good start for developing in an orderly way a child care system that will meet the needs of Canadian families. I think that is a good thing.

I hope that the members of the NDP and the Liberal Party, instead of spreading improper misrepresentations with respect to this Bill, will get behind it. Canadians are going to be watching. They will be watching to see how they will vote on this important historic document, this historic piece of legislation brought forward by the Minister of Health in co-operation with the Prime Minister (Mr. Mulroney) and all the Members on this side of the House. I will be interested to see which way they will vote when it comes up for a vote later on today.

Hon. Herb Gray (Windsor West): Madam Speaker, Canadians certainly want and need a national program for the effective delivery of affordable and universally accessible quality child care. Unfortunately, the Conservative Government's Bill C-144 does not do that. It fails to recognize the changing realities in our society. It fails to address the fundamental issues connected with the needs for child care of Canadians and their families.

The rhetoric of the Minister of National Health and Welfare (Mr. Epp) and the rhetoric of the Prime Minister (Mr. Mulroney) have been aimed at cultivating a pre-election impression that the Conservative child care strategy will meet the needs of parents and children across the country as soon as it is passed. The Government's public relations campaign conducted over the past two months both inside and outside this House, however, can do no more than generate false hopes, to be followed by dashed expectations on the part of Canadians.

Contrary to what the Prime Minister said a few days ago, Bill C-144, if and when it ever becomes law, will not add one more child care space to the quantity existing in the country at the very point in time at which it is passed. For the Bill to have any effect there must first be the negotiation and the signature of agreements with the provinces pursuant to the Bill, likely a lengthy process. In any event, it would appear, and I will say something about this in a few minutes, the Bill will provide fewer child care spaces than would have been the case under the existing Canada Assistance Plan.

The Canadian Advisory Council on the Status of Women, the Government's own advisory body, concluded in its brief which it presented to the legislative committee studying this Bill with the reasoned judgment that, and I quote: "Bill C-144 raises but does not resolve the essential questions of child care. Its most important features are left for clarification by regulation are open to conjecture. It is a legislative shell".

The child care needs of Canadian parents and their children will not be met by the passage of a hollow legislative shell rammed through the House of Commons by time allocation, another form of closure, because the Conservatives want to try to put something over on Canadians during a general election, something I say, Madam Speaker, they will not accomplish.

Let me refer, Madam Speaker, to the legislative committee which studied Bill C-144. It is very significant that not only the Canadian Advisory Council on the Status of Women but also not one of the 40 groups that appeared before that committee as witnesses could support the passage of Bill C-144. We are talking about the most knowledgeable, the most informed, the most representative child care advocacy groups in the country.

Currently there are almost one million women in the workforce with pre-school children who require all-day care. There are two million women in the workforce with children under 16 years of age, many of whom require some form of care just before or for a few hours after the school day is over—the latchkey children.

In 1986 when this Conservative Government was dithering on this matter and doing nothing, when 52 per cent of Canadian women with children under the age of three were working outside the home and nearly two million children under 13 likely needed full-time care, there were fewer than 200,000 spaces. In fact, there were only some 172,000 spaces provided for quality day care. Presently it is estimated that

licensed care in family homes or centres is available for less than 10 per cent of the children under 13 whose parents work or study more than 20 hours per week. This Conservative Bill covers only pre-school children. It ignores completely the problem of the latchkey children, the children who are left alone with nothing more than the key to their home or apartment on a string or chain around their necks waiting for their parent or parents to complete their work, work they have to do to maintain their standard of living.

This so-called national child care strategy announced by the Conservative Government consists of two parts. The first part set out in the February, 1988 Budget purported to assist parents through an increase in the tax deduction for child care expenses and an increase in the refundable child tax credit, something that would involve a tax expenditure of $2.4 billion. The second part of the Conservative approach to be implemented by this Bill involves cost-sharing agreements for child care funding with the provinces.

This Bill, as the Advisory Council on the Status of Women said, leaves a lot of important questions unanswered. For example, it is not yet known how the child care services eligible for cost sharing will be defined, or how exactly profit making child care agencies will be distinguished from non-profit agencies. No regulations have been drafted. One would think that with a piece of legislation like this the draft regulations would have been available, they would have been made public, they would have been presented to the legislative committee so we could have in mind and assess what they say about the Government's real intentions in carrying out this legislation which, as the Advisory Council on the Status of Women said, is nothing more than a hollow shell.

With questions like the ones I mentioned left dangling, the Government has said that its approach will cost $6.4 billion over the next seven years, of which $2.3 billion are the tax provisions for parents in the 1988 Budget I have mentioned. These tax expenditures for parents over the next seven years have a special ring of absurdity about them when it is recalled that the cumulative impacts of the Conservative Government's first three Budgets over the four years of its mandate means that the personal income tax portion of Government revenues has increased by $28 billion, such that parents with two children earning $15,000 annually have been hit with a tax increase of 53 per cent, and that parents earning $30,000 have been hit with a tax increase of at least 18 per cent.

If we set aside this grand scale fiscal absurdity and unfairness for just a moment and consider the possible impact of the $2.3 billion tax expenditure in the 1988 Budget in the narrower terms of the Conservative child care strategy, we see that the increased child care tax deduction will provide real financial benefit only for the higher income earners who likely already have and can pay for unsubsidized licensed child care or paid domestic help. This deduction will not be of any real help to lower income families. But what about the increase in the child tax credit? Increasing the child tax credit by $100 in 1988 and by $200 in each subsequent year will not provide an adequate amount of urgently needed help for those families who cannot get receipts for their child care expenses, or whose incomes are too low to qualify for the much greater tax deduction. Two hundred dollars per child per year goes nowhere in the real world, where the present cost of licensed care for one child averages from $3,000 to $4,000 per year across the country, and in some cities licensed infant care can run as high as $10,000 per child.

• (1520)

It is painfully obvious that these tax measures will not stimulate the construction of new spaces, the renovation and improvement of existing child care centres, and the upgrading of salaries and training for child care workers.

The Government claims that under its strategy Bill C-144 will set aside some $3.94 billion for cost-sharing child care services. Under the current Canada Assistance Plan arrangements, the Government would have spent approximately $2.6 billion over the next seven years. In reality, the new money provided through March, 1995, is $1.3 billion or $200 million a year.

It is clear from the Bill that it will create only 200,000 new spaces over the next seven years, for a total of approximately 400,000. Surely this will not serve the needs of the approximately 1.8 million children in need of child care facilities. Over 70 per cent of the children who need child care spaces will not get them under this Conservative approach to child care.

What is even more disturbing about this legislation is the fact that existing tax measures and arrangements for federal-provincial cost sharing under the Canada Assistance Plan—a plan, by the way, created by past Liberal Governments—could provide more new child care spaces than the fixed target of 200,000 adopted by this Conservative Government over the next seven years. This is confirmed by research carried out by the Canadian Day Care Advocacy Association. This research shows that we can have an increase of 293,903 spaces at the end of 1995 simply by continuing the present and previously existing Canada Assistance Plan program.

The Conservative Government's estimate of 200,000 new spaces to be created by its child care strategy falls 93,903 spaces short of what we could likely have by sticking with the *status quo*, based on the very lowest annual increase that we have had over the past five years.

I am not saying, by the way, that the *status quo* is enough. Obviously it is not enough and more has to be done, but what we need is not going to be provided by this inadequate Conservative approach to child care as set out in Bill C-144.

The preamble of this Bill refers, and I quote, to the need to "improve the availability, the affordability, the quality, and the accessibility of child care services". At the same time, it commits the Government to limit federal payments under the

cost sharing program to payments not exceeding $4 billion during the life of the program.

This Government's actual promise to Canadians, through Bill C-144, is to refuse to spend more money, even if its ineffectual target of 200,000 new spaces is not met within the next seven years. The Bill in effect runs out after seven years.

Furthermore, the legislation says that the federal Government, as I understand it, will not be responsible, necessarily, for sharing the capital expenditures or operating costs of child care after the seven-year period ends on March 31, 1995. This Bill will bring about an uneven checker board regime of child care. I say this because the legislation contains no national standards or objectives to establish criteria for quality child care providing a minimum, a basis for quality child care for children in every part of our country, in every province.

The Conservative Government has had four all-too-long years to work with the provinces on national standards and objectives, but in spite of this, Bill C-144 is silent on what should be contained in national standards and objectives; issues like the ratios between children and child care workers in child care centres, the size of child care groups, the training of care givers, the mechanisms for parental and community input, health, safety and nutritional conditions, and employee wages and working conditions.

I believe that Canadians expect child care to be a shared responsibility, one involving parents, their Governments and, yes, their employers. I believe that Canadians expect the federal Government to provide the leadership required to put in place basic national standards with the greatest emphasis on developing a licensed system to meet present and future needs, and directing its resources toward services for low and moderate income families. The emphasis should surely be on using an educational child development model rather than a commercial model of child care delivery in the developing of our Canadian system of child care.

I believe that there must be an emphasis on and a priority for non-profit and public care, recognizing the models that we have developed in our well established programs of health care and education in Canada. I also say that there should be increased parental leave provisions under our unemployment insurance system within the scope of child care legislation. Furthermore, there should be stronger incentives in our tax system for employers to establish employer subsidized child care services.

We have reached the final stage of debate on Bill C-144. Actually, it would be more accurate to say that we have been forced to conclude the debate by the heavy-handed approach of the Conservatives in shutting it off through time allocation after only a handful of days of debate in this House and in committee hearings outside this House.

We have reached the final stage of the Conservative Government's mandate. It has failed to produce the program that it promised to Canadians, who so urgently need and want it, for the effective delivery of affordable and universally accessible quality child care. We are confronted only with this piece of legislation that may well provide fewer new spaces for child care than could be established under the existing programs. We are confronted with a piece of legislation that is devoid of national standards and objectives.

A national child care program was promised as a high priority item on its agenda by the Conservative Party during the 1984 election campaign, and yet it took nearly four years for the Government to get around to introducing this flawed and regressive Bill.

It is obvious that Canadians are not receiving the child care program promised by the Conservatives during the last election, and it is just as obvious that this Conservative Government is trying to concoct a soothing script for an election masquerade.

• (1530)

In spite of the efforts of the Government to limit debate and shut off criticism of Bill C-144, I believe that Canadians will see through the fundamental inadequacies of the Bill and reject this masquerade.

I hope that very soon the Prime Minister will summon his courage to call a general election and allow Canadians an overdue opportunity to exercise their good judgment, not only on Bill C-144, but on the overall conduct of the Government. Bill C-144 is another example of the incompetence of the Government and its lack of credibility. I believe, in this election, in exercising their judgment, the Canadian people will get rid of the Conservative Government so that a new Government, one, I believe, that will be a Liberal Government, will be able to put in place a truly effective national program for accessible, affordable, and quality child care.

Our children are this country's greatest treasure and its future. They deserve no less. They are not getting what they deserve from the Conservative Government. We want Canadians to have a chance to exercise their judgment to give Canadians, their families, and the children now and in the future what they need and deserve for our country's future.

[*Translation*]

Mrs. Tardif (Charlesbourg): Madam Speaker, I was astonished to hear what the Hon. Member said in his speech. Decades of Liberal Government never gave us child care. After four years of Conservative Government, we have child care.

The Hon. Member referred earlier to the regulations, expressing disappointment that the regulations had not yet been published. I may remind the Hon. Member that the Conservative Government has also introduced improvements in this respect.

Before this Government came to power, regulations were not published until they came into effect. However, the Conservative Government requested publication of the regulations six months in advance, to let interested groups and Members of

the House of Commons know exactly what was coming. I am surprised to see the Hon. Member did not do his homework.

I would also like to refer to the title of the legislation before the House today. The title of the Act, and I will read it, Madam Speaker, in case the Hon. Member forgot to do so: *An Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof.*

Madam Speaker, amendments to our tax legislation concerning child care were approved by the House and the Senate and they are now in effect. We are talking here about legislation enabling the federal Government to transfer money to the provinces.

I wonder whether the Hon. Member can read, because I would refer him to Section 3. Perhaps I may read the section, Madam Speaker, because I think the Hon. Member is not aware of what Section 3 contains.

> 3. (1) The Minister and the Minister of Finance may, with the approval of the Governor in Council, enter into an agreement with any province to provide for the payment of contributions by Canada, subject to the provisions of this Act, toward the cost to the province and municipalities in the province.

And this is followed by the program's two components:

> (a) of the provision of child care services in respect of a period beginning on April 1, 1988 or on April 1 of a subsequent year and ending on March 31, 1995 and of capital assets that were first used for the provision of child care services during that period; or
>
> (b) of the provision of child care services in respect of any period of years beginning after March 31, 1995.

I would like to ask the Hon. Member where he got his information on the Canada Child Care Act.

Mr. Gray (Windsor West): Madam Speaker, I would ask the Hon. Member to read the preamble of the Bill which says, and I will quote it in English:

[*English*]

> AND WHEREAS for such purposes the Parliament of Canada is prepared to make payments in an amount not exceeding four billion dollars over the said seven-year period;

[*Translation*]

And in French:

> for such purposes, it is prepared to pay up to four billion dollars over this period,

So, Madam Speaker, what is the purpose of this statement that seems to authorize agreements after March 31, 1995, if it is impossible under this Bill to spend more than the allowable sum of money, except for the seven-year period beginning with the passage of this Bill.

The Preamble is authoritative and as I see it, this preamble says the federal Government has no power to enter into agreements with the provinces after 1995.

And I conclude by saying also, Madam Speaker, that the Hon. Member said that there was no plan or legislation to help provide day care for the population before Bill C-144, but obviously we had the Canada Assistance Plan, which created some child care spaces. I do not claim that these spaces are adequate, but it is a beginning. We also set up the commission chaired by Katie Cooke before the last elections. This was a starting point, but the Conservative Government did not use it. It just set up another Parliamentary Committee and the Government waited until the last minute, until the end of July, to table its Bill.

So the Government wasted at least two years, maybe three, by resisting these fairly recent changes that families in the country have undergone.

[*English*]

Mr. Nicholson (Niagara Falls): Madam Speaker, I rise on a point of order. I want to bring to the attention of the House that we have not been receiving any translation from French. I hope that is now corrected. I believe it is important for all Members to be able to listen to the debate in both official languages.

The Acting Speaker (Mrs. Champagne): I thank the Hon. Member for bringing this to my attention. I am sure that the necessary arrangements will be made. I believe it is now working. As I was not using the translation myself, I was not aware. I thank the Hon. Member for bringing it to my attention.

There are two minutes left in the question and answer period.

[*Translation*]

Mr. Gray (Windsor West): Madam Speaker, I am sorry that there was no simultaneous translation. Perhaps I can repeat some of what I said.

[*English*]

I was saying that I very much doubt the value of the clause that states the Government can enter into agreements with the provinces on child care after 1995. The preamble very clearly states that this law permits the expenditure of only $4 billion over the seven-year period ending March 31, 1995.

I also was saying that I believe the Hon. Member was incorrect in saying that before this Bill there was nothing on the books at the federal level to help create child care spaces. There was the Canada Assistance Plan. I am not suggesting that the Canada Assistance Plan has done everything that we need. In recent years there has certainly been a major change in the composition of the Canadian family. Certainly, it was a start.

Recognizing the dramatic changes in the Canadian family in recent years, as I was attempting to say in French, the previous Liberal Government created the Dr. Katie Cooke commission which reported after the election. Instead of using that report as a starting point to deal with the needs for child care, the Government threw it aside and set up a parliamentary committee that travelled around the country. It presented a report, which certainly was not publicly approved, however the

Government did not act immediately on the report of the parliamentary committee even though it was dominated by its own members. It waited until the last minute in a fit of deathbed repentance and tabled the Bill we are debating now, after wasting two or three years when it could have acted on this matter.

I am sorry that the translation was not working. I wanted to be of assistance to my colleagues and to give a summary of what I was attempting to say in the other official language.

• (1540)

[*Translation*]

The Acting Speaker (Mrs. Champagne): The time allowed for questions and comments has now expired. Resuming debate. The Hon. Member for Cowichan—Malahat—The Islands (Mr. Manley) has the floor.

[*English*]

Mr. Jim Manly (Cowichan—Malahat—The Islands): Madam Speaker, I welcome the opportunity to make a few comments on Bill C-144. First, in response to the Liberals who referred to a Dr. Katie Cooke and her report, it is true that while they commissioned that report, they have not used it as the basis for their own policy. In fact, they talk about a comprehensive policy only after the deficit has been brought down. They are also in favour of commercial child care.

I would like to begin by paying tribute to the work of the Hon. Member for Vancouver East (Ms. Mitchell) over the last four years. She has been the outstanding spokesperson for child care in this House over those four years. She travelled with the earlier committee, raised questions in the House of Commons, and acted as advocate, pushing, trying to get the Government to act on this issue. Then, when it brought in this travesty of a Bill, she led the fight to criticize its shortcomings. I think all Canadians interested in a real child care program owe a tremendous debt of gratitude to Margaret Mitchell and the kind of work she has done over the last four years.

The importance of this subject matter cannot be underestimated because we are talking about the future of our children, and therefore the future of our country. It is on that basis that I regret the Government's move to limit debate on this important subject. The first social program of any note brought in by a government since medicare, and we are rushing it through the House without adequate debate. First reading was given on July 25.

It is a shoddy Bill, and I think most Members know the meaning of that word. It comes from the old textile trade. Shoddy is a kind of cloth in which inferior goods are used and it will not stand up. When you put shoddy into the wash, it falls apart. It is flimsy and you cannot hold it up to the light because you see through it. You cannot hold this shoddy Bill up to the light because the people will see through it, and that is why the Government is insisting on closure. It does not want the people of Canada to investigate the Bill. It figures this is not really going to go into the wash until after the next election and the people will not realize how they have been hoaxed.

When it comes right down to it, Bill C-144 is a $4 billion buy-out program which the federal Government is using over the next seven years to divest itself of further responsibility in the field of child care. There will be a limited amount of money available over that time to provide up to 75 per cent capital cost sharing for new non-profit child care spaces, but after seven years there will be nothing. The Government is once again reneging on promises it made during the last campaign. It is astute enough to recognize the public need for child care. It is clever enough to recognize that there is a growing public demand for child care, a groundswell of support equivalent to that for medicare in the early 1960s. However, it is not really answering the need. Instead, it is offering a palliative.

Most of us who are or have been parents recall that when we had very young children we would sometimes give them what you call the plug. When they were crying to be fed, instead of giving them a bottle or the breast you would take a dummy and plug that in its mouth and hope the child would quit crying. That is what we have in this Bill, a plug being given to the Canadian public in the hope they will not be crying for action for a little while. However, it fails to satisfy. Jesus said in the Sermon on the Mount: If your child asks for bread, will you give him a stone? That is what we have here in Bill C-144, a stone.

There is still an ideological argument over day care. It has not surfaced very much in the House, but there is still that ideological strata in the Conservative Party that believes real mothers stay at home and make muffins and look after the children 24 hours a day while daddy is away at work. They neglect the social reality of Canada in the last part of the 20th century.

I believe children from the most privileged of nuclear families can benefit from quality early childhood care. The experiences of socialization, of developing motor skills and creativity in company with other children, are invaluable in the life of any child. It is something that Canada needs to develop on a comprehensive basis from one end of the country to another, but we are not doing it.

At the same time we in our Party, and I am sure all Members, recognize that bad child care is a disaster. You get a number of children who are in essence baby-sat for a number of hours during the day. They are regimented, sat down to watch television, because that is the easiest thing that can be done for them. They do not develop socially. They do not develop physically. Their creativity is killed. Bad child care is a disaster for our children and it is a disaster for the future of Canada.

Good child care is something from which every child from however privileged a home can benefit.

Given the abominable wages for child care workers, it is a surprise that there are even as good child care centres in Canada as there are. I recall a few years ago, when my wife, a qualified child care worker, was interested in some part-time work at one of the better day care institutions in Ottawa. She made inquiries and found out she would be paid less than what our daughter, just out of high school, was receiving as a part-time clerk at the liquor store. It says something about our priorities as a nation when child care workers are relegated to the very bottom of the wage scale. This is not an argument against decent wages for clerks. It is an argument for recognizing the importance of someone with responsibility for child care.

The Minister recognized there was a problem last spring when he said he kind of miscalculated and there was going to be an extra $1 billion in the pot. He said this was going to be used to improve wages for child care workers. Yet there is absolutely nothing in this legislation that sets any standards for wages. There is nothing that sets any objectives for anything whatever dealing with child care across the country.

We have some 1.8 million children whose parents are in the labour force and who do not have access to quality child care. We need to recognize that many of those who need child care are single parents or two-parent families where the one partner has a comparatively low wage job and they are unable to gain any kind of real toehold in the labour market. So they remain marginalized. The lack of adequate child care means that a great many parents, families and children are, therefore, condemned to poverty. There is a direct relationship. By not having a decent child care program in place, the Government is continuing to condemn a large number of Canadian children to poverty who would not be in poverty if we had a decent program.

• (1550)

The Tory policy will create fewer child care spaces over the next seven years than the present system, inadequate as that present system is. Today, there are approximately 240,000 child care spaces. The Tories plan to add 200,000 spaces by the year 1995. Under the present situation, inadequate as it is as I have said, the number of spaces doubles every five years, so we would have reached that doubling by the year 1993. The Tories have planned to add an extra 200,000 spaces by the year 1995. This Bill puts a ceiling on the number of new spaces which the federal Government is prepared to support. It makes funding available to the provinces but with no national objectives to ensure that money is used to provide quality accessible care.

There has been some debate today about the question of witnesses coming before the committee. We say that the whole committee process taking only 2.5 days to hear witnesses neglected whole areas of Canada. Nobody was heard from the Atlantic provinces. There were only two witnesses from east of the Ottawa River. That is a travesty of what our committee process is supposed to be about. The Hon. Member for Niagara Falls (Mr. Nicholson) said that the New Democratic Party is trying to have it both ways, that the New Democrats had been demanding action following the earlier task force. He is quite right. We have been demanding action. Then he said that we wanted to study the Bill after it was tabled. Of course, when such an inadequate Bill was tabled, it was important that witnesses should appear who could point out the inadequacies with the hope the Government would listen.

Unfortunately, the Government did not choose to listen but regarded the committee process as simply a stage that had to be gone through. Instead of having credible witnesses on the Government side, if the Government had any who would have been prepared to reason with the committee—the committee process is to hear witnesses and to try to reach some balance as to what is needed—the Government simply said: "We are not even interested in talking with Opposition Members about what our position is. You can call a few witnesses of your own. We will not listen to them nor will we change anything. We will ram this legislation through because we want it in place for the election". That is a travesty. In committee there is supposed to be an opportunity for both sides to be heard and for committee members to be able to weigh and reason among themselves.

Over the last eight years of good committees in this House of Commons, both under the present Government and under the previous Liberal Government, it has been my experience that that is what committees have done. But when you have a Government that says it does not matter what witnesses say, that it will simply follow its own legislation and ideological bent, telling the Opposition to call witnesses and that the Government will call none, that is a travesty, Madam Speaker.

When New Democrats look at child care needs across Canada, we see seven key principles which have to be established. First, a program for child care should be comprehensive. It should include a broad range of services to serve infants, pre-schoolers, school-age children and those with special needs. Second, quality should be established. Services should be licensed and regulated and should incorporate the best current information about early childhood development. This is an area where scholars are working and developing their knowledge all the time. We need people who have been trained in this area rather than simply saying that so-and-so has always liked children, and why shouldn't he or she have the opportunity to have some kind of day care facility. We need people who have been trained in what early childhood development is all about.

Third, the program should be affordable. Cost should not be a barrier to access. Over a period of time, parental fees should diminish until they are ultimately phased out. There is absolutely nothing in Bill C-144 to make that possible. Fourth, day care facilities should be accessible. Services should be universally accessible to all families seeking care regardless of income, employment status and geographic location. Fifth, day

care programs should be flexible. Needs have to be accommodated for those who require care on a variety of schedules. People have strange schedules of work today.

Part-time, full-time, seasonal, shift or on a drop-in basis. Sixth—this is most important and something which the Government does not recognize—services should be non-profit to ensure the maximum, optimum use of public funds. Services should not be devoted to the profit-seeking motive. We should not be seeking to make fast bucks out of the needs of our children. As a Government, the Conservatives have the responsibility to get the optimal value for the taxpayer's dollar. We are not doing that when we fund day care centres that are oriented to profit. Finally, these services should be accountable. There should be regular monitoring and financial accountability provided to parents and to Government.

The witnesses who appeared before the committee were universal in their condemnation of Bill C-144 as failing to meet the real needs of Canada's children and the parents of those children. They were not just negative. They came before the committee and tried to make reasonable suggestions which they hoped the Government would adopt. A number of groups pointed out that more than 200,000 spaces should be targeted by the program which the Bill creates, for instance, the Canadian Labour Congress, the Canadian Daycare Advocacy Association, the Canadian Advisory Council on the Status of Women, the Canadian Union of Public Employees, the National Federation of Nurses' Unions, the Canadian Association of Social Workers, the Ottawa-Carleton Daycare Association, the Manitoba Federation of Labour, the National Action Committee on the Status of Women.

As I looked through their comments and the comments made by other groups which appeared before the committee, I noticed a lot of the people coming before the committee were from unions. There were day care advocacy groups and a lot of union people appeared, which made a lot of sense to me. These are the people who need child care. Naturally the unions were trying to represent their members' interests. Unfortunately, the Conservative Government was not interested in hearing this.

The Alberta Union of Provincial Employees talked about the principle of national objectives for day care and the need to incorporate the necessary provisions to enforce national standards. The Canadian Jewish Congress on the same subject said that for such a vital program as child care, the Government must establish national programs which set the parameters for provincial programs so that families may be assured of finding services of reasonably comparable quality no matter where they live. This is consistent with the tradition of other national cost shared programs.

The National Anti Poverty Organization recommends the establishment of national objectives at least and some federal standards if possible. We do not have that in Bill C-144. The Alberta Federation of Labour points out that Bill C-144 provides no national goals nor objectives. It says that provincial Governments such as Alberta—and they could speak just as well of the British Columbia Government or a number of regressive Governments across Canada—must clearly understand the obligations of participation in the program. The National Union of Provincial Government Employees said the welfare of children must supersede the jurisdictional sensitivities of provincial Governments.

• (1600)

The witnesses who appeared before the committee had a lot of concern with this Bill. As I said at the beginning, it is shoddy. It is the sort of thing that will not stand up to the light. It is the sort of thing that when it is put in the wash, it is going to fall apart. It is flimsy and not something that we in this Party, caring as we do about Canada's children and the future of Canada, can support.

Ms. Mitchell: Madam Speaker, I would like to ask my hon. colleague the same question, really, that I asked the Conservative Member who spoke this morning. Why does the Member think the Conservative Government and the Prime Minister (Mr. Mulroney), who promised major action on behalf of Canada's children, and certainly this as a response to Canadian women as well, waited four years? And why did they give such high priority, first of all, to bringing in tax measures which are regressive and which give double the amount of reduction for higher-income families and do nothing for lower-income families? There was very little delay in that part of the strategy. Why does the Member think the Conservative Government is putting a seven-year cap on everything?

The Member tells us his wife has been very active in child care. I am sure he knows it often takes two or three years to get a new child care centre going. In many provinces which are underdeveloped, it will take quite a while before they begin to use this program. At the end of seven years there will be no more capital funds, there will be reduced variable cost sharing for the poorer provinces and the program in effect will be finished. We know that during those seven years, if we are lucky, we will only see 25 per cent of the need met. That is quite a generous estimate at that. It is not nearly the amount of child care that most bodies, including the Day Care Information Centre, says is needed. I would like to ask the Member to comment on the very restrictive type of policy the Conservatives introduced.

Mr. Manly: I would like to begin, Madam Speaker, by telling a story about another country far away from Canada. A Cabinet Minister was visiting an area in his riding in this foreign country. He went into a pre-school situation and he could see it was very inadequate. There were no facilities. They did not have furniture. The children were not properly looked after. The Cabinet Minister regarded the situation for a while and realized it was a bad situation, so he promised $100 would be made available to help that day care centre. A little later he toured a prison and saw that the facilities were not great, but were not bad as prisons go. The Cabinet Minister looked

around and decided that the prison needed a new gymnasium, a new television room and new facilities for visiting. So he ordered there should be $3 million made available to help that new prison. His assistant was with him and he did not understand this. He said to the Cabinet Minister: "We just finished visiting a day care centre which was really in need and you gave them $100. We visit a prison and you give $3 million. Why the discrepancy?" The Cabinet Minister shrugged and said: "Well, I am not likely to end up in a day care centre".

The Conservatives promised there would be a day care program put in place, but they promised under the pressure of an election campaign. I do not think the Prime Minister's heart was really in that program. It was one of those things he felt compelled to do, the same as he felt compelled to say there was not going to be any patronage. Do you remember that, Madam Speaker? He said there was not going to be any patronage under the Conservative Government, that it was going to be a different kind of situation. In the same way he promised there was going to be an adequate child care package brought in, but the Government has not really had its heart in it. There is still that ideological strata in the Conservative Party that regards child care as being somehow second rate, that what we really should have are parents who will stay home 24 hours a day and look after their children. Somehow child care is not really what the Government wants for Canada's children, so I think the Prime Minister (Mr. Mulroney), regardless of what he might think, has some difficulty with his own caucus.

I also think there was a desire not to bring this legislation forward too quickly because the Conservatives did not want it to see the light of day. They did not want it exposed. They knew it would not stand up to criticism. So they delayed, delayed and delayed to the last possible moment and they are now trying to rush it through in the waning days of Babylon, hoping they can get it in the public eye and be able to say they fulfilled their promise. They hope that the people will not realize what a shoddy piece of work it is until after the election.

I do not think the people of Canada are going to be deceived by this shoddy Bill. All the witnesses who appeared before the committee pointed to its inadequacies, pointed out ways in which it should be improved. The Canadian public will also look at this legislation and, as *The Ottawa Citizen* reported on Saturday, they will reject it as being completely inadequate, in some places wasteful, in other places, mean, and in fact nothing more than an attempted election bribe.

Mr. Young: Madam Speaker, on the last point raised by my colleague, whether or not people would be fooled by this piece of legislation, I have received several letters from constituents over the last several days. They talk about the present crisis in day care. They certainly are not fooled. They have analysed what this Government has had to say and have concluded that at the end of the seven-year period, there will be no additional day care spaces. In fact, there will probably be less day care spaces available than what there would otherwise be under the present arrangement. I want to ask the Hon. Member if he sees it in exactly the same way as my constituents.

Mr. Manly: Absolutely, Madam Speaker. We pointed out time and again, and I think the message is getting through to everyone except the Conservatives—although perhaps they understand it and just do not want to act on it—that at the end of this seven year period under this new Act, Bill C-144, there will be fewer child care spaces in Canada than if we had left the present situation in place, inadequate as it is. We know that action needs to be taken. There are hundreds of thousands of Canadian children who could benefit from child care. We see it as a need. The Conservative Government seems to see it as a burden. It sees only the cost. It does not see the investment. Individual parents are concerned that the Government invest something in the future of their children. The Government is not doing it. As a Parliament we should be concerned about the Government not only investing in individual children but investing in the future of Canada's children as a whole. We are not doing it. We are failing. The Government has failed.

• (1610)

[*Translation*]

Mrs. Monique B. Tardif (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, it is with great pleasure that I take part in the third reading debate on Bill C-144. Allow me first, Madam Speaker, to go back to the reply I was given earlier by my colleague the Hon. Member for Windsor West (Mr. Gray) about the federal contribution toward the maintenance of child care services after 1995. I referred my colleague to clause 3 of the Bill and he referred me to its preamble. I would like to put on record, Madam Speaker, that the first paragraph of the preamble says that after 1995 the Government will contribute to the maintenance of the expanded child care system. It should be obvious to anyone who can read and understand legislation that that is not only included in the preamble but also in clause 3, and it has always been agreed that after 1995 the federal Government will continue to contribute 50 per cent of the maintenance cost of child care services.

My colleague also mentioned what the former Liberal Government did for child care services. I wish to remind him that in 1984 the Canada Assistance Plan provided $25 million for all Canadian children who needed care services. It is estimated that under the Bill introduced, according to our objectives of doubling the number of day care spaces in the next seven years, by then, in 1995, the federal Government should be contributing $800 million per year for child care services.

I also had, Madam Speaker, the opportunity to hear the leader of the official Opposition this morning and I would like to express my astonishment. Where was he this summer? What does he know of the day care Bill? How can his speechwriters tackle issues they know nothing about? Why haven't

they at least consulted with the Hon. Member for Outremont (Mrs. Pépin) who was one of those sitting on the legislative committee this summer? I am convinced that my colleague from Outremont could have told them a few things, including the date of the Bill's first reading in the House. But I would particularly like to emphasize certain aspects of this issue. I I am thinking of a change suggested by the Hon. Member for Outremont during the legislative committee to clarify whether the 200 000 extra spaces were meant as a minimum or a maximum. At her request, the two little words "at least" were added before the number 200 000 in the preamble. Not only is this what we wanted but it is in fact something which we have added to the Bill at his request to make sure that Members opposite understood that it was certainly not a maximum but rather a minimum.

There were also other changes made, Madam Speaker, at the committee stage, which were totally ignored by the leader of the official Opposition this morning. I would like to stress among others the issue of children. What is a child? He spoke to us about a child under six. Section 2 of the Bill, a definitional section, describes a child as a person under 15 of age. So there is no problem and this is something everyone can understand; according to the child care legislation, a child is under 15. That seems simple enough. It is there in the legislation. The issue of rolling over expenses from one year to the next was also raised, Madam Speaker. Yes, there was a change in committee in that case as well to ensure that part of the monies not spent as forecasted by the provinces could be rolled over to the subsequent year.

Yes, that is a change which was made in the legislative committee.

Madam Speaker, there was also an amendment dealing with linguistic minorities. There was an amendment moved by the Hon. Member for Outremont which was accepted. There was another amendment dealing with the needs of low income families which was added to the legislation.

I suggest that we have carried out a fair examination of the issue, that we have listened to the legitimate representations, even from the Opposition, and we have been able to incoporate them in the legislation, so that I feel we have an excellent Bill, Madam Speaker.

I should like to emphasize something which I noticed this morning, Madam Speaker. As I was listening to the Leader of the Official Opposition, I was absolutetly flabbergasted to realize that not a single woman supported what he was saying. Having heard what he had to say, I suggest I would have done the same thing and I feel that on an issue as important as this one for the women, families and children in Canada, we have to thoroughly examine the Bill before us.

Madam Speaker, last Wednesday, the Leader of the NDP made a number of statements in the House. I had the opportunity to read them and I should like to address especially his comments dealing with issues of national objectives and standards, as well as the availability of Federal funds for daycare services under this legislation.

As a result of this debate, I have come to the realization that several Members of the Opposition sitting in the House know nothing about the sharing of powers between the Federal and Provincial Governments in Canada, nor about the Federal assistance made available through Federal programs in such areas of Provincial jurisdiction as health services, post-secondary education, social assistance and services. They do not seem to understand the difference between cost sharing programs under which the Federal Government reimburse the provinces part of the expenses incurred under Federaly sponsored programs and global financing, and where the Federal Government's contribution is determined by a formula and is not directly tied to Provincial expenditures.

In an unfair attack against the Premier and the Government of his province, the NDP House Leader said this last Wednesday: "The Government of Canada gives British Columbia money for post-secondary education . . . The British Columbia Government does not match any of it. It does not spend any money on post-secondary education, and I am saying it will do the same for child care."

Madam Speaker, this is a cost sharing Bill. Any province seeking federal funding under the provisions of this legislation will first have to contribute money to increase the number of spaces in its qualified child care centres and provide regular financial assistance with respect to new and existing spaces by paying direct grants or subsidizing the expenses of low and middle income families. The provinces must contribute money for child care and spend that money for nothing else before we will pay back some of these expenditures. It is not a matter of payments which must be matched by the provinces. They must contribute first and then apply to the federal Government for partial repayment of their expenses.

By contrast, federal contributions for post-secondary education are figured out every year on the basis of a formula which has nothing to do with provincial expenditures. The provinces are not expected to match the federal contribution nor to add a preset amount.

Madam Speaker, allow me to say a few words about the issue of national standards and objectives. Apparently a number of Opposition Members believe that there are national standards concerning new programs and that these standards are the same in all sectors where the federal Government contributes money. Since the federal Government shares the cost connected with social assistance, the Members in question assume that social welfare rates are the same in each province. Since a federal contribution is paid for insured health services, these Members assume that the number of doctors per capita in New Brunswick is the same as in Ontario and that since there are hospitals in Toronto, there should be hospitals in every little fishing village in Newfoundland. Since the federal Government provides funding for post-secondary education, these Members assume that the professor/student ratio at

Laval University should be identical to that at the University of British Columbia and that admission criteria, competence of staff and student assistance programs should be the same at both institutions.

• (1620)

Madam Speaker, these assumptions are of course false. Like many others, the Hon. Member for Kamloops—Shuswap (Mr. Riis) said indignantly in his speech last Wednesday that we would have a very uneven system because different provinces would have different standards of child care. In an area that falls purely under provincial jurisdiction, there may be variations from province to province to reflect the different needs that exist across the country.

Today, we have this divergence in health care because certain services which are fully insured in some provinces are only partially insured in other provinces or not at all. We have the same kind of situation in social assistance, because different provinces provide different rates of assistance to different categories of recipients. The same applies to post-secondary education, where admission criteria and student assistance programs vary from province to province and from university to university.

In fact, even if that may surprise the Hon. Member and others who share his views, there is no standard for establishing these programs. None are recommended for this Bill, any more than standards exist in legislation authorizing federal financial assistance to programs that fall under provincial jurisdiction.

Furthermore, Mr. Speaker, when witnesses for the FTQ informed the New Democratic spokesperson for the Bill at the hearings of the legislative committee that standards should be left entirely up to the provinces, she approved that position, stating that the NDP only wanted the Bill to set national objectives.

Madam Speaker, I may add that the next day, the Hon. Member for Vancouver East (Ms. Mitchell) did a clause-by-clause analysis, proposing a series of amendments regarding so-called national objectives, most of which were just program standards, under a different name. Nevertheless, she at least recognized in principle that those who claim that imposing uniform minimum standards regarding child/staff ratios, program contents and personnel qualifications on every province is not a violation of provincial jurisdiction are dreaming!

Far from giving up our responsibility to encourage the provinces to improve their minimum standards for accredited child care facilities, this legislation goes further than any comparable previous Bill, because it asks the provinces to set program standards in seven specific areas, to make these standards public and to enforce them.

There is no such requirement in the Canada Health Act, in the Canada Assistance Plan or in the legislation governing contributions for post-secondary education.

The Hon. Member for Vancouver East asked about national standards in the Canada Health Act.

Since most provinces approve of the Meech Lake Agreement, which explicitly authorizes the federal Government to set national standards for new cost-sharing programs that the provinces must respect in order to receive federal funds if they opt out of such programs, would such objectives have been legitimate in the Bill?

There are two answers to this question, Madam Speaker? First, these national objectives are in the Bill. They are stated in part in the preamble and in the requirements to set, make public and enforce program standards in some areas with which the provinces must comply to be entitled to the cost-sharing provided for in this Bill.

Second, what the NDP suggested in committee and at the report stage as national objectives were, in fact, disguised attempts at imposing detailed program implementation standards. For exemple, the Canada Health Act mentions accessibility as a national objective, meaning that fees cannot be charged for insured services. As the NDP recognizes that fees for child care centres should continue for an unspecified period, even according to its suggestions, it would be ridiculous to establish such an objective and to bind the financing provided in the legislation to that kind of objective. That is what the NDP is suggesting we do in its definition of affordability, among other national objectives. As well, its definition of accessibility seems to demand that provinces establish a child care center in all communities so that parents never have to wait for a space.

A similar objective in the Canada Health Act would mean that a province should provide hospitals, doctors and nurses in all communities and suppress waiting lists for surgery. The NDP definition of quality would demand that provinces provide services equivalent to those provided in most other provinces and conform to the most recent child care standards. Detailed implementation standards would be dictated under the guise of national objectives.

All I can say, Madam Speaker, is that those propositions are dishonest or that those who make them are completely ignorant of their impact. That is most annoying. Even if there was no constitutional aspect involved, would it be logical to have, for example, a standardized ratio of three children per care giver when we know that this standard could be easily met in Quebec City or in Toronto but would prevent the creation of a licensed day care facility in a small village or in an unorganized rural community? That is only one of the realities we are faced with when we think of national standards.

Madam Speaker, I would like to conclude my remarks by saying that, in the rhetoric he served us last Wednesday, the NDP House Leader referred to a strictly federal program, the

family allowance program, and asked what would happen if each Canadian province had its own family allowance program. It would be nonsense.

Madam Speaker, what I have to say may be of interest to the Liberals who want uniform national standards, like the Hon. Member for Cape Breton—East Richmond (Mr. Dingwall). In 1974, the present Leader of the Opposition introduced a bill allowing each province to vary the amount of family allowance payments according to the number of children in the family and their age. Two provinces, Alberta and Quebec, are exercising this right now, and Prince Edward Island has done so in the past. So this "nonsense" has been a reality for nearly 14 years.

Madam Speaker, this is a case where the question of diversity and the question of meeting local needs have been taken into account in a strictly federal program, without compromising the effectiveness of the program.

To sum up, the federal Government is showing leadership in this legislation. It asks provinces to devote funds to child care according to our own criteria in order to be entitled to cost sharing. For the first time it asks that provinces devise, make public and enforce standards of establishment of programs under a plan providing for provincial jurisdiction and it has set everywhere in the legislation national objectives which are significant and realistic in the context of the service provided and its present level of development.

We have not ignored the provincial jurisdictions, the diversity of this country and the levels of service the provinces could ensure realistically during the period provided for in the legislation. If we have been criticized on that, we present no excuses, for we prefer to bring about improvements rather than guarantee impossible things.

Mr. Caccia: Madam Speaker, I have a question for the Parliamentary Secretary to the Minister of National Health and Welfare (Mrs. Tardif). She underlined the definition of a "child" contained in this Bill as "a person under fifteen years of age". The question I want to ask her is this: Does this Bill recognize well enough the particular problem of the "latchkey kids"? And what will the Government's policy be regarding the problem of latchkey kids under 15?

• (1630)

Mrs. Tardif (Charlesbourg): Madam Speaker, that is a question that was extensively debated at the legislative committee, where it was clearly determined that under this Bill, a "child" is any person under 15 years of age. We also discussed after school hours day care facilities and facilities for students under 15.

It is obvious that the Child Care Act addresses all of the provinces and, under the enabling legislation, each one of them will be responsible for signing with the federal government an agreement providing for instance for after hours day care services for school age children, where the development, maintenance and supervision of these spaces will be subjected to the same authorities as other types of day care. We would not want, Madam Speaker, to create day care spaces not subjected to any control and where quality would be nonexistent.

Our goal through this Bill is not only to increase the number of spaces but also to ensure that these would be quality spaces. And in order to have acceptable quality, the same provincial jurisdiction that will establish standards to meet our expectations, that will decide where new spaces are required, that will decide where they are to be built or operated, also should check for quality. One agency in each province will be responsible for child care quality. Thus, there will be no problem. There could be for instance child care services in a school, but they should then be under the authority of that agency. Referring to Quebec, it would be the *Office de garde* that should be responsible for those child care spaces.

Mr. Caccia: My second question, Madam Speaker, is related to payments under the Canada Assistance Plan. I would like to ask the Hon. Parliamentary Secretary whether she can assure this House that provinces that wish to opt out of this legislation, Bill C-144, could still use the Canada Assistance Plan in the future?

Mrs. Tardif (Charlesbourg): Madam Speaker, I would like to refer to what I think is Clause 12 of the legislation. No, it is not that clause. I have difficulty finding the exact reference, but anyway it is already provided in the Bill that any province that did not sign an agreement would remain under the Canada Assistance Plan. So this is provided for, it is part of the agreement. Any province that has no agreement with the Canadian Government would continue claiming its costs under the Canada Assistance Plan. That is provided under the legislation.

Mr. Caccia: I would like to know whether they would be able to do so in the future without any time limitation?

Mrs. Tardif (Charlesbourg): The only time limit provided in the legislation is for registering. A province for instance that entered into a federal-provincial agreement before 1990 would be able to claim its capital costs under the Child Care Act. It could do so retroactively. There is no other limitation. So any difference in status between two provinces would be whether they entered into a federal-provincial agreement.

The Acting Speaker (Mrs. Champagne): Questions, comments? Debate. The Hon. Member for Davenport (Mr. Caccia).

[*English*]

Hon. Chas. L. Caccia (Davenport): In intervening at this stage of the debate, Madam Speaker, there are a number of points that I would like to make, having carefully listened to the Parliamentary Secretary, in the hope that I clearly understood her rebuttal, which was certainly a very incisive one and relevant to the matter before us today. Nevertheless,

there are problems with this piece of legislation that existed at the time of second reading that have plagued us throughout the committee hearings and the listening to witnesses. In some cases witnesses reinforced those sentiments relating to complexities and problems which are still with us at third reading.

The fact of the matter is that in launching this Bill and this measure, the Government is badly underestimating the number of mothers, fathers and children who will require the care that this Bill intends to offer. There are many more women in training, many more women at university, many more women entering the employment force than the 200,000 spaces would imply, in the case that they have children over the next seven years. It is an established fact that in cities such as Metro Toronto today the waiting lists are such that they will make the relevance and the significance of this program outdated. In other words, the figures that have been produced at the committee stage and the forecasts indicate that the need out there in order to be met would require a program that is seven times as large as the one that we are debating through this particular legislative measure.

The forecasts are for some 1.4 million children who will require assistance over the next seven years. We are therefore dealing with a limited number of spaces and with waiting lists that are not going to be addressed or assisted by this measure alone.

In other words, the federal Government is not going to cope with the extent of the problem that we have before us no matter how many reassurances the Minister of National Health and Welfare (Mr. Epp) may give in this Chamber. Bypassing this legislation we will have dealt with the surface of the problem. We will have dealt so to speak with the tip of the iceberg, but we will not have dealt with the substance of the issue that must be resolved if we are to meet the requirements of a generation that in increasing numbers requires the services of child care.

We see every morning on the subway in Metro Toronto young mothers in particular board trains as early as 6.30 in the morning to take their children to the other end of the city because that is the only place they may have found for leaving their child in care, sometimes 40, 45 and even 60 minutes distance, a place that may be private or public but which consumes an enormous amount of time twice a day, particularly at the end of the day when both mother and child re-enter home after a long day. In other words, the situation is unacceptable in a modern society with the resources that we have in Canada and with the fine record that we had up to 1984 in meeting the social needs of Canadians across the nation.

• (1640)

When the Prime Minister (Mr. Mulroney) spoke in this House on this Bill, he indicated that this Bill can only go so far to placate feelings. He made a reference to the deficit as being a time bomb. I thought that that intervention was inappropriate and extremely out of place in such a discussion.

We have to keep in mind that the deficit is a time bomb when it comes to an important social measure like this, but we do not have to worry about the deficit as a time bomb when it comes to the development of tarsands in mega projects in certain parts of Canada which are going to absorb billions of dollars. We are not to worry about the deficit being a time bomb when it comes to the defence equipment and Budgets over the next 10 or 15 or 20 years, but we are to worry about the deficit as a time bomb when it comes to child care in Canada. That makes me wonder about the values and the priorities of the Progressive Conservative Government. How can it worry about a deficit being a time bomb in relation to certain social measures, but not worry about the deficit being a time bomb when it comes to measures other than social? That, for the life of me, I cannot understand. The Government is to be condemned for these upside down priorities and values. I will come to that, at the end of my intervention, with specific figures, because they really trouble me.

Third, the point also needs to be made that there is an increasing dependence on the part of Canadians on adequate child care services, because Canadians need to have two incomes in order to build a family. Keep in mind that in the last four years the tax imposed on a person earning $25,000 a year has gone up by 22 per cent. That is a considerable burden. Add to that the fact that we have seen the deindexation of family allowances during the past four years introduced and implemented by this Government.

In addition, we have had the deindexation of the child tax credit. As a result, three measures will hit at the same time the person in the process of raising a young family.

Then there is the point which I made earlier, that the Bill and the expenditures that will go with it will only be able to meet the requirements of one-seventh of the child population that is predicted for over the next seven years.

In the case of Ontario, the province I come from, the adoption of this measure will mean that a ceiling will be imposed in Ontario to the extent that it will result in 12,000 less child care spaces than if it were to continue under the present regime. That is a matter of profound concern with the provincial authorities and Government.

There are certain incentives to enter into this agreement, but there are also certain penalties that will result in signing this agreement on child care. Probably the major disincentive and penalty is that by entering this agreement and abandoning the Canada Assistance Plan, which has served us well over the last 20 years, Ontario and, I suppose, other provinces will lose a substantial number of spaces, which, in the case of Ontario, has been estimated at 12,000.

I ask why the Canada Assistance Plan has to be abandoned. The Parliamentary Secretary dealt with that in her answers

earlier, and I will take her word for that. The Canada Assistance Plan has served Canadians well. It has permitted the provinces to submit a bill, so to speak, to the federal Government for any social measures they undertake, and to be refunded 50 per cent for every dollar spent in social services and programs.

This is why at the present time we have child care services in existence throughout Canada which are made possible under the Canada Assistance Plan. We have $1.9 billion for child care systems—a substantial sum—that is spent annually.

This Bill and the speeches made in this House by the Government tend to create an impression that we are launching a totally new program and a totally new expenditure which has not existed until now. That is not so. That program of child care has existed under the Canada Assistance Plan, and will continue to exist, as the Parliamentary Secretary clarified earlier, if provinces decide not to enter into an agreement under Bill C-144 with Ottawa.

This policy was indicated quite lucidly by Marjorie Nichols in a column a month and a half ago. She wrote that the Government would be spending, assuming an inflation factor of 5 per cent a year, some $17 billion over the next seven years without this new program.

By adopting this program, the Government will be spending—and you have to include the inflation factor—some $22 billion over the next seven years. That is perhaps one way of putting into perspective the comparison with the program that exists right now under the Canada Assistance Plan, and it puts Bill C-144 in perspective as well. The increase is in essence 4 per cent more per year than would have been spent without this new program.

The matter of national standards is one that has been bounced back and forth across the floor in debates, in second reading today and particularly in the reply by the Parliamentary Secretary. Her analysis was quite interesting, and I recognize that. The fact remains that we want to ensure in Canada some basic minimum standards across the board, regardless of where the child attends the child care system. The standards have usually been a prerogative, and the leadership, up until now, has been given by the federal Government.

In this Bill, we do not find any reference to a pattern that has been established through other social security programs and systems. This is why the criticism has come from this side of the House. If we have missed a reference to national standards in Bill C-144, I will be glad to hear from the Parliamentary Secretary when I sit down. Perhaps she will be in a position to refer me to that clause in the Bill that establishes national standards. I will be glad to be corrected.

• (1650)

Another shortcoming of this particular measure and approach is that it does not set priorities for families in need. It is our understanding, from the hearings in committee, and after having listened to submission after submission, that families in need will face a more difficult situation than they have up until now.

In the question and answer period we dealt briefly with the question of the latchkey kids. The Parliamentary Secretary has referred the matter to the provincial authorities and this would be in their domain to designate and to take care of. We hope the contract, the negotiations, and the agreements that will be signed will give latchkey kids the just recognition as a phenomenon in society that has to be dealt with.

In this debate there has been very little reference, except for a couple of times, to the salaries paid to day care workers. They will continue to be the lowest paid in society, unless the federal Government gives some leadership on this matter, and unless it speaks openly and gives a clear indication as to what it thinks should be the appropriate and adequate payment to be given to those key individuals in our society.

On the question of priorities, to which I made a brief reference earlier, we should begin to examine the reference of the Prime Minister to the question of the time bomb of a deficit, and the manner in which the Government commits itself in defence equipment budgeting—although it is true that it is over more than seven years. In some cases it is five years. For some items and equipment it is seven years, in some cases it is ten years, and some cases it is over ten years. Nevertheless, when one looks at the totality of the defence equipment budget, one finds this astonishing $25 billion commitment which the Prime Minister does not find it necessary to worry about in terms of a deficit. Then one compares the $25 billion to the $4 billion, because in essence we are talking of a $4 billion expenditure on child care, that is the real amount, without including the tax credits. One asks, what on earth are the priorities of this Government? One wonders deeply and profoundly about what are the driving set of values that the Government is adopting when those priorities are compared. On the one hand we have $25 billion versus $4 billion.

We are looking forward to the debates not only here, but also on the hustings to stress and underline to Canadians the type of priorities that the Government has when it comes to the question of the care of children over the next seven years. It does not make sense to go into this type of funding when it is not looked at in isolation any longer, because it cannot and should not be, but when one looks at the type of funding in relation to competitive, parallel, and concurrent fundings of this Government, then the whole program becomes a shameless exercise in the pornography of power. It is a bad scene that emerges. In other words, if we can find the money for defence equipment, we better find the money for the proper care of the present young generation.

In Toronto the waiting list is 4,700. The other day, a young woman named Roberta Wilson, aged 19, went into the office of the chairman of the Metro Toronto government, Mr. Flynn, and had a sit-in for two hours until she was given a day care

space for her son. She had to resort to this type of technique in order to get attention. I ask you, Madam Speaker, is that the way that mothers today and in the future will have to operate in order to get the attention of local, provincial, and federal governments? Obviously, this is not the way to resolve a problem with day care. Obviously, one does not want to have waiting lists of 4,700 in a metropolitan population. In fact, one would not want to have large waiting lists. There will always be some. However, this is insane, and it does not make sense.

I hear your signal, Madam Speaker, and I will conclude by simply referring to the fact that we have here a policy which looked reasonably good when it was introduced in the House some time ago. The more we studied it, the more we explored the situation out there in the real world in terms of waiting lists, in terms of taxation on medium and low-income families, in terms of the projections into the next seven years, and compared that with what this Bill is offering, we could only conclude that this measure is inadequate. When the measure is compared to other priorities of the Government, then the scene is really very distressing.

[*Translation*]

Ms. Tardif: Madam Speaker, I listened a moment ago to my hon. colleague talking about national expenditures. If I look at present expenditures under the Canada Assistance Plan for child care services, which total 160 million dollars a year, if I look at the Bill's preamble which provides for payments of four billion dollars over the next seven years, I have trouble understanding why he does not believe that this Bill will allow us to put more and more money into this field to meet the needs of Canadian families. This is a government priority, a priority backed by the present $160-million budget and by forecast expenditures of $4 billion over the next seven year period for child care services.

I would also like to go back to the matter of what is required from provinces under the agreements they will sign. He referred a moment ago to certain points which apparently would not be covered, on which the federal government presumably has not assumed its leadership role. I would like to refer him to sub-paragraph 4(1)(b) of the Bill which states that provinces must accord special priority to meeting the needs of children from low to modest income families.

Concerning the answer I just gave to a question from my hon. colleague concerning the withdrawal of the Canada Assistance Plan, I would like to remind him that I was not able to find the exact reference. Clause 13 of the Bill states that paragraph 10(1), which concerns the Canada Assistance Plan and its amendments, shall come into force on a day to be fixed by order of the Governor in Council, which day shall not be earlier than April 1 of the first year in respect of which all provinces have entered into agreements under the Act. Therefore, the Canada Assistance Plan will be able to reject the expenditures of provinces until such time as all provinces are covered by the new agreement.

The Acting Speaker (Mrs. Champagne): It being five o'clock, pursuant to an order made earlier this day, it is my duty to interrupt the proceedings for the purpose of putting forwith every question necessary to dispose of third reading of the Bill presently before the House.

• (1700)

[*English*]

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mrs. Champagne): All those in favour of the amendment, will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mrs. Champagne): Pursuant to an order made earlier this day, the recorded division on the proposed amendment stands deferred until six o'clock later this day.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

PRIVATE MEMBERS' BUSINESS—MOTIONS

The Acting Speaker (Mrs. Champagne): Before proceeding with the debate, I would like to inform the House that the Chair has received a written notice from the Hon. Member for Outremont (Mrs. Pépin) advising the House that she will be unable to present her motion during the Private Members' Hour, on Tuesday, September the 27, 1988.

[*English*]

It has not been possible to arrange an exchange of positions in the order of precedence pursuant to Standing Order 39. Accordingly, I am directing the Table Officers to drop this item of business from the order of precedence.

[*Translation*]

Since the notice will be cancelled, the Private Member's Hour will be suspended and, pursuant to Standing Order 39,

the House will revert to the business before it prior to the Private Member's Hour.

[*English*]

It being five o'clock p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS--BILLS

[*English*]

FOOD AND DRUGS ACT

MEASURE TO AMEND

The House resumed from Friday, August 19, consideration of the motion of Ms. Copps that Bill C-289, an Act to amend the Food and Drugs Act (list of ingredients), be read the second time and referred to a legislative committee.

Mr. Bill Gottselig (Moose Jaw): Madam Speaker, the Bill before us today clearly and simply proposes the full labelling of all restaurant meals. This sounds relatively uncomplicated as proposed in this Bill, but as so often happens, plans that look simple on paper are not always practical in the real world. Let us consider for a few moments the effect such a labelling requirement could have on the restaurant industry.

Most restaurant owners are proud of their establishment and try to serve the best food possible at the most reasonable price possible, while still ensuring some profit. Accordingly, they deal with a number of suppliers and buy from the source with the best product at the best price. This would, of course, be no problem if all products of a similar nature were identical. However, we are talking about the real world. For example, let us examine the potential problems with something as simple as flour.

Under Canadian food and drug regulations there are nine food additives permitted in flour for use as bleaching, naturing and dough conditioning agents. Of course, not all of those food additives would be used in a particular flour at the same time, but they provide the manufacturer with optional ingredients any one of which can be selected based on availability, price and technical requirements. The use of flour from one source with a certain combination of ingredients and food additives is no problem for the restauranteur.

When his supply runs low, however, he must either order more flour with the same composition from the same supplier, which limits his ability to shop around and get the best price available, or order flour with perhaps slightly different components from somewhere else. In the latter case, he is faced with having to change the ingredient and food additive information on every dish in which flour is used in his restaurant. The cost of changing this information would no doubt result in higher prices in the restaurant. If he decides not to change suppliers, he becomes tied to one supplier and as a result may very well wind up paying a higher price for the same flour. That again would require raising the prices in his establishment.

This is only one ingredient out of hundreds that a restaurant would use in the course of its business. The very same factors would apply to a majority, if not all, of foods and would create the need for tremendous record keeping efforts by both the restauranteur and the wholesaler.

In another situation, it is conceivable that the chef could run out of one ingredient such as a spice mixture while preparing a meal. Under this Bill he would not be able to substitute another mixture without changing the ingredient listing and, subsequently the preparation of the meal could be delayed or the food wasted and the service time for the consumer prolonged considerably.

There could also be considerably less creativity by chefs if complete ingredient labelling were required. Can you imagine the indignation of a master chef who has just finished creating a new gourmet meal when he is told that his masterpiece cannot be served to the public until the new ingredient listings are printed and ready for distribution? In fact, there may be great reluctance on the part of great chefs to reveal all the ingredients in their sauces and other foods.

Let us reflect for a moment on the dimension of the problem addressed here today. This is important if a practical solution is to be found. It needs to be recognized that not all ingredients are associated with severe adverse reactions. In fact, of the multitude of foods and food ingredients, only a small number have been associated with frequent or severe adverse reactions in susceptible individuals.

If this Bill before us today is passed it will create severe problems in the food industry as well as tremendous difficulties for the individual restauranteur. It is quite possible that it would produce so much labelling information that the sensitive consumer may not be able to comprehend all of it. That is not to say, however, that some measures are not required to provide to the consumer more information on the presence of potential allergens in foods.

To this end, officials of the Health Protection Branch of the Department of National Health and Welfare, in conjunction with representatives from the Canadian Restaurant and Food Services Association and the Allergy Information Association, have developed a proposal to address this situation. A list of the allergens responsible for the most severe or most frequent adverse reactions has been prepared and is presently being reviewed by the medical profession. As a first step, it is planned that a chart be made available to the consumer with information on the presence of these selected allergens in the foods served in fast service food establishments.

This proposal is far more practical and beneficial to all parties than the Bill before us today. Furthermore, the Allergy Information Association, having broad experience and contact with Canadians who suffer from adverse reactions to foods,

drugs, *et cetera*, as well as the Canadian Diabetics Association, many of whose members manage institutional and commercial food services, have indicated support for this step-wise approach. Therefore, if this Bill were to pass it would seriously damage the productive negotiations between the Health Protection Branch and the food service industry to address this problem.

[*Translation*]

Mr. Gilles Bernier (Beauce): Madam Speaker, the first comprehensive regulations governing the labelling of food products were introduced in the early 60's under the Food and Drugs Act.

The Department of Consumer and Corporate Affairs is responsible for enforcing the provisions relating to labelling, packaging and advertising of food products, under the Consumer Packaging and Labelling Act, the Food and Drugs Act and the regulations made therunder.

The Health Protection Branch of the Department of National Health and Welfare advises the Department of Consumer and Corporate Affaires on labelling and advertising matters relating to health. In 1973, the Departement of Consumer and Corporate Affairs published draft regulations on the packaging and labelling of consumer products as well as proposed amendments to the Food and Drugs regulations substantially changing food labelling requirements.

Madam Speaker, the new regulations were promulgated in 1974 and manufacturers of foods products were given a period of two years in order to implement them. These regulations gave rise to a comprehensive set of rules and guidelines relating to labelling and advertising.

Prepackaged foods must now bear a label with the following information, which is important: common name of the food, net contents, name and address of the person responsible for the product, a list of ingredients, durable life date and, if required, instructions for proper storage.

All the information required must be in English and French, except the name and address of the manufacturer which can be in either language.

Regarding more particularly the list of ingredients, these must be mentioned on most prepackaged foods in decreasing order of quantity or percentage of the prepackaged product. However, there are some exceptions, namely the following:

First, products that are prepackaged on retail premises; second, prepackaged individual portions of food that are served by a restaurant or other commercial enterprise with meals or snacks; third, prepackaged individual servings of food that are prepared by a commissary and sold by automatic vending machines or mobile canteens; four, meat and meat by-products that are barbecued, roasted or broiled on the retail premises; also, standardised alcoholic beverages and vinegars.

Some ingredients may be shown at the end of the list in any order. Those ingredients, Madam Speaker, can be spices, seasonings, herbs, except table salt, natural or artificial flavours, flavour enhancers, additives, vitamins, salts or derivatives of vitamins, mineral nutrients and salts of mineral nutrients.

Ingredients must generally be shown by their common names. Some of them, however, such as vegetable oils, flavours, seasonings, milk products may be identified by the name of the food category they represent.

Meat, poultry, fish or their by-products must be identified by their individual names, and in the case of vegetable protein based products, the source of the protein must be specifically identified on the label.

In the case of optional ingredients, or those that can be substituted to others in the preparation of a product, the label may list all ingredients that could be included in the product during the year. However, it must be clearly indicated those ingredients may not necessarily be present in a given package of that food.

Besides, when an ingredient has several components, the complete list of those components must appear on the label unless otherwise excepted by Food and Drug Regulations. Among ingredients for which a list of components is not mandatory we could mention butter, flour and cheese. Apart from the information processors must provide on the label, they can choose to list a certain number of additional information about their products. To protect consumers against any possibility of misleading information, guidelines were developed for the categories of statements that may legitimately appear on labels.

As pointed out, Madam Speaker, none of those labelling provisions apply to food served in restaurants, hotels or other food service outlets. And a close look at conditions in restaurants shows how impractical it would be to put them under such vast regulations. Some restaurants for instance serve a whole range of foods and sometimes change from day to day their menus and even their individual recipes. What would happen to small roadside snackbars and take-out restaurants with limited resources? How could they obey such labelling provisions? Further, trying to impose regulations without at the same time educating the food service industry, including for instance suppliers, and an adequate enforcing mechanism? This might expose sensitive consumers to a higher risk situation than now prevails. Also, if we were to force restaurateurs to label their foods, this would have to be done in a way that would not entertain a feeling of false security among people with food allergies. For the time being, it is therefore imperative that people with those kinds of allergies do not hesitate to inquire with the restaurateur about the ingredients of the foods before eating them.

Where the specific substance responsible for the allergic reaction is present in the food, or where the restaurateur does not seem to be quite sure of the exact ingredients, the consumer should not hesitate for a moment to stay away from both that food and that restaurant. People with food allergies

should understand it is their responsibility to do everything in their power to avoid the substance to which they are allergic. This however does not relieve food service operations from the responsibility to better inform their customers to the best of their knowledge as to the ingredients of the foods they serve, when asked to do so.

Indeed, officials from the Health Protection Branch in the Department of National Health and Welfare are actively discussing with representatives of the restaurant and food services industry, the Allergy Information Association and the medical profession to exactly determine what information should be easily accessible to consumers as well as the best ways to make it available. Let me suggest, Madam Speaker, that we should simply let those people go about their work, without government interference.

• (1710)

[*English*]

Mr. Svend J. Robinson (Burnaby): I will be very brief in my comments, Mr. Speaker. I hope this Bill will be passed this afternoon and then go on to committee where it can be studied in greater detail. Witnesses can appear and discuss the important aspects of the legislation.

I strongly support the thrust of this legislation. Indeed, I want to take this opportunity to congratulate the Hon. Member for Hamilton East (Ms. Copps) who brought the Bill before the House and I believe as well the Hon. Member for Burlington (Mr. Kempling) who has also spoken out on this issue in the past, as has my colleague the Hon. Member for Vancouver East (Ms. Mitchell), the Hon. Member for Vancouver—Kingsway (Mr. Waddell) and a number of colleagues from the New Democratic Party.

I myself have received letters from a number of constituents on the subject matter of this Bill. A Mrs. Gail Takeshita of Sussex Avenue in Burnaby wrote a letter as follows:

> Dear Mr. Robinson:
>
> As a parent of a child with very severe food allergies, I was pleased to receive a letter . . . informing me of . . . Bill C-289 in an effort to achieve legislation requiring disclosure of ingredients in restaurant foods.
>
> My daughter has "anaphylaxis" which can also be called "allergic shock" or "general allergic reaction". This is a life-threatening reaction to foods. Incorrect information given by a waiter or waitress, or improper or inadequate ingredient listing on a package could someday cost my daughter her life.

Mrs. Takeshita strongly supports this legislation, and understandably so because the life of her child is at risk.

As well, I received a letter from a Rev. Sam Smith, an elderly gentleman who lives in South Burnaby. He writes to me about a situation facing his family particularly with respect to monosodium glutamate. He points out:

> Monosodium glutamate is the most dangerous. Causing allergic reactions in about 50 per cent of Canadians, to a more or less degree.

I believe my colleague from Vancouver East has indicated she is one of the Canadians who responds in a negative way to MSG. Rev. Smith points out that his wife can go into convulsions if she gets the amount of MSG considered normal in prepared foods. The worst foods are those in which the makers consider MSG to be only a flavour enhancer and therefore do not even list it as an ingredient.

• (1720)

The purpose of this legislation is straightforward. The Member for Hamilton East noted that she was certainly prepared to accept that there were some difficulties in the drafting of the Bill, but that in principle the legislation should go forward to committee. The key point is that now if one goes into a grocery store to purchase food, one is entitled by law to a listing of the ingredients in that food. However, if one goes into a fast food restaurant, a McDonalds, an Arby's, a Wendy's, there is no similar requirement. I would hope this House at this very late stage in this Parliament, perhaps the last week in which this Parliament is sitting, could in fact move in an non-partisan spirit together to pass this important piece of legislation.

I would hope as well that it would be recognized that it has the support of the Consumers' Association of Canada, the Ontario Medical Association and a number of other medical associations and, I believe, the Canadian Council on Children and Youth has examined this question. I would hope this Bill could be moved forward, the committee could examine it with care this week and it could be adopted before the House rises at the end of this week.

I support the legislation. I believe it is legislation that will be of benefit to literally millions of Canadians. I would hope the House would adopt the Bill in principle this afternoon.

Mr. Reginald Stackhouse (Scarborough West): Madam Speaker, I follow the previous speaker not only in time but in general concurrence, although I am not as sure as he is that the House is going to rise on Friday. I feel he is right but we have been wrong so many other Fridays over the past months, I do not quite have his confidence. However, I think the Bill should be put to a vote shortly. I hope a committee could deal with the very real problems more effectively than we can in debate in the House, and that we can bring some relief, comfort and assurance to people who are living under desperate anxieties.

I have been impressed by certain statistics that are available to us from the Good Housekeeping Institute. The report is from a survey taken by that body with respect to concern over reaction to chemicals used in food, snacks and soft drinks. It was ranked second by consumers as being a matter of great concern and danger. In a 1988 survey by a national food association, the Grocery Products Manufacturers of Canada, 93 per cent of respondents believed that food additives should be regulated. Clearly, there is not only a concern on the part of people across North America, but it is a concern that is substantiated by the serious threat to health, indeed, to life,

from the failure to have available the kind of information which this Bill wishes to put before the public.

We have to appreciate that if one suffers from this or that allergy, eating the wrong food can inflict not only discomfort but actual illness or possibly even death, so that a person who knows he or she has these allergies lives under the constant threat of taking the wrong food at a reception, a party, in a restaurant or wherever. There is no way that any individual given those circumstances is going to be wholly safe. We should take whatever steps we can take to bring to those people as much safety as we can. That is really the intention, as I understand it, of the legislation before us.

I commend the Hon. Member for Hamilton East who has brought it to the House. It shows the great value of Private Member's Bills. We private Members can focus the attention of Parliament on something that otherwise would be ignored. We can use this greatest forum of the land to be sure that the nation as a whole is aware that a problem is being taken seriously, that a solution is being examined responsibly.

Debate has already illustrated some of the difficulties of implementing such a Bill as we are considering. One difficulty is the fact that there are widely varying estimates about the number of people who suffer allergies. Some say there are three million in the United States alone. Some say there are 20 million in the United States alone. Whatever the number may be, we know there is a vast array of people who live under constant threat that at least their health is threatened and possibly their life by eating the wrong food.

We do not have precise statistics, but do we need them? Are we not aware that this is a commonly felt problem? Are there any of us who do not know someone who suffers from this or that allergy? They may be allergic to an element in food or to something in the atmosphere. I think all of us are aware of people, sometimes very close to us, who suffer from allergies and need this kind of protection. I can think of one time in the life of my oldest child when she was very, very young. It seemed that almost in a matter of minutes her life was threatened because she was allergic to an element she had taken into her body. If we had not been able to rush her to a hospital and have her receive treatment, she would not have lived another hour. The memory of that traumatic afternoon when the seemingly unbelievable was real before our eyes has certainly made me sensitive to the subject before us.

A little girl was playing as any other little girl might be, and then suddenly she was not able to breathe and had to be rushed to a hospital, we wondered for what reason, and then we were told what the reason was. Fortunately, treatment was a hand. But it has certainly made me sensitive to the critical nature of what we are debating.

When we focus attention, as we are right to do, on the difficulties in implementing this legislation, I hope we will give at least equal attention to the difficulty of living without it. Let us ask about the security of people if they do not have this kind of protection. We are now living in a time when it is needed more than ever. We now live in a time when so many people eat so many meals out. As a boy, I remember that going out for a meal out was an event. It is now commonplace. There are fast food restaurants, gourmet restaurants, and all the eating places in between. The fact is that many people are taking a large number of their meals out, some are taking most of their meals out and some, perhaps, all of them. More than ever throughout the western world we are subject to the possibility of being allergic to food in a meal the elements of which are unknown to us. If a person is unfortunate enough to have those allergies that can threaten health or even life, then this is a matter of great crisis.

In general, I support the intention of this legislation. I would like briefly to conclude by citing three steps I think we must take to cope with the problem. The first step is education. We are doing some of that right now. I look upon the House of Commons as a place of education as well as of legislation. It is a forum in which the representatives of the people of Canada debate with one another and put before the people of Canada the great issues of their time. This is such an issue when it affects the lives of people. We need more education to arouse awareness, to strengthen consciousness, so that everyone connected with providing a food to the public will see the serious nature of what we are talking about.

• (1730)

Second, this Bill is about communication, about the most effective way of communicating to people the knowledge necessary for health and life.

Finally, I want to take a moment to dwell on the need for regulation. We need law because we are humans. We do not always respond to good advice, to good counsel, to good information. We should but we do not. So many of us need the law to prod, to force, and so we move from education, which is always the best, the first and, I hope, long step.

We move to the step of regulation. The intent of this Bill, as I understand it, is to provide that measure of regulation which will provide a measure of security, which is surely the right of every Canadian if it can be provided.

I look upon this Bill as an effort at legitimate regulation. I do not quarrel with having traffic police that tell us to drive this way and sometimes to drive that way, to slow down, to speed up. We need that kind of regulating on the roads. We need regulating when it comes to putting up buildings.

I have just had an experience within the past month or so of dealing with municipal authorities over building regulations. They are quite right. For the protection of all, for the public good, we need processes through which we are required to go. Here we have another example of the same thing, a need for regulation in the public domain, regulation in the places to which men, women, and children are required to go day by day, namely, where they can find food and sustenance for life itself.

It has been said that man is what he eats. If that is the case, legislation dealing with the regulating of food is certainly among the basic legislation that can be put before this Parliament. I believe that we have a serious intent of that. This Bill certainly deserves to go to committee and I hope that detailed study will return to this House a Bill that is workable and that will improve the lot of our fellow Canadians.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I would like to comment very briefly on Bill C-289 which I supported during the debate on June 9 this year, when the Hon. Member for Hamilton East (Ms. Copps) introduced this Bill.

The purpose of the Bill is to compel restaurants to make available for public consultation a list, in English or in French, of all the ingredients in any food sold by them. I will continue to read from the Explanatory Notes to the Bill:

> This Bill will also compel each branch restaurant to affix on the packaging of any packaged food sold by it a list, in English and in French, of the ingredients in such food.

Madam Speaker, this proposal was introduced by the Hon. Member for Hamilton East, and I think it is an excellent idea. Personally, I know people who are allergic to nuts and sea food or who, like me, are allergic to the hair of animals like cats, dogs, and all that sort of thing. I get asthma, so I know how I react and what I should avoid.

In this case, we are talking mostly about young people who eat outside the home and occasionally eat a hasty meal in a fast food establishment such as McDonald's, Harvey's and so forth. These young people must have access to a list of the ingredients they ingest. This may be extremely important, because as anyone who is allergic to something will understand, it is not always obvious that the cake or bread or food a person is served contains a specific ingredient, added during the cooking or preparation of the food, that acts as an irritant to that person and may cause a very strong allergic reaction.

I remember a very awkward situation when one of my friends who was allergic to nuts ordered a piece of cake. He specifically asked the waitress whether there were any nuts in the cake, and the waitress said no, there were none. He ate a piece and in fact, there was a dusting of ground nuts on the cake, and I have seldom seen such a violent reaction. He sort of choked and said, "There are nuts in it. Something's wrong." So something had to be done right away. He had to be taken to the hospital and given emergency treatment.

I am very impressed by these people who suffer from allergies and who sometimes have to deal with very difficult situations because of this lack of information. It seems quite right and straightforward to me that the House pass this Bill on second reading and send it to a committee in order to be able to really deal with the challenge raised by requiring fast food outlets and restaurants that are becoming increasingly popular with young people to describe on the box or container what is inside. I think that McDonald's, for example, has agreed to do so voluntarily. I am told that other chains will do so as a matter of good public relations and probably out of concern for the public welfare, but I think that this subject is important enough to justify sending the Bill for a thorough analysis of the consequences and to really see whether the Minister is right in saying that it would be onerous, difficult and sometimes impossible for food chains to list the ingredients on the container of the products they sell. I am not too satisfied with the Minister's answer that it is too onerous when we see one of the major chains, McDonald's, offer to do what the Bill proposes, i.e. describe on the container or warn the consumer what he or she is about to consume.

Madam Speaker, this Bill can be justified for all sorts of reasons, and not the least is the Canadian statistics showing that one Canadian a month dies of an allergic reaction to certain foods. So, it is a mattter of concern for me and I think that it is important for us to give it serious consideration and to refer this Bill immediately to the committee who may see fit to hear experts and representatives from the food chains concerned explain to us why and how we could implement a system which would enable us to meet the requirements of the law and which would inform Canadians by giving them a list of the ingredients of the products they are about to eat, whether out of a box or in restaurants. I for one will give support to that Bill and I hope that my colleagues in this House will do the same.

[*English*]

Mr. Patrick Crofton (Esquimalt—Saanich): Madam Speaker, it is with great pleasure that I take this opportunity to offer a few comments on Private Member's Bill C-289 which, as you know, is an Act to amend the Food and Drugs Act concerning the listing of ingredients contained in restaurant food. It would compel every restaurant to make available to the public a list, in English or in French, of all the ingredients in any food it sells.

This is certainly a very sensitive issue. It has received a great deal of attention from health professionals, food regulators, the media, and the public at large. This attention is very well justified. Tragic deaths have resulted from allergic reactions to restaurant food, particularly in the so-called fast food restaurants.

According to various news reports, some 25,000 Canadians are at risk every day because of their food allegies. Some 24 people in Canada have died over the past two years, one a month, because of allergic reactions to food eaten in restaurants.

I am one of those unfortunate Canadians who suffers from a food allergy. I am sure that my colleagues on all sides of the House will be happy to know that my allergy is not life threatening. However, that is not quite so with one of my daughters who, over time, has developed an allergy to just one element that we have been able to determine, peanut and peanut oil, which can appear without warning as an ingredient. In her case, her sensitivity has developed to a degree where it

requires only the most minute amount for her to have a very serious allergic reaction. Of course this is of great concern to me and the rest of our family and to any other Canadian who might have that kind of allergy.

• (1740)

Therefore, I welcome this initiative to try to deal with this matter so that Canadians do not unnecessarily expose themselves to risk.

It is not possible to indemnify a Canadian at all times from such risks if he or she has had the misfortune of developing a reaction. But certainly we as parliamentarians can go as far as reasonably possible to assist them in staying healthy.

It is very heartening to note that the Minister of National Health and Welfare (Mr. Epp) is well aware of the problem of the allergic reaction to restaurant food and has already issued instructions to his Department to determine how much, if any, of an increase in food sensitivity reactions there has been, whether a perceived increase might be due to the availability of better instrumentation and diagnosis, and whether the population as a whole is becoming more sensitive for one reason or another. These are important scientific facts that must be determined in examining a reasonable solution.

In addition, the House of Commons Standing Committee on National Health and Welfare has held hearings on the feasibility of mandatory labelling for food products sold in restaurants and fast food outlets. Our Government is determined to find the best possible solution to the problem. It is likely that a large proportion of food sensitivity reactions are linked to relatively few foods or food components. On the other hand, almost any food has the potential to trigger a serious allergic reaction in an occasionally sensitive individual.

This problem is quite complex, and it is vital to solicit input from all parties concerned. Officials from Health and Welfare Canada and the Department of Consumer and Corporate Affairs have consulted with both the Canadian Food and Restaurant Association and the Allergy Information Association. Consensus has been reached that a chart identifying foods served in an establishment and an indication as to whether or not they contain substances for listing on a so-called priority list was perhaps the most suitable mechanism for providing the information required.

In this context it is appropriate to quote from a letter from Mr. Douglas Needham, Executive Vice-President of the Canadian Restaurant and Food Services Association. Mr. Needham writes that his association supports the consumer's right to know the ingredients used in restaurant meals, and that his association continues to work with all concerned groups to identify and implement measures that will decrease the likelihood of more tragic deaths.

I want to applaud Mr. Needham and his association on this stand. In fact, according to a recent report by the Canadian Press, the Canadian Restaurant and Food Services Association is strongly encouraging a voluntary program among its 6,800 members. Industry spokespeople such as Mr. Needham have said that restaurant menus should warn consumers of ingredients that could lead to allergic reactions before they order a meal. The association has suggested a system of warning charts that could be introduced in quick service restaurant chains, because these establishments have a highly centralized control over ingredients.

The consistency of the menus in chain restaurants, combined with the limited choices available, make the charts a manageable idea. According to the same report by the Canadian Press, the association has talked with 24 quick service restaurant chains, and 22 of them have agreed to take part.

This is good news. It shows that the food industry is well aware of the problem and is more than willing to take steps to resolve it. It further shows that the idea of an ingredients list, if it can be fine-tuned and made manageable and practical is indeed a good one.

It is quite possible that the best way to protect Canadians with food allergies as they dine out is through the use of these ingredient lists. If this is the case, then every effort must be made to adopt the very best listing system possible. In this light, it seems quite probable that Bill C-289, effective as it has been in focusing attention on the problem, can be improved.

It is essential that consumers get the information they need to protect themselves in the marketplace, and to make intelligent choices. This applies as much to allergy sufferers who dine in restaurants as to anyone else.

The Government is determined to bring about an effective solution to this issue. If that solution is found to centre upon ingredient disclosure lists, then the House can be assured that the listing requirements will be applied in a manner that is effective, fair and as cost-efficient as possible.

Fast food and quick service restaurants are popular among Canadians, as we all know, and in large measure because quality control is strict. Consumers know what they are getting with a great deal of certainty, and prices are reasonable and affordable. We want to make sure that this continues.

We must adopt a system that affords the best possible protection to the Canadian consumer, and at the same time allows greater freedom and safety for those who suffer from food allergies. This is a very worth-while Bill. I certainly hope it gets to committee and is passed into law.

[*Translation*]

Mr. Marc Ferland (Portneuf): Madam Speaker, I regard Bill C-289 as a positive step to solve a very serious problem. I am happy to see that we, in Canada, already have legislation in that area. It gives us hope for a definite solution in the foreseeable future to the problem of allergic Canadians who, when they eat in a restaurant, run a risk of having violent or fatal reactions.

Under the Consumer Packaging and Labelling Act and Regulations and the Food and Drugs Act and Regulations, food companies must provide, in both official languages, comprehensive information on the foods they sell and on the ingredients in those foods. This is required for imported as well as Canadian products.

The Consumer Packaging and Labelling Act was passed in 1972 and it has had a tremendous effect. In general, suppliers know their obligations very well and put on their labels in both official languages the clear and precise information required by law. And we can say that, with some rare exceptions, offences are quickly dealt with.

That is fine for food products that Canadians buy in stores and put in their refrigerators. On the label of the canned ham or cereal box that he or she just bought, the consumer will find the product's generic name, the net quantity, the name and address of the company, the list of ingredients, the product's durability, as well as the method of preservation.

That is fine, Madam Speaker, and I am sure that such requirements have strongly contributed towards maintaining and improving the health of Canadians. But up until now the law has not protected people who go to restaurants and nothing imposes on restaurant owners to say what ingredients have gone into their foods. This is the basic purpose of the Bill now before you.

But to ensure that solutions are satisfactory and efficient, we must take into account the diversity and the breaking up of the Canadian restaurant industry. Let us not lose track of the fact that 78 per cent of the sales volume in the restaurant business goes to small private firms, often family businesses with a long tradition or, in some cases, ill-conceived and short-lived ventures. This last aspect complicates things even further for the legislator.

Restaurant services in Canada rely on some 72 000 commercial locations all across the country. Food products are served in a variety of settings and places: traditional restaurants, fast food outlets, banquet halls in hotels, catering services, cafeterias, schools, clubs, hospitals, planes, trains, boats and push-carts.

Restaurants use and interchange a staggering number of ingredients of all kinds and from all countries. Even restaurants with limited menus and fast-food restaurants can use up to a thousand ingredients. In the vast majority of cases, restaurants are at the mercy of their suppliers who can change certain ingredients without telling them. This further complicates the whole matter.

Meals served in restaurants cannot be compared to foodstuff bought at the grocery store. In large grocery stores, the consumer can pick up a package, read the label and put it back on the shelf if he is not satisfied with the product. In a restaurant, the customer does not know what ingredients are used in the dishes he orders.

Foods prepared in restaurants are quite different from those which are packaged for retail sale. Therefore, information on the ingredients used in them must be provided in a different way, although as adequately and efficiently as in the case of store-bought foods.

The information provided by restaurants must conform to certain basic criteria including timeliness: the restaurant must provide information on the ingredients used in making the dishes presently listed on its menu; accuracy: emphasis must be placed on ingredients which are known to provoke allergic reactions; precision: precise information must be provided to avoid any risk to the customer.

A few major restaurant chains have put out allergen tables and others will soon follow. This would seem to be a fair response to the rights of clients generally, and especially those who suffer from food allergies. This is an important step which deserves encouragement, and such initiatives are highly commendable.

However, Madam Speaker, we all know that conditions are altogether different in ordinary restaurants. Where the daily menu includes soup, dessert as well as vegetables and fruit in season, the chef changes menus and ingredients every day. We would be asking too much if that kind of establishment were expected to post a list prepared in advance, and we certainly do not want smaller restaurants to go under in the more or less distant future. That simply is not the objective of the Bill.

Madam Speaker, I also know that everything must be done to help a restaurant owner maintain and preserve the essential element of creativity on which rest the success and good name of his establishment. The same goes for restaurants featuring exotic dishes, and there is no need for me to stress the importance of Asian, Italian, Greek and other such restaurants. In the case of some other restaurants a menu might not be adequate and perhaps they would have to produce a 12- or 18-inch-thick recipe book. These establishments would be faced with an extremely complicated chore if they had to produce printed lists of ingredients.

In any case, allergy-prone clients looking over a list of ingredients might be lulled into a false sense of security. A simple distraction might cause an error and an extra ingredient can be added to a dish and lead to a feeling of sickness. No substitution nor any minor change would be allowed—utopian expectations if we consider the very nature of most restaurants.

Nor should we look only at restaurants in our quest for solutions to food allergy problems, Madam Speaker, for medical science might provide some of the answers even though experts are sometimes rather bewildered by the complexity of allergies in this sector where knowledge evolves so rapidly. There is such a wide variety of allergies that singling them out and identifying them to find antidotes is a gargantuan undertaking. If on top of that you consider that no two individuals will have the same allergic reaction to a given ingredient and that medical treatment cannot be identical, you are faced with an undescribable puzzle.

This is a multi-facetted problem, and we will eventually find adequate solutions only if all interested Parties keep on seeking them. The medical profession is already involved and we know that a number of other organizations, including the Canadian Restaurant and Foodservices Association, have officially indicated their interest in this vital matter. Finally, we know that Health and Welfare Canada as well as Consumer and Corporate Affairs Canada officials continue to investigate all possible means of properly informing Canadians and helping people with allergies go to restaurants without fearing for their health.

I am convinced that Bill C-289 is another step towards better solutions to this kind of consumer problem.

• (1750)

[*English*]

Mr. Rob Nicholson (Niagara Falls): Madam Speaker, I would like to make a few comments on Bill C-289, an Act to amend the Food and Drugs Act. Bill C-289 is concerned with the problems of those Canadians who unknowingly consume restaurant foods that contain ingredients to which they are allergic. This is of concern to me, of course, and it is of concern to my constituents.

The Bill before the House would require all restaurants to make available to the public a list of all ingredients used in the food sold. This Bill seeks to deal with a problem that has become acute in Canada. Many people suffer allergic reactions to food, food products or ingredients. Tragically, some even die from severe allergic reactions to foods they eat. The CBC has reported that approximately 24 Canadians have died from allergic reactions to food eaten in restaurants in the past two years. Thus this Bill identifies a very real problem for Canadian society.

Canadians who are at risk because of food allergies number in the tens of thousands. My wife Arlene is allergic to seafood. One might think that that is something easily identified. Sometimes it becomes very complex and difficult to determine when one is out and eating various salads and that type of thing. Two of my constituents wrote me, and I later spoke with them. They told me that when they took their child to a fast food outlet they thought that they knew all the ingredients. They found out that a substitute ingredient had been used in one of the orders that they had, something which could have had very serious consequences for the health of the child. I think people like that should be able to be reasonably secure when they go out. When they are at home of course they can rely on the labelling of products they buy in supermarkets. But I think people should have that same type of security as well when they dine out.

Many of today's foods undergo complex preparation or are made from recipes containing a multitude of ingredients. Often additives and preservatives are used and these may cause allergic reactions in some people. In fact, public opinion frequently holds that food sensitivities are related to substances used in additives and preservatives. However, this is not necessarily the case. For example, many Canadians are allergic—

Mr. Robinson: Madam Speaker, I rise on a point of order. I have just consulted with the Table Officers and I understand that if the debate on this Bill continues until 6 p.m. it will then drop again to the bottom of the order of precedence. I wonder if I might appeal to the Hon. Member from the Conservative Party not to talk the Bill out so that the Bill might in fact go to committee. I hope that we in the House could agree to do that.

The Acting Speaker (Mrs. Champagne): The Hon. Member made that point previously during his intervention. The Chair is in no position to intervene in any way on the matter.

Mr. Nicholson (Niagara Falls): Madam Speaker, the very complexity of the process of allergic reactions and realities of food preparation point out, I would suggest, several weak points in Bill C-289, or at least some grey areas which the Bill fails to address. I think those should be addressed.

For instance, the Bill would require restaurants to post ingredient lists. However, the Bill raises questions about ingredient lists which it does not answer. For example, would a restaurant be required to list the ingredients in the ingredients of the food? What about the ingredients that went into the butter that is in the cake which is the final product, or the ingredients in margarine, stock and sauce bases? How far down the food chain would the Bill apply?

Most would agree that the list should be very extensive so that consumers are protected when they dine out. What about materials used in the preparation but not consumed in their own right? Would every place that sells deep-fried food be required to list the type of oil they use? I think most people would suggest that that sort of thing should be in the Bill. The breadth and scope of our food service industry presents, I think, some very real challenges, challenges that should be addressed and which Bill C-289 fails to take into account. It is not specific enough—

• (1800)

The Acting Speaker (Mrs. Champagne): I do apologize. I must interrupt the Hon. Member.

[*Translation*]

The hour provided for the consideration fo Private Members' Business has now expired. Pursuant to Standing Order 36(2), the order shall be dropped to the bottom of the order of precedents on the Order Paper.

GOVERNMENT ORDERS

[*Translation*]

CANADA CHILD CARE ACT

MEASURE TO ENACT

The House resumed from Wednesday, September 21, consideration of the motion of Mr. Epp (Provencher) that Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be read the third time and passed.

And on the amendment of Ms. Mitchell:

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

"Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequence thereof, be not now read a third time but be referred back to the Legislative Committee for the purpose of considering Clauses 3, 4, and 5."

The Acting Speaker (Mrs. Champagne): It being now 6 p.m., pursuant to the order adopted earlier today, the House will now proceed to the recorded vote on the amendment to the third reading motion on Bill C-144, an Act to authorize payments by Canada toward the provision of child care services, and to amend the Canada Assistance Plan in consequences thereof.

Call in the Members.

• (1810)

[*English*]

The House divided on the amendment (Ms. Mitchell) which was negatived on the following division:

(*Division No. 579*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gray (Windsor West)
Hopkins
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Graham
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Tardif (Charlesbourg)
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—58

• (1820)

The Acting Speaker (Mrs. Champagne): I declare the amendment lost.

[*Translation*]

Mr. Gauthier: On a point of order, Madam Speaker. To avoid another recorded vote, I think you will find there is unanimous consent that the division taken on the amendment be applied in reverse to the main motion. Although we came close to winning, Madam Speaker, we did not this time, but we will some day.

[*English*]

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I just wish to indicate we agree with that process.

The Acting Speaker (Mrs. Champagne): Therefore, the question is on the main motion.

The House divided on the motion (Mr. Epp (Provencher)), which was agreed to on the following division:

(*Division No. 580*)

YEAS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Graham
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin

James
Johnson
(Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Tardif
(Charlesbourg)
Taylor
Tupper
Wilson
(Swift Current—Maple Creek)
Winegard—58

NAYS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gray
(Windsor West)
Hopkins
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

The Acting Speaker (Mrs. Champagne): I declare the motion carried.

Bill read the third time and passed.

* * *

BROADCASTING ACT

MEASURE TO ENACT

The House resumed from Friday, September 23, consideration of Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication, as reported (with amendments) from a legislative committee.

The Acting Speaker (Mrs. Champagne): The House will now proceed to the taking of the deferred divisions on the motions at report stage of Bill C-136.

The first question is on Motion No. 1. The vote on this motion will also apply to Motions Nos. 1A, 2, 3, 4, 5, 9 and 12.

Mr. Neil Young (Beaches) moved:

Motion No. 1

That Bill C-136 be amended in Clause 2 by striking out line 12 at page 2 and substituting the following therefor:

""distribution undertaking" means any commercial under-".

The House divided on the motion, which was negatived on the following division:

Broadcasting Act

(Division No. 581)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Redway
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—36

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current—Maple Creek)
Winegard—55

• (1830)

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The next vote is on Motion No. 7. Mrs. Finestone moved:

Motion No. 7

That Bill C-136 be amended in Clause 2 by striking out lines 35 to 38 at page 2 and substituting the following therefor:

"entertain".

The House divided on the Motion (Mrs. Finestone) which was negatived on the following division:

Broadcasting Act

(Division No. 582)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

[*English*]

Mr. Gauthier: Madam Speaker, I rise on a point of order. I believe there is an understanding and we have had consultations about the remaining 35 different motions. I think you will find an agreement among Members of the House to apply the vote just taken to the remaining motions, with the exception that the members of the Liberal Party are to be recorded as having voted against Motion Nos. 18, 40, 43 and 75A. As well, the division be recorded as applying to the report stage concurrence motion, that is in reverse to the votes taken prior to that. I hope that is clear.

• (1840)

Mr. Angus: Madam Speaker, we agree with the suggestion made by the Hon. Member for Ottawa—Vanier (Mr. Gauthier). However, members of my Party are to be recorded as having voted against Motions Nos. 33 and 47.

The Acting Speaker (Mrs. Champagne): With the help of very kind people, I think the Chair has this well in hand. Does the House agree that the division just taken be recorded as applying to all the remaining motions with the exceptions outlined by the Hon. Member for Ottawa—Vanier and the Hon. Member for Thunder Bay—Atikokan (Mr. Angus)?

Some Hon. Members: Agreed.

The Acting Speaker (Mrs. Champagne): The next vote is on Motion No. 8. Mrs. Finestone moved:

Motion No. 8

That Bill C-136 be amended in Clause 2 by adding immediately after line 8 at page 3 the following:

"(3) For greater certainty, subsection 2(2) of this Act applies to closed-circuit transmissions carried on a distribution undertaking."

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(Division No. 583)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin

Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next question is on Motion No. 17. Mrs. Finestone moved:

Motion No. 17

That Bill C-136 be amended in Clause 3 by striking out lines 8 and 9 at page 4 and substituting the following therefor:

"provide programming that is predominantly Canadian, using predominantly Canadian crea-".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 584*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next question is on Motion No. 18. Mr. Waddell moved:

Motion No. 18

That Bill C-136 be amended in Clause 3 by striking out lines 11 to 18 at page 4 and substituting the following therefor:

"and presentation of programming;".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 585*)

YEAS

Members

Angus
Benjamin
Blackburn
(Brant)
Cassidy
Dewar
Keeper
Manly
McCurdy
Mitchell
Robinson
Rodriguez
Skelly
Waddell
Young—14

NAYS

Members

Allmand
Andre
Axworthy
Beatty
Bernier
Blais
Bouchard
(Roberval)
Boudria
Bourgault
Brisco
Caccia
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Finestone
Foster
Garneau
Gauthier
Girard
Gormley
Gottselig
Gray
(Windsor West)
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
Isabelle
James
Johnson
(Bonavista—Trinity—
Conception)
Kaplan
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lapierre
Lewis
MacDonald
(Kingston and
the Islands)
MacLellan
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Trinity)
Nicholson
(Niagara Falls)
Nunziata
Oberle
Oostrom
Ouellet
Pépin
Price
Redway
Reid
Robichaud
Rossi
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tobin
Tupper
Turner
(Vancouver Quadra)
Wilson
(Swift Current
—Maple Creek)
Winegard—77

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next question is on Motion No. 19. Mrs. Finestone moved:

Motion No. 19

That Bill C-136 be amended in Clause 3 by striking out lines 19 to 24 at page 4 and substituting the following therefor:

"(f) all persons licensed to carry on broadcasting have a responsibility for the programs they originate, and such programming should be of high standard;".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 586*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next question is on Motion No. 20. Mr. Waddell moved:

Motion No. 20

That Bill C-136 be amended in Clause 3 by striking out line 21 at page 4 and substituting the following therefor:

"high standard and should provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern;".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 587*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next question is on Motion No. 23. Mr. Waddell moved:

Motion No. 23

That Bill C-136 be amended in Clause 3 by adding immediately after line 45 at page 4 the following:

"(j) that broadcasting services reflecting the aboriginal cultures of Canada shall be provided where numbers warrant and as resources become available for the purpose;".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

Broadcasting Act

(*Division No. 588*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 25. Mrs. Finestone moved:

Motion No. 25

That Bill C-136 be amended in Clause 3 by adding immediately after line 22 at page 5 the following:

"(vi) include a significant contribution from the Canadian independent production sector; and".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

Broadcasting Act

(*Division No. 589*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 30. Mr. Waddell moved:

Motion No. 30

That Bill C-136 be amended in Clause 3 by adding immediately after line 37 at page 5 the following:

"(m) educational broadcasters reflecting Canada's provinces are key elements in the Canadian broadcasting system;".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

Broadcasting Act

(Division No. 590)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 31. Mr. Redway moved:

Motion No. 31

That Bill C-136 be amended in Clause 3 by adding immediately after line 37 at page 5 the following:

"(m) programming that reflects the multicultural and multilingual nature of Canada should be provided within the broadcasting system as resources become available for the purpose;".

The House divided on the motion (Mr. Redway), which was negatived on the following division:

(Division No. 591)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 32. Mrs. Finestone moved:

Motion No. 32

That Bill C-136 be amended in Clause 3 by striking out line 39 at page 5 and substituting the following therefor:

"aboriginal cultures and representative native languages should be".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 592*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 33. Mrs. Finestone moved:

Motion No. 33

That Bill C-136 be amended in Clause 3 by striking out lines 9 to 25 at page 6.

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 593*)

YEAS

Members

Allmand
Axworthy
Boudria
Caccia
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Lapierre
MacLellan
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Rossi
Tobin
Turner (Vancouver Quadra)—21

NAYS

Members

Andre
Angus
Beatty
Benjamin
Bernier
Blackburn (Brant)
Blais
Bouchard (Roberval)
Bourgault
Brisco
Cassidy
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Dewar
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Keeper
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Manly
Martin
Mazankowski
McCurdy
McKnight
Minaker
Mitchell
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Robinson
Rodriguez
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Skelly
Sparrow
Stackhouse
Taylor
Tupper
Waddell
Wilson (Swift Current—Maple Creek)
Winegard
Young—70

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 35. Mrs. Finestone moved:

Motion No. 35

That Bill C-136 be amended in Clause 3 by striking out lines 27 to 34 at page 6 and substituting the following therefor:

"undertakings shall provide programming that is predominantly Canadian, using predominantly Canadian creative and other resources in the creation and presentation of programming, unless the nature of the service provided by the undertaking, such as specialized content or format or use of languages other than French or English, renders that use impracticable, in which case the undertaking shall make the greatest practicable use of those resources; and".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 594*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan

Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 34. Mr. Waddell moved:

Motion No. 34

That Bill C-136 be amended in Clause 3 by striking out lines 27 to 34 at page 6 and substituting the following therefor:

"undertakings should contribute significantly to the creation of programming that is distinctively Canadian in content and character; and".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 595*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 36. Mr. Waddell moved:

Motion No. 36

That Bill C-136 be amended in Clause 3 by adding immediately after line 35 at page 6 the following:

"(i) should deliver only duly licensed services,".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 596*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 37. Mrs. Finestone moved:

Motion No. 37

That Bill C-136 be amended in Clause 3 by striking out lines 36 to 38 at page 6 and substituting the following therefor:

"(i) should accord priority to the carriage of Canadian programming services, in French and English, both public and private, with priority given to the Canadian public element programming services,

(ii) may carry foreign originated programming services only where the programming they provide is substantially different from that already offered by a licensed Canadian broadcasting undertaking or where those foreign programming services were already carried by distribution undertakings,

(iii) should be regulated in a manner that reflects a reasonable recognition of exclusive rights acquired by Canadian broadcasting undertakings,".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 597*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 38. Mr. Waddell moved:

Motion No. 38

That Bill C-136 be amended in Clause 3 by striking out line 38 at page 6 and substituting the following therefor:

"vices and in particular accord priority to the carriage of radio and television services of the Corporation and other public broadcasting undertakings,".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 598*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 39. Mr. Waddell moved:

Motion No. 39

That Bill C-136 be amended in Clause 3 by adding immediately after line 38 at page 6 the following:

"(ii) should ensure that foreign services, with the exception of conventional off-air broadcasters, are complimentary to Canadian services,".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(Division No. 599)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 41. Mrs. Finestone moved:

Motion No. 41

That Bill C-136 be amended in Clause 3 by striking out line 4 at page 7 and substituting the following therefor:

"programming that is complementary to existing licensed programming services, including local program-".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(Division No. 600)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins

Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 40. Mr. Waddell moved:

Motion No. 40

That Bill C-136 be amended in Clause 3 by striking out lines 3 to 8 at page 7 and substituting the following therefor:

"(iv) may, where appropriate, originate a community channel as defined by the Commission, under terms and conditions set out by the Commission."

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 601*)

YEAS

Members

Angus
Benjamin
Blackburn (Brant)
Cassidy
Dewar
Keeper
Manly
McCurdy
Mitchell
Robinson
Rodriguez
Skelly
Waddell
Young—14

NAYS

Members

Allmand
Andre
Axworthy
Beatty
Bernier
Blais
Bouchard (Roberval)
Boudria
Bourgault
Brisco
Caccia
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Finestone
Foster
Garneau
Gauthier
Girard
Gormley
Gottselig
Gray (Windsor West)
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
Isabelle
James
Johnson (Bonavista—Trinity—Conception)
Kaplan
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lapierre
Lewis
MacDonald (Kingston and the Islands)
MacLellan
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Trinity)
Nicholson (Niagara Falls)
Nunziata
Oberle
Oostrom
Ouellet
Pépin
Price
Redway
Reid
Robichaud
Rossi
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tobin
Tupper
Turner (Vancouver Quadra)
Wilson (Swift Current—Maple Creek)
Winegard—77

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 43. Mr. Waddell moved:

Motion No. 43

That Bill C-36 be amended in Clause 3 by adding immediately after line 8 at page 7 the following:

"(v) shall not be permitted to have an ownership interest in, or be in common ownership with, a pay television, specialty or any other network programming service as defined by the Commission."

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 602*)

YEAS

Members

Angus
Benjamin
Blackburn (Brant)
Cassidy
Dewar
Keeper
Manly
McCurdy
Mitchell
Robinson
Rodriguez
Skelly
Waddell
Young—14

NAYS

Members

Allmand
Andre
Axworthy
Beatty
Bernier
Blais
Bouchard (Roberval)
Boudria
Bourgault
Brisco
Caccia
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Finestone
Foster
Garneau
Gauthier
Girard
Gormley
Gottselig
Gray (Windsor West)
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
Isabelle
James
Johnson (Bonavista—Trinity—Conception)
Kaplan
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lapierre
Lewis
MacDonald (Kingston and the Islands)
MacLellan
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Trinity)
Nicholson (Niagara Falls)
Nunziata
Oberle
Oostrom
Ouellet
Pépin
Price
Redway
Reid
Robichaud
Rossi
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow

Stackhouse
Taylor
Tobin
Tupper
Turner
(Vancouver Quadra)
Wilson
(Swift Current
—Maple Creek)
Winegard—77

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 44. Mrs. Finestone moved:

Motion No. 44

That Bill C-136 be amended in Clause 3 by adding immediately after line 8 at page 7 the following:

"(s) subject to priority being given to the other objectives of this subsection in the event of any conflict therewith, the Canadian broadcasting system should be regulated and supervised in a flexible manner that

(i) in respect to non-program services, does not inhibit the development of Canadian information technologies or the delivery of Canadian information services to Canadians, and

(ii) is sensitive to the administrative burden that may be imposed on persons carrying on broadcasting undertakings."

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 603*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 45. Mrs. Finestone moved:

Motion No. 45

That Bill C-136 be amended in Clause 4 by adding immediately after line 8 at page 8 the following:

"(5) For the purposes of 4(2), "carried on in whole or in part within Canada" includes the transmission of a broadcasting service, wherever it may be originated, to a member of the public in Canada directly or indirectly, where such transmission involves a contractual relationship with a member of the public or with a distribution undertaking serving a member of the public."

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 604*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)

Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 46. Mrs. Finestone moved:

Motion No. 46

That Bill C-136 be amended in Clause 5 in the English version by striking out line 18 at page 8 and substituting the following therefor:

"sion of the system."

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(Division No. 605)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

Broadcasting Act

The next vote is on Motion No. 47. Mrs. Finestone moved:

Motion No. 47

That Bill C-136 be amended in Clause 5 by striking out lines 19 to 40 at page 8 and lines 1 to 10 at page 9.

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(Division No. 606)

YEAS

Members

Allmand
Axworthy
Boudria
Caccia
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Lapierre
MacLellan
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Rossi
Tobin
Turner (Vancouver Quadra)—21

NAYS

Members

Andre
Angus
Beatty
Benjamin
Bernier
Blackburn (Brant)
Blais
Bouchard (Roberval)
Bourgault
Brisco
Cassidy
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Dewar
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Keeper
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Manly
Martin
Mazankowski
McCurdy
McKnight
Minaker
Mitchell
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Robinson
Rodriguez
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Skelly
Sparrow
Stackhouse
Taylor
Tupper
Waddell
Wilson (Swift Current—Maple Creek)
Winegard
Young—70

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 48. Mr. Waddell moved:

Motion No. 48

That Bill C-136 be amended in Clause 5 by adding immediately after line 27 at page 8 the following:

"(b) ensures that predominantly Canadian creative and other resources are used in the programming of the Canadian broadcasting system;"

Broadcasting Act

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 607*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 50. Mrs. Finestone moved:

Motion No. 50

That Bill C-136 be amended in Clause 7 by striking out lines 24 to 26 at page 9.

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 608*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 54. Mrs. Finestone moved:

Motion No. 54

That Bill C-163 be amended in Clause 8 by adding immediately after line 33 at page 10 the following:

"(5) the Commission shall hold a public hearing, unless such committee of either House of Parliament has held public hearings pursuant to subsection 8(2), in connection with a proposed order by the Governor in Council, after the order is published in the Canada Gazette in accordance with subsection 8(1), or unless the Commission is satisfied that such a hearing is not in the public interest."

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 609*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 54A. Mr. Waddell moved:

Motion No. 54A

That Bill C-136 be amended in Clause 9 by adding immediately after line 34 at page 11 the following:

"(i) determine whether the rates charged by distribution undertakings are at all times just and reasonable, and if they are not, may revise them accordingly."

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

Broadcasting Act

(*Division No. 610*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 55. Mrs. Finestone moved:

Motion No. 55

That Bill C-136 be amended in Clause 10 by striking out line 10 at page 12 and substituting the following therefor:

"3(1);".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

Broadcasting Act

(Division No. 611)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 57. Mrs. Finestone moved:

Motion No. 57

That Bill C-136 be amended in Clause 10 by striking out line 4 at page 13 and substituting the following therefor:

"of one or more classes, or to any persons or class of persons who are exempted from the requirement to hold a licence by subsection 9(2) or section 25."

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(Division No. 612)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 61. Mrs. Finestone moved:

Motion No. 61

That Bill C-136 be amended in Clause 17 by adding immediately after line 20 at page 16 the following:

"(d) the making of an order under subsection 9(2)".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 613*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 64. Mrs. Finestone moved:

That Bill C-136 be amended in Clause 25 by striking out lines 23 to 28 at page 20.

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 614*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner (Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard (Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby (Halifax West)
de Cotret
Desjardins
Domm
Epp (Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault (Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson (Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald (Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson (Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg (Nanaimo—Alberni)
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson (Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 71. Mrs. Finestone moved:

Motion No. 71

That Bill C-136 be amended in Clause 34 by adding immediately after line 29 at page 24 the following:

"(3) The Minister shall consult with the Chairman before the Governor in Council makes an appointment to the Board."

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 615*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn (Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray (Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson (Trinity)
Nunziata

Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—
Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and
the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current
—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 75A. Mr. Waddell moved:

Motion No. 75A

That Bill C-136 be amended in Clause 70 by striking out line 4 at page 44 and substituting the following therefor:

"7. Neither the Company, nor its parent, nor any".

The House divided on the motion (Mr. Waddell), which was negatived on the following division:

(*Division No. 616*)

YEAS

Members

Angus
Benjamin
Blackburn
(Brant)
Cassidy
Dewar
Keeper
Manly
McCurdy
Mitchell
Robinson
Rodriguez
Skelly
Waddell
Young—14

NAYS

Members

Allmand
Andre
Axworthy
Beatty
Bernier
Blais
Bouchard
(Roberval)
Boudria
Bourgault
Brisco
Caccia
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Finestone
Foster
Garneau
Gauthier
Girard
Gormley
Gottselig
Gray
(Windsor West)
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
Isabelle
James
Johnson
(Bonavista—Trinity—
Conception)
Kaplan
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lapierre
Lewis
MacDonald
(Kingston and
the Islands)
MacLellan
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Trinity)
Nicholson
(Niagara Falls)
Nunziata
Oberle
Oostrom
Ouellet
Pépin
Price
Redway
Reid
Robichaud
Rossi
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tobin
Tupper
Turner
(Vancouver Quadra)
Wilson
(Swift Current
—Maple Creek)
Winegard—77

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

The next vote is on Motion No. 75B. Mrs. Finestone moved:

Motion No. 75B

That Bill C-136 be amended in Clause 70 by striking out line 5 at page 44 and substituting the following therefor:

"affiliate of the Company shall".

The House divided on the motion (Mrs. Finestone), which was negatived on the following division:

(*Division No. 617*)

YEAS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

NAYS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James

Johnson
(Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current—Maple Creek)
Winegard—56

The Acting Speaker (Mrs. Champagne): I declare the motion lost.

Hon. Flora MacDonald (Minister of Communications) moved that the Bill, as amended, be concurred in.

The Acting Speaker (Mrs. Champagne): Does the House agree that the division just taken be applied in reverse to the motion of concurrence in the Bill?

Some Hon. Members: Agreed.

The House divided on the motion, which was agreed to on the following division:

(Division No. 618)

YEAS

Members

Andre
Beatty
Bernier
Blais
Bouchard
(Roberval)
Bourgault
Brisco
Chartrand
Collins
Crofton
Crosby
(Halifax West)
de Cotret
Desjardins
Domm
Epp
(Provencher)
Fennell
Ferland
Girard
Gormley
Gottselig
Guilbault
(Drummond)
Hamilton
Hardey
Hawkes
Hockin
James
Johnson
(Bonavista—Trinity—Conception)
Kelleher
Kempling
Kilgour
Kindy
King
Ladouceur
Lewis
MacDonald
(Kingston and the Islands)
Mailly
Malone
Martin
Mazankowski
McKnight
Minaker
Nicholson
(Niagara Falls)
Oberle
Oostrom
Price
Redway
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Sparrow
Stackhouse
Taylor
Tupper
Wilson
(Swift Current—Maple Creek)
Winegard—56

NAYS

Members

Allmand
Angus
Axworthy
Benjamin
Blackburn
(Brant)
Boudria
Caccia
Cassidy
Dewar
Finestone
Foster
Garneau
Gauthier
Gray
(Windsor West)
Isabelle
Kaplan
Keeper
Lapierre
MacLellan
Manly
McCurdy
Mitchell
Nicholson
(Trinity)
Nunziata
Ouellet
Pépin
Robichaud
Robinson
Rodriguez
Rossi
Skelly
Tobin
Turner
(Vancouver Quadra)
Waddell
Young—35

The Acting Speaker (Mrs. Champagne): I declare the motion agreed to.

Mr. Gauthier: Before you adjourn, Madam Speaker, I wonder if the Deputy House Leader could tell us what we are going to be doing tomorrow?

Mr. Lewis: Madam Speaker, tomorrow at eleven o'clock we will commence debate on third reading of the Broadcasting Act. We hope that by the end of the day, since Private Members' hour is cancelled, we would also be able to send to the Senate the variable entrance requirement Bill. We will have our people here ready to debate that at the same time.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being 6.43 p.m., the House stands adjourned until 11 a.m. tomorrow, pursuant to Standing Order 3(1).

The House adjourned at 6.43 p.m.

HOUSE OF COMMONS

Tuesday, September 27, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour of tabling, in both official languages, the Government's response to two petitions numbered as follows: 332-5372 and 332-5379.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

PETITIONS

PROPOSED CANADA CHILD CARE ACT

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, pursuant to Standing Order 106 I have the honour and privilege to table a petition which has been certified correct as to form and content by the Clerk of Petitions. The petition is signed by a number of residents of northwestern Ontario in Thunder Bay, Marillo, Kaministiquia, South Gillies, Nolalu, and Kakabeka Falls.

These people petition the Parliament of Canada with regard to child care services. They point out that families throughout Canada need high quality, available, affordable child care services. They believe that the child care Bill which is currently before the other place is not in the best interests of young children, women, or families in Canada. The undersigned, your petitioners, humbly pray and call upon Parliament to withdraw the child care Bill forthwith.

[*Translation*]

REQUEST FOR RETENTION OF TEN WEEK QUALIFYING PERIOD FOR UNEMPLOYMENT INSURANCE

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, I also have the honour and the privilege of tabling a number of petitions, including several from the residents of St-Louis-de Kent, Jardineville, Rexton, Acadieville, St-Ignace, Tweedy Brook, Pointe-Sapin, Newcastle, St-Charles, Grande-Digue and Notre-Dame.

I have another petition from residents of Sackville, Dorchester, Upper Sackville, West Sackville and Jolicure.

Mr. Speaker, your petitioners deplore the Government's failure to act on the issue of unemployment insurance in New Brunswick. As you know, the eligible period was extended from 10 to 16 weeks. The situation is gradually getting worse. Your petitioners therefore humbly pray and ask Parliament to correct this situation and reinstate the 10-week eligible period for unemployment insurance.

[*English*]

EASTERN EUROPE—STRUGGLE OF OPPRESSED PEOPLE

Mr. William G. Lesick (Edmonton East): Mr. Speaker, pursuant to Standing Order 106 I have the honour and pleasure to present a petition on behalf of 44 petitioners of Edmonton. The petitioners, the undersigned residents of Canada, avail themselves of their ancient and undoubted right to present a grievance common to your petitioners in the certain assurance that this honourable House will provide a remedy.

They say that Canada is a nation of many cultures gathered and living in freedom and that in Eastern Europe there are still many nations of people dominated against their wills by oppressive Communist regimes. These nations are continually struggling against their oppressor to regain their rightful democratic freedoms.

Therefore, the undersigned humbly pray and call upon Parliament to recognize the struggle of these oppressed people and actively pursue a policy to alleviate their oppression through helpful programs and representations to the oppressive Soviet regime.

This petition is certified correct as to form.

POLAND—SOLIDARITY

Mr. William G. Lesick (Edmonton East): Mr. Speaker, the second petition I have is also addressed to the Government of

Canada. The petitioners urge the Government to exert immediate pressure on the Polish Government to begin a dialogue on the authentic representative of the Polish workers, Solidarity, and not to use force in the current wave of strikes in Poland as an effort by the Polish people led by Solidarity to solve the country's problems without violence.

This petition is signed by 184 residents of Edmonton. This petition was not certified correct.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Richard Grisé (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

* * *

• (1110)

[*English*]

PRIVILEGE

ALLEGED COERCION TO FALSIFY TRAVEL CLAIMS

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I rise on a question of privilege. Last Tuesday at this time I rose in the House in response to an article in *The Ottawa Citizen* dated September 20, 1988.

In that article a former employee alleged that during her brief term of employment from October, 1987 to February, 1988, she had been coerced into falsifying travel expenses. I indicated to the House that my staff and I were satisfied that there were no irregularities because we had conducted our own investigation when the matter was first brought to our attention on or about September 8, 1988.

Nevertheless, as a result of the newspaper article I immediately requested a full investigation of the allegations by the Privy Council Office. That investigation has been completed. Today I have been advised in a letter by the Privy Council Office that the travel expenditures during this period complied fully with the relevant regulations and guidelines and no irregularities were discovered.

This week has been most difficult for myself, my staff, and my family. On our behalf I want to thank those friend and foe who offered support and encouragement. I table herewith a copy of the letter received from the Privy Council Office.

GOVERNMENT ORDERS

[*Translation*]

BROADCASTING ACT

MEASURE TO ENACT

Hon. Doug Lewis, for the Minister of Communications, moved that Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto and in relation to radiocommunication be read the third time and do pass.

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I welcome this opportunity today to rise in the House and speak to Bill C-136, which this Government sees as being vitally important to all Canadians.

Madam Speaker, over the years, and even more so in recent years, radio and televison have become an essential component, indeed the very framework of a society's cultural development. The latest figures indicate that in just one week, a typical Canadian listens to eighteen hours of radio and spends 24 hours watching tv. This shows how much these media have become a part of our lives. They provide a direct window on the world and affect and reflect our choices and our values.

The television landscape has become more complex in recent years, Madam Speaker. Before, it consisted basically of stations that transmitted signals and antennae that received them. Since then, both communications technology and the very nature of our society have changed significantly. Today, 78 per cent of Canadian homes are served by cable TV and can receive as many as 60 or 70 different channels. The possibilities in this area seem endless.

[*English*]

We know we will be unable to resist these changes, so it is important that we retain our jurisdiction in these areas and that the social and cultural objectives we have set are reaffirmed and protected.

The Caplan-Sauvageau task force spent several months looking for better ways to address these concerns. It travelled throughout Canada meeting with people who work in communications and with other Canadians who have an interest in this subject. The findings and recommendations of the task force were then closely reviewed by the Standing Committee on Communications and Culture, which also engaged in extensive consultation with individuals and groups involved in radio and television.

The Bill we are considering today reflects many of the concerns raised during this three-year process.

[*Translation*]

The reason our communication policy is so important, may I remind you, Madam Speaker, is that it lies at the very heart of the concept of sovereignty. We think it is so fundamental that from the outset, we excluded our cultural industries and our

communications sector from the Free Trade Agreement with the United States.

This key aspect of our commitment is clearly written into Clause 3 of the Bill, which states:

> The Canadian broadcasting system, operating primarily in the English and French languages . . . provides, through its programming, a public service essential to the maintenance and enhancement of national identity and cultural sovereignty;

The connection that we make, Madam Speaker, between our broadcasting policy and our Canadian identity attests to the particular situation in which we find ourselves and which I mentioned earlier, that of a country that must continually strive to assert its national identity in a specific geographic and demographic context.

[*English*]

That identity is a dynamic thing. Since 1968, when the present Broadcasting Act was passed, much has happened which impacts on broadcasting. The Canadian Charter of Rights and Freedoms, the changing role of women, a greater recognition of the particular contributions made by the French and English speaking communities, the richness of our multicultural diversity, and the recognition of the special place of aboriginal people in Canadian society are all changing how we approach broadcasting and what is expected of the medium. The pressure for legislation which recognizes this changed reality grows every day.

Canada is a much different country today, and Bill C-136 governing the broadcasting system reflects these changes. The existence of two official languages is more than just a constitutional reality. It pervades the entire broadcasting system. Bill C-136 specifically recognizes the existence of the two official languages and insists that they be reflected throughout the broadcasting system.

The CBC has particular responsibilities, as does the CRTC, in the application of its regulations.

[*Translation*]

For this requirement that we have embodied into the law is not ideological but pragmatic. It is based on economic imperatives, on market realities, and the differences are glaringly obvious, Madam Speaker.

The first difference is that English television in this country suffers essentially from a lack of Canadian dramatic programming, especially in prime time.

The second is that although Canadian content standards are generally respected on French television, there is a problem of program quality related to budgets and production costs.

These different realities of English and French broadcasting, which are related to the very nature of Canada, had to be recognized, Madam Speaker. And I am particularly pleased that the Government of which I am part took the initiative. For the first time in a cultural Bill, these obvious realities are admitted; this is a tribute to the cultural reconciliation between Quebec and English Canada. I believe that we all have reasons to be proud of this.

Now, how will we deal with these two types of problems that I mentioned earlier? How will we encourage more Canadian content on English television and the development of French television? We have chosen several approaches that I would like to tell you about now, Madam Speaker.

[*English*]

I should make it clear at the outset that the Government never even considered limiting the access of Canadians to American programs. What we really want to ensure through a culturally active policy is that television interviewers have a Canadian alternative. We want foreign services introduced in Canada only in such a way that it strengthens existing and new Canadian services. This act gives the CRTC, for the first time, explicit powers to ensure that this will happen.

• (1120)

A common observation about English television in Canada is that Canadian content is particularly low in dramatic productions even though drama accounts for 70 per cent of television air time. This is due to the high costs of producing dramas and the attractiveness of American programs which are usually available to Canadian broadcasters at very low prices.

The strongest argument in favour of increasing the number of Canadian dramas on English language television in this country is that viewers prefer dramatic programs. However, popular shows of this type also help define a society by reflecting its choices and values and are probably the best way of getting people to think about who they are.

This legislation offers two methods of increasing the quantity and quality of Canadian programming, particularly dramatic programming in English. The first is by redefining the mandate of the CBC to make it clear that its function henceforth is to be the provision of distinctively Canadian programming in all program categories.

[*Translation*]

The Bill provides another incentive to increase the Canadian content of programming. English-language private broadcasters will have to meet certain objectives, depending on their size, situation and of course their resources. If they exceed these objectives, they will receive financial assistance from Telefilm. If they fail to meet the objectives, they will have to contribute to a development fund for the production of Telefilm's Canadian programs.

[*English*]

We realize that some private broadcasters have reservations about this matter. Our response has been and will continue to be that things cannot go on as they are. Broadcasting has always been one of the most prosperous industries in this country, but it has not contributed enough to the development of television that is truly Canadian. Broadcasters must realize that they have a responsibility to Canadians, a social and

cultural responsibility that they cannot ignore. Granted, the prosperity I just mentioned is not always evenly distributed among broadcasting companies but we have taken this into account, establishing a system of contributions that is defined in terms of the revenue of each broadcaster.

[*Translation*]

I found the criticism of this provision of the Bill as voiced by Quebec broadcasters quite unreasonable. As I pointed out earlier, French-language television has always been remarkable for its responsible attitude to Canadian content, and therefore its artisans should not in any way feel threatened by the contribution proposal.

Madam Speaker, I would now like to touch on the double relationship to be established, under the proposed legislation, between Parliament and the institutions involved in broadcasting policy and Canadian telecommunications, namely the CRTC and the Canadian Broadcasting Corporation.

As you know, Madam Speaker, the CRTC has always enjoyed enormous autonomy in carrying out its mandate, thus guaranteeing Canadians that their broadcasting system is not subject to unnecessary pressure.

However, a number of former presidents of the organization have deplored the absence of clear direction in the general orientation of our broadcasting policy. The Government wanted to correct this situation while at the same time leaving the CRTC the greatest possible leeway in the decision-making process. The approach was approved in the Sauvageau-Caplan Report and was also supported by the Standing Committee of this House.

Bill C-136 provides that the Government may give the CRTC general instructions regarding the objectives of the broadcasting policy. As for the Government's review authority, we have decided to restrict it to situations where these broad objectives were not met.

After examining the representations that were made, the Government also decided to relinquish its proposed authority to exempt certain categories of broadcasters from the legislation.

Madam Speaker, I firmly believe that we have here every possible guarantee that in future, the CRTC will be able to continue to carry out its mandate, undisturbed and fully autonomous, in the best interests of Canadians.

[*English*]

The commission itself, as well as certain other witnesses before the legislative committee, raised concerns that the new decision-making process, he who hears decides, and the greater emphasis on regional concerns, will lead to inconsistencies in CRTC decisions. It is the Government's belief that the legislation, including an amendment made at committee requiring panels to consult with the commission as a whole, provides the commission with ample means to avoid inconsistency. Any additional effort in this regard is more than compensated for by greater responsibilities to regional concerns.

[*Translation*]

The Canadian Broadcasting Corporation has always been the spearhead of broadcasting policy, in that it has paved the way, so to speak, for other broadcasters in the pursuit of certain objectives. Furthermore, it is the most important cultural instrument and the largest employer of Canadian artists. This perception of the CBC's role is not questioned, Madam Speaker. But for the first time, it is now backed up by a very clear provision concerning its independence. In this regard, I refer you, Madam Speaker, to Clause 45 of the Bill, which states:

> The Corporation shall, in the pursuit of its objects and in the exercise of its powers, enjoy freedom of expression and journalistic, creative and programming independence.

Madam Speaker, I know that the President of the CBC expressed serious reservations about the structural reform proposed in the Bill. In particular, he feels that the decision to create a two-headed board of directors is likely to compromise the CBC's independence. With all due respect to him, I believe that the president's criticisms do not stand up to analysis.

The Government proposed the appointment of a chairman of the board and of a chief executive officer in order to rationalize the corporation's operations. This structural reform is accompanied by mechanisms to provide better control of the Corporation's financial operations.

What you must understand in this proposal, Madam Speaker, is that with nearly a billion dollars of public money invested in the corporation, it is essential for the trustees of these funds, namely the Government and Parliament, to be able to know exactly how this money is spent.

This does not show a desire to reduce the CBC's autonomy—the corporation's independence is very well guaranteed—but the need to ensure that the taxpayers' money is administered in the public interest.

Finally, Madam Speaker, I would like to comment briefly on the provisions of the Bill concerning the rapid evolution of broadcasting technology. The frequent technological changes of recent years have led to jurisdictional conflicts and quarrels that have cost a great deal of energy and have been detrimental to the public interest.

We must be glad that the legislation before us remains neutral in defining technology. Broadcasting is no longer defined in terms of the vehicle as such but of the content.

In addition to avoiding unnecessary and costly conflicts, this neutrality will allow distribution systems to develop at their own rate, in terms of the use of broadcasting technology, while the law still remains in effect.

So in summary, Madam Speaker, this is a piece of legislation that, besides being pragmatic, very clearly establishes a

set of essential principles that are in keeping with the nature of this country itself.

I see this legislation as a fundamental reform in the approach it proposes to our Canadian situation. Of course, Madam Speaker, the consultation process did not end when the Bill was tabled. Inevitably, with a Bill of this scope and complexity, which affects practically all Canadians, starting with our broadcasters, but also all those who see it as a tool that is indispensable to maintaining and enhancing their culture, we had a right to expect the legislative committee to do a very thorough job. We were not disappointed.

Madam Speaker, the Minister of Communications (Miss MacDonald) was admirable in that she managed to table a bill that would be able to meet the aspirations of Canadians in broadcasting, especially since the Bill has taken into account the constraints and challenges attendant on the expectations of the various social groups within our society, and this in the context of a rapidly expanding technology. That the Minister of Communications was able to achieve this in the past few weeks, through her own amendments and the amendments she approved among those suggested by Members of all Parties in this House, clearly shows how intent she was on giving Canadians broadcasting legislation that would respond to their needs and expectations for many years to come.

Where the dangers of Government intervention loomed too large, the Minister did not hesitate to reduce that risk. Where measures might have been judged too weak to respond to the aspirations of a given group in our society, she made sure the text of the Bill was amended so as to remove any ambiguity about the Government's intentions in this respect.

• (1130)

[*English*]

In some cases, as with the provisions for educational broadcasting, for example, the complexity and jurisdictional delicacy of the subject matter have dictated that the substance of the measures be contained in the more flexible instrument of an Order in Council, with only brief mention in the legislation proper.

[*Translation*]

As a result of these amendments to a Bill that had already received wide-spread support, we now have a bill that represents a consensus reached among practically all groups and individuals, including those who spent an enormous amount of time and effort studying this question during the last few years. I am thinking more specifically, Madam Speaker, of Florian Sauvageau and Gerald Caplan.

This Bill increasingly represents a consensus, and if it is not passed and enacted very shortly, many Canadians, and I am thinking of ethnic and language minorities, Native people, the disabled and many other groups, would lose this opportunity to take their rightful place in an area that is very important to them the broadcasting sector.

[*English*]

Before I conclude, I would like to note the contribution to this legislation of those in the Department of Communications, especially the Director General of Broadcasting and Cultural Industries, Christopher D. Burke, who passed away just a few days after this Bill was introduced in the House by his Minister.

On behalf of the Minister of Communications (Miss MacDonald) and the Government of Canada, I would like to thank his wife, Debbie and son, Andrew who are in the gallery to mark this achievement, for Mr. Burke's outstanding service. In some important ways this Bill is his legacy.

[*Translation*]

Madam Speaker, I would like to remind all Members in this House who may intend to oppose the passage of this Bill that they will have to justify their actions before the Canadian public which is in favour of this legislation.

Finally, I believe we cannot afford to deprive Canadians of this modern and generous broadcasting policy we have before us today, and I am convinced, Madam Speaker, that what we know now will indeed be confirmed very shortly.

[*English*]

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I consider the closing remarks of the Minister to be more or less a threat and really inappropriate at this particular moment, and I regret that those words have been said.

The occasion of this debate on final reading of this Broadcasting Act of Bill C-136, an Act respecting broadcasting and radiocommunications, is a very important one. This Broadcasting Act translated into legislative language is about Canada. It is about what Canadians will see and hear when they turn on their radios and push the television buttons on their TV sets. It is about how opinions are formed and how our society will respond, politically and socially, to our Canadian way of life over time. It is fundamental to Canadian sovereignty.

On the other hand, I had presented earlier, both in legislative committee and here in the House during report stage, on behalf of our Liberal Party, a substantial range of amendments which we believe necessary to make this Bill the legislative instrument required to meet Canada's TV and radio needs here and into the future. A number of amendments that we proposed have been accepted, and I appreciate the Minister's and the Government's openness in this regard. Nevertheless, the changes which have been accepted do not address some of the fundamental concerns we have raised throughout this debate, namely, that the cultural identity of our nation is to be preserved and strengthened.

I simply want to review the major policy areas where Bill C-136, as proposed, remains clearly inadequate. In choosing to focus on a limited number of key policy issues, however, I would not want anyone to think that Bill C-136 is otherwise acceptable. In fact, the Bill is seriously flawed, continues to be

seriously flawed, and continues to reflect, as almost all witnesses who appeared before a legislative committee argued, the extreme haste with which this legislation has been rammed through the legislative process.

Major industry associations were forced to appear in mid-summer before they had had proper opportunity to assess this very complex Bill, and to arrive at conclusions by their boards of directors concerning its implications.

[*Translation*]

Madam Speaker, Members who sat on the committee did not even have the opportunity to review the testimony and develop an enlightened opinion about the necessary amendments. The proceedings had precious little in common with the spirit of recent parliamentary reforms, especially the fact that the public hearings fell far short of the democratic process. The net result is a badly structured Bill which could not be properly amended to eliminate the obvious shortcomings.

[*English*]

I intend to indicate some of those very serious errors.

As concrete examples of this observation, I would like to indicate to this House and to the listening public that native peoples, aboriginal peoples, disabled peoples, and regional groups were not even heard when the legislative language translating the wishes of these task forces and standing committees were put before us. Multicultural groups got a hurried and last minute invitation to respond to extremely complex legislation.

Let me remind you, Madam Speaker, the concerns that we have about this Bill include many important matters, in addition to those that I wish to concentrate specifically on today. Among them are the following. First, that new concept of the definition of "program" in the Act. It is of serious concern, for it would split undertakings into two parts—a programming part and a non-programming part, creating a constitutional issue with the possible loss of federal jurisdiction over part of the undertaking. As well, their placement on the carriage priorities of our cable system is not clearly defined, and therefore could replace a channel even in the lower first 1 to 13 channel options that are available.

Second, the need to make provisions for broadcast programming in representative native languages is certainly not in this Bill.

When I hear the Minister's advocate talking about how this Bill is so vital and so important, it does not even bring in the major concern that the native constituencies brought to our attention in legislative hearings. They never were invited to present their view or an amendment during the legislative process related to the language of the Bill.

• (1140)

Third, the need to retain a seven-year term of office for the Chairman of the CRTC and the President of the CBC in order to protect the ability of both agencies to operate at arm's length from the Government, just like that of the Bank of Canada, indicates the fundamental role and place of this essential service to Canadians and for Canadians. That has been overlooked and ignored. The potential for political interference is flagrant in this Bill. Much was improved, but this is one area that indicates a serious lack of concern on the part of the Government, or its desire to make some decisions with respect to how the whole system ought to operate beyond that which is totally acceptable.

Fourth, the need to define more clearly the roles of the CBC chairman and president in order to reduce the potential under the new Bill for conflict within the corporation. The question of who is the boss has been raised by many. We have had to live through some serious problems in Telefilm Canada because of lack of clarity and definition as to the roles of the chairman and the president. We are running into the same problem here. The Minister stubbornly did not wish to hear, nor did she appreciate, the very carefully thought through presentation made by the President of the CBC, Mr. Juneau who, knowing that he was leaving, left an excellent legacy for study and for an understanding of the role and the functions of chief executive officers and who has to make the final decision—where the ball stops.

Fifth, the Bill fails to provide priority for the carriage on cable of public sector broadcasting services, including those provided by both federal and provincial public broadcasters. It has not clearly defined cable priorities-carriage priorities to programming services and leaves all kinds of gaps and holes.

The most serious of those has been effectively spoken to by the listening public which is very angry about where the House of Commons channel appears, as an example, and I think with just right. In fact the pressure has been so much that Skyline has decided to move the House of Commons channel from out in space on channel 50 back down to channel 18. Approximately 70 per cent of Canadians have converters, so they can at least get channel 18, but perhaps it should even be down in the first 1 to 13 which is off air.

Apropos that, Madam Speaker, perhaps you take a look at what could be considered to be a definition of a public sector service. We talk about public elements and private elements. In the public element we would have our national broadcaster, the CBC, which the Government would like to define as the "mass audience appeal". Notwithstanding, there is the CBC, the provincial broadcasters, and also a new area where the Government has put in very significant funding. I am referring to TV 5.

[*Translation*]

The federal Government's $1.79 million contribution—18 per cent of the TV5 network budget and three times the amount put up by Quebec—and all the money invested by France make TV5 a public network which unfortunately does not reach beyond the borders of Quebec. This public network paid for by the public—you, me, all Canadian taxpayers—ought to be on the air from coast to coast in this country.

[*English*]

I have said from the first of our public hearings from the West Coast, through the prairie provinces, in Saskatchewan, in Alberta, and in Manitoba, that if we believe the fundamental characteristic of Canada is its bilingual nature, the public rule of law for the broadcasting system should include options and choices for both English and French from coast to coast. That stamp should be there. Certainly, if we are putting millions of dollars annually into a program such as TV 5, such as Radio Canada, such as CBC, there should be no options. That has been a standard undertaking on my part, expressed both in committee hearings across this land and in legislative hearings, and it has not been acted upon. It is a major hole in this Bill.

This shows a lack of application of the philosophy of official languages, of multiculturalism, of the whole concept of the fundamental characteristic of Canada, and it belies the reality of those laws.

The sixth point I would like to make is about the urgent requirement to avoid unfair competition and conflicts of interest by incorporating in law provisions limiting the role of cable TV systems to providing programming other than that which is complementary to that offered by licensed Canadian stations and networks. There has certainly been recognition that cable is a hybrid system. I have no objection to that. However, I have objection to unfair competition, and this would be unfair competition. I have been a strong proponent of available options and choices, but I think within reason and within the concepts of an economically viable broadcasting system for Canadians and by Canadians.

The Minister may say that is this is all very partisan, as she alluded to in her speech. Any one of us who objects to her point of view, just like any one who objects to the point of view of the Prime Minister (Mr. Mulroney), is not considered to have a valuable or valued point of view. It is not only me and this Party, but let me bring to Your Honour's attention what I would consider to be a rather informed, enlightened, and non-partisan group that had something valuable to add to this whole process. I am talking about the Canadian Bar Association. I think it could be considered non-partisan. May I suggest that the Canadian Bar Association had some very constructive observations to make. It was able to appear before us on August 26.

I bring to the attention of the House and the general public that we only started hearings on August 10. We only advised the public that we would start these hearings in the middle of July. We now have before us some very valued advice. The following is what the Canadian Bar Association had to say: "The Media and Communications Law Section of the Canadian Bar Association brings together lawyers who practise in the communications field of law across Canada." I would say that is an enlightened group. It said: "This submission has been put together by a representative group of these lawyers based on their experiences in the broadcasting and communications law field. Given the importance of the new legislation, we are concerned that very little time has been given to interested groups to review the draft language of Bill C-136. In 1985 and 1986 many of the policy issues addressed in the Bill were given a full and comprehensive review as part of the work of the Caplan-Sauvageau task force on broadcast policy. In 1987 and 1988 many of these policy issues were reviewed again by the Standing Committee on Communications and Culture which commented on these issues in its fourth, fifth, sixth, and fifteenth reports."

They were rather extensive reports, and I can remember that the Minister's answers to a few of them were totally unacceptable. In one instance, I think it was two pages. It continued: "However, the actual draft language of Bill C-136 has been available for review by the public for barely two months. It is apparent from just a cursory review that Bill C-136 raises numerous legal questions which require interpretation and clarification. This is hardly surprising since the Bill represents the first thorough going revision of the Broadcasting Act in 20 years." I interrupt my citation to say *en passant* that it is true that it is 20 years. It did need review, but it needed time in its legislative language.

The Canadian Bar Association goes on to state that given the all-encompassing nature of the changes to the Act, however, and the likelihood that once enacted the new Broadcasting Act will be in place for a considerable period of time, it is essential in its view that Parliament provide a full opportunity for each clause to be carefully reviewed.

In making these comments, the interest of the Canadian Bar Association is not with policy issues as such. As noted above these have already been extensively debated. Rather its concern is with the legal language of the Bill.

• (1150)

In that connection it is particularly interested in ensuring that the Bill meets three tests: first, that the language should be clear, unambiguous, and readily understandable; second, that the Act should be sensitive to questions of fairness and due process in the administrative law context; third, that the Bill should be consistent with the Canadian Charter of Rights and Freedoms. In all these respects its review to date indicates that the wording of Bill C-136 gives rise to a number of concerns. Many of them are of a technical nature, but others have a more substantive character.

I really should read into the record the 29 pages of amendments that follow its comments but I will not. I will, however, bring to Your Honour's attention that 44 amendments were presented in committee and 12 at report stage, for a total of 56. That indicates how flawed the Bill was in the first place.

The association has indicated problems with the definition of broadcasting, the programming undertaking and distribution undertaking definitions and technical matters, definition of the term "public", applicability of regulations to exempted persons, responsibility for programs, overlaps in Section 5(2) and Section 3(1), and clarification of the word "element".

These are all amendments I brought to the House and suggested we look at them in legislative committees. Certainly not all of them were considered favourably by the Government.

The second thing it looked at was CRTC powers and procedures. It has very serious concerns around who decides, the seriousness of the due process, and the increase in CRTC powers. The last area it deals with rather extensively is freedom of expression and charter concerns. Not only did the CBA have serious concerns, every single group that came before us did as well. There were at least 40 recommendations for amendments of substance and an additional 30 linguistic corrections, and that suggests there is much cause for concern.

With respect to the linguistic corrections I was quite fascinated with an observation they made. This should give us pause. They say that this is undoubtedly the first time in the legislative history of Canada that the French version of a statute has been longer than its English equivalent. While the emergence of a new style of legislative drafting is to be applauded, there is a general loss of accuracy and consistency, which leads to some serious problems in the equal application of the law across this land.

There is another point of equal importance that was not seriously addressed satisfactorily, and that is the light weight given to educational and community broadcasting, which have now been moved jointly into a subparagraph. This certainly does not reflect the attention given by either the task force or the standing committee recommendations in this regard.

I heard what the Minister said in her speech about educational broadcasters. I certainly recall what she had to say about memorandums of understanding and so on. I suggest that the effect of the proposed legislation on educational broadcasters and the people we serve cannot be underestimated. This is not just some piece of legislation. The Broadcasting Act covers one of the largest industries in Canada whose products touch the lives of every man, woman, and child in this country. What the Criminal Code is to the administration of justice, the Broadcasting Act is to the lives of these people.

We believe the new legislation sends the wrong signals. I recommended that we restore educational broadcasting to at least its former position in the 1968 Act where it is described as integral to the Canadian broadcasting system. With respect—

[*Translation*]

. . . to community programming, Canada generally and Quebec especially have played a pioneer role in the world in the area of radio broadcasting. Such stations as CINQ and CBBL in Montreal are models in the area of community programming and have many copied emulators in Canada, especially in Quebec. It is therefore somewhat suprising to discover that a clear definition of community programming is not found in this Bill. It is not a local project. Local programming is not a sufficient definition.

It might be considered as coming under clause 3.(1)(j)(ii) dealing with local broadcasting. But again, would it matter to determine what are the responsible parties? How will community programming be financed and by whom? Who would have access to it, so that such global policies as those mentioned in the Standing Committee report may be developed and implemented?

[*English*]

This was brought to our attention very forcefully by the ethnocultural communities, as the educational concern was brought to our attention by the spokespeople for the educational sector. I think there was something to learn from that but the Minister obviously did not hear.

I would now like to address a major point contained in the Bill before the House. Historically it has always been recognized that broadcasting is not just another industry. Instead, it is the central vehicle through which Canadians communicate with one another. It is a major instrument for Canadian expression in the arts and entertainment, and an essential means for providing a Canadian perspective in news and information programming.

As a result, there has historically been a concern that the industry should provide programs which are genuinely Canadian in nature, and the decision making in the industry should clearly be in the hands of Canadians.

Of the amendments which the Government has accepted, the most important is the proposal presented by my Party in Motion No. 14 which resulted in a revision of Clause 3, the heart of the Bill, to include the statement that the broadcasting system should "encourage the development of Canadian expression providing a wide range of programming that reflects Canadian attitudes, opinions, ideas, values and artistic creativity, displaying Canadian talent in entertainment programming, and offering information and analysis concerning Canada and other countries from a Canadian point of view". It seems hard to believe that would have been left out of the Bill, but it was.

With the acceptance of this change the Bill now makes it clear that we as Canadians will continue to require, as we have for decades, that broadcasting stations and networks both provide programming that is Canadian in its character and that they be owned and controlled by Canadians. These are important and fundamental principles for a new Bill and, like most Canadians, I am pleased that the Government has included them by accepting this amendment.

However, these are not the only fundamental issues which a new broadcasting Bill must address if it is to prove effective in the future. As the Minister has quite properly pointed out time and time again, broadcasting has been changed enormously by evolving technology since the 1968 Broadcasting Act was passed. It will continue to change. This policy must be

technology neutral, and among those technologies are satellites and cable distribution systems.

• (1200)

In addressing the issue of the present and the future, the crucial test will not be just the extent to which the provisions of the 1968 Act are retained. The key test will be the extent to which, in a more complex situation, we as Canadians continue to retain control over the system and provide a reasonable balance between Canadian and foreign programming. One issue which is central to the legislation is its provisions regarding the balance that should exist between Canadian and foreign programming.

There are two quite separate aspects to this issue. First, what proportion of the programming offered by individual stations or networks should be Canadian? I ask you to think about that, Madam Speaker. Second, what proportion of the programming offered by distribution undertakings such as cable systems should be Canadian? We are talking about Canadian culture, Canadian sovereignty, and Canadian identity. What proportion should we be allowed? What space should we leave for ourselves?

The question of how Canadian the programming offered should be was much simpler in the past. I would like to suggest—

[*Translation*]

. . . that after long public hearings, the Standing Committee adopted an approach established on the two basic elements recommended by the task force. First of all, to avoid any trouble, the legislation should include a provision protecting the broadcasting of foreign stations already available. That is the grand-fathering clause!

Also, it should allow any additional foreign service only in cases where such service brings something significant to the whole Canadian programming. More specifically, it had been suggested that the service should offer programs complementary to those already made available by licensed Canadian broadcasters.

[*English*]

I think it becomes quite clear that there has been some uncertainty about the technical interpretation of the "predominantly Canadian" provision. It is also seen as an impractical requirement for specialized minority intraservices such as those providing programming in ethnic languages or those which were available on a discretionary or user-pay basis.

In the light of the lack of clarity in the law and the difficulty for some services of providing predominantly Canadian programming, the CRTC has allowed a number of such services to operate with more limited levels of Canadian programming. In response to this situation, the standing committee proposed two changes. The first change would clarify the meaning of "predominantly Canadian" so it would be obvious that it meant that most of the programming provided should indeed be Canadian. The second proposed change would permit the CRTC to exempt from this requirement specialized limited audience services for which such a requirement was not practical. I think we were being very responsible, very realistic, reacting to what is and looking at what we should perhaps change. "If it's not broken, don't fix it", was the motto in many areas.

When Bill C-136 was first introduced this recommendation was rejected. Subsequently, in response to extensive criticism from many quarters, including the CRTC, the Government amended Clause 3(1)(e) to reintroduce the concept of "predominantly Canadian". However it seems incredible that we had to reintroduce concepts and protections for Canadian content and "predominantly Canadian". However, the redrafting has been done so badly that it remains unclear whether the intent is that the programming provided by Canadian broadcasters should, unless subject to the exemption provisions, be predominantly Canadian. I would like to point out that in trying to bring clarity to this whole issue and to assure ourselves that we are not talking about Canadian resources such as trucks, lighting or the crews who go out to do the photography, although they are important, it is not predominantly Canadian content in terms of artistic thought and ability to have us function as the Minister has said in her speech—

[*Translation*]

. . . at the very heart of our sovereignty.

[*English*]

Therefore, if it is a service that is essential and—

[*Translation*]

. . . at the very heart of our sovereignty.

[*English*]

—I do not think the trucks and the lighting equipment is what brings—

[*Translation*]

. . . at its very heart.

[*English*]

I would like to suggest that we studied the thinking of many of the groups that made recommendations for change to us. We decided in our clear non-partisan way that each broadcasting undertaking should provide programming that is predominantly Canadian, using predominantly Canadian creativity—that would be first—and other resources—those would be the other things that are also important—in the creation and presentation of programming unless the nature of the service provided by the undertaking, such as specialized content, format, or use of languages other than French and English renders that impracticable, in which case the undertaking shall make the greatest practical use of those resources.

It just seems to me that if we are looking for a Canadian system, that only makes good sense, practical Canadian

common sense, perhaps not bottom line black dollar common sense all the time but certainly good Canadian common sense. That is what we were looking for in this Bill.

Given the importance of this provision, the Bill should not be passed without further amendment. If it is not amended to require that programming be predominantly Canadian, there will be no legislative basis for the CRTC to maintain such requirements. This is a very straightforward drafting issue and if the Government does indeed agree that such a requirement is justified, it should have amended the Bill to make this clear.

There is little point, however, in maintaining a requirement that most programming provided by individual Canadian stations and networks should be Canadian, if at the same time the programming offered by the cable systems is not to be overwhelmingly and increasingly Canadian but continues to become overwhelmingly and increasingly foreign in content.

In part, at least, because the 1968 Act was silent on the role of cable, the content offered by cable systems has become more and more foreign over the past 20 years. There was lack of clarity in the law. We are asking that clarity be there and that direction be there. Quite properly, the expanded choices now offered by cable television have been viewed as positive. I see this mixed system as a positive system—but it has its limits—to the extent that it actually made available to Canadians a wider range of programming than they had previously been able to receive from off air sources.

Many of us can remember the rabbit ears that sat on our television sets and how we wiggled and turned them as we tried to catch off air American programming. Cable came in and helped us to get a clear picture on our screens and also extended the reception as the cable system extended north. Otherwise, those Canadians in our northern regions would not have been able to receive the same fair access as we living along the border had.

I think it was a good initiative, a positive initiative, but there is a place where it should stop. It has actually made available to Canadians a wider range of programming than they had previously been able to receive with the rabbit ears. Genuine increases in programming variety are clearly a good thing. At the same time, however, to the extent that cable systems were simply bringing in programming already available from Canadian sources and undermining Canadian broadcasters, the way cable has functioned, was and is of concern. There has virtually been unanimous agreement by our committees and by everyone we heard that a new Act must at long last provide the CRTC with a proper legislative base for regulating cable television.

• (1210)

Indeed, the Minister of Communications (Miss MacDonald) emphasized again and again that a major inadequacy in the 1968 Act was its failure to deal adequately with cable. Yet the Government has failed, against the unanimous advice of both the 1986 Caplan-Sauvageau task force on broadcasting policy and the Standing Committee on Communications and Culture, to provide an effective legislative basis for the operation of cable systems in the future. That deficiency in the legislation has the potential to undermine all the other provisions in this important legislation completely. It is in fact the Achilles heel of the Conservatives' proposed new broadcasting law.

When we made a suggested amendment with respect to cable priority carriage, we said that it is essential that distribution undertakings should accord priority to the carriage of Canadian programming services in French and English, both public and private, with priority given to the Canadian public element programming services, and that they may carry foreign originated programming services only where the programming they provide is substantially different from that already offered by a licensed Canadian broadcasting undertaking, or where those foreign programming services were already carried by distribution undertakings. We also suggested that it should be regulated in a manner that reflects a reasonable recognition of the exclusive rights acquired by Canadian broadcasting undertakings.

Nothing could have been more fundamental or more germane to the issue of a renewed Canadian Broadcasting Act. If these fundamentals are not to be included in this Bill, then there really was not much purpose in going through what could have been a very exciting exercise in an advance for the broadcasting industry and a new look for Canada that would have been in many ways technology neutral.

This issue is so fundamental that I want to review its background. After 18 months of extensive research and consultations with the public and the broadcasting industry, the Government's $3 million task force on broadcasting policy reached the following conclusions:

> The task force believes that the role of the Canadian radio and television services, both public and private . . . To the extent that foreign broadcasting signals are carried, they should complement programming from Canadian sources. We recognize that an exception must be made for foreign television signals that are already an established part of the system . . . The presence of a particular foreign signal in the system should never be allowed to preclude the development of new Canadian services. Priority must always be given to the development of our own broadcasting services.
>
> We believe it is evidence that Canada's own broadcasting industry, both the public and private sectors, can do most of the job of providing programming that is varied and comprehensive, including both foreign and Canadian programs. If the rights to show American programs in Canada were retained and exploited by American broadcasters, rather than being sold to Canadian broadcasters, it would be destructive of Canada's broadcasting system, particularly of private broadcasting. More important, it would create an even greater imbalance between foreign and Canadian programs and reduce Canada's ability to produce programs. The carriage rules that apply to cable television will have a powerful influence on the degree to which Canadian broadcasting services develop and the revenues that they earn.

In the public hearings which the Standing Committee held, the Canadian Association of Broadcasters, the CBC, and the Canadian producers expressed strong support for the approach the task force had proposed.

After exhaustive public hearings, the approach the standing committee adopted had the same two basic elements that were

recommended by the task force. First, to avoid disruption, the Bill should make provisions for those foreign channels now carried to continue to be offered. Second, the test in the future of whether to permit the importation of any additional foreign service should be that it actually adds something significant to the mix of programming available to Canadians.

Specifically, the test proposed was that the service should offer programming complementary to that already available from licensed Canadian broadcasters. Otherwise, the system will become more and more fragmented. The potential for earning decent incomes for Canadian broadcasters, whether public or private, actors or actresses, songwriters or scriptwriters, will be constrained by the way this Bill has been written and by the fact that its concept of Canadian content, whether in the production end or the carriage end, has not been applied in a way that is in Canada's interests.

In response to those particular recommendations, the CRTC has stated that it agrees generally with the recommendation, while the Canadian Television Association said that it agreed in principle. To the extent that they expressed concerns, these were related only to the carriage of stations already available off air. In the case of the CRTC, concern was also expressed about including in the new Act any provisions at all related to carriage of foreign television signals in the Canadian broadcasting system.

More recently, in a letter to the editor published in *The Globe and Mail* on September 19, 1988, Mr. Michael Hindsmith, President of the Canadian Cable Television Association, noted that the new Act would allow the CRTC to refuse to permit cable systems to carry directly competing American signals. Commenting on the wisdom of granting the CRTC these powers, he made the following statement, I presume on behalf of his association:

> These powers effectively deprive Canadian cable TV subscribers of direct access to such U.S. services as Home Box Office, Showtime, ESPN, the Disney Channel or MTV. Instead access is achieved by licensed Canadian specialty services which purchase for a fee Canadian rights to incorporate U.S. programs in Canadian-originated services. The resulting blend provides access and ultimately a better product tailored to meet Canadian needs. The Canadian cable television industry, as an integral part of the broadcasting system, supports that approach.

While this makes it clear that the cable industry itself, like the broadcasters, is supportive of prohibiting carriage of directly competing U.S. broadcasting services, the essential issue for Parliament is whether this fundamental policy issue ought to be left to the CRTC or dealt with in the Bill. In our judgment, this issue is at least as important as any other that has been addressed in this draft Act and, as legislators, it is an issue we must now address. Surely the carriage regulations for cable are at least as important as requirements for Canadian content quotas for undertakings in maintaining any reasonable balance between Canadian and foreign programs in our system.

I want to emphasize, however, that unlike the CCTA, the Government is not assuming that the CRTC will implement this reasonable and necessary policy of protecting our own broadcasting system. Instead, astonishing as it may seem, and it has been repeated again this morning, the Government of Canada has categorically rejected these policy recommendations, although they were widely perceived to be both moderate and essential to the maintenance of a strong and separate Canadian broadcasting system.

Instead, the position the Government has taken is that any restrictions whatsoever on the entry into Canada of American stations and networks is in principle unacceptable. Does anybody smell free trade around here?

• (1220)

This position, which is inconsistent with over 50 years of broadcasting policy, is clearly stated in the Government's June 1988 response to the fifth, sixth, and fifteenth reports of the standing committee. The Minister said that again this morning.

In responding to this recommendation the Government has stated that the prohibition of foreign radio and television services other than those whose programming is complementary to that available from Canadian sources has not been included in the legislation since it would unduly restrict the access of Canadians to a new range of international broadcasting services.

Elsewhere the response states that the Government's policy is not to restrict access to foreign services. That is on page 28 of the response. The Government has explicitly rejected proposed amendments which would have implemented the unanimous recommendation of a standing committee, the task force, and lots of other interested and concerned Canadian citizens.

What will this position mean in the future? It will lay the basis in Canadian law for allowing all American broadcasters who desire it to extend their reach into Canada. The result will be to make it far more difficult for Canadian broadcasters to acquire the right to show the best U.S. programs in Canada. Even when they are able to do so, it will reduce their ability to earn revenue as a result. Revenues from showing foreign programs are now crucial to the successful operation of Canada's private broadcasters. The resulting loss of revenue will in turn undermine the ability of Canadian broadcasters to finance Canadian programming.

Yet in Clause 2 of this Bill, unclearly defined and poorly worded, is a carrot and stick approach to insist that Canadian broadcasters put in more programming. The vision is right, but the process is wrong. Adding this aspect of complete access by Americans into our system is an unbelievable and unacceptable situation.

This Americanization or continental approach to one of the greatest information medium of our time is the crucial issue. When appearing before the legislative committee Dr. Bernard

Ostry, President and Chief Executive Office of TV Ontario, said:

> We in Canada are far from being culturally sovereign in the cultural context, because of our exposure to non-Canadian products, particularly American programs and technology. Some 80 per cent of our publishing industry is in foreign hands; 97 per cent of films shown in Canada are foreign; 85 per cent of records and tapes are based on imported master tapes. In broadcasting, 71 per cent of all programs are viewed by English-speaking Canadians on television are American.

The Minister went even further in outlining very carefully in her book, *Vital Links*, the serious aspects of non-Canadian control of cultural sovereignty. There are serious implications from such a scenario. Our creative screenwriters, songwriters, singers, dancers, and authors cannot tell our story as freely as they should be able to. Many of these people have proven their world-class quality and have won all kinds of awards. If they do not have the space or the medium to deliver the message, we are in trouble. We must keep our broadcasting window, while mixed with foreign material, open enough for ourselves or we will be like Pogo who, in that famous comic strip, looked across the hills and said: "I see the enemy, Sir, and it is us".

This is not what Canadians want. Our broadcasting policy is to be kept as Canadian as possible. The implications of creating a single Canada-U.S. market are obvious already in the theatrical film industry. In that sector there has been a continental market for decades. The result is that most of the revenues earned in the Canadian market flow south to finance more American films, while Canada's own film companies lack the resources to contribute substantially to financing Canadian films and the ability to distribute and market them effectively. The same thing will happen in the future if the Government carries out its plans to give U.S. broadcasters unrestricted access to this Canadian market.

Why this radical and far-reaching departure from a tradition of building a separate Canadian broadcasting system, a tradition begun in the 1930s by a Conservative Government? Why the refusal to provide a sure legislative basis for maintaining and strengthening Canada's own off air broadcasting services and developing a strong and separate system of Canadian pay and specialty services? The only answer that can explain this—

Mr. Waddell: Free trade.

Mrs. Finestone: I thank my colleague. He is right, free trade. My Party believes that the only answer that can explain this decision by the Government is that it knows that any new provisions which restrict the entry of American broadcasters into Canada would contravene the Canada-U.S. Free Trade Agreement and would certainly bring the full weight of American anger against the negative economic impact. Clause 2005(2) would reach its zenith in application. It could be a wonderful tool for the Americans.

We have, of course, already seen evidence in the areas of cultural policy of the way the Government is acting since the signing of the trade agreement. We saw the gutting of the original film importation Bill of the Minister of Communications. We have Simon Reisman's public assurances that the revised and eviscerated Bill has at least been made consistent with the free trade agreement. That, of course, is why the draft legislation would do nothing effective to protect Canadian interests.

We know that the Government suppressed the Donner Report, an independent consultant's study of the sound recording industry which, in its leaked form, warned of serious consequences for Canada's songwriters and performers and the Canadian record industry under the trade agreement. The consequences of a weakened Canadian record industry for Canadian content quotas on radio are obvious, to say nothing of our own performers.

We have seen the Government reject as well the central proposals of its own 1985 task force on film policy related to the use of the Investment Canada Act to strengthen Canadian ownership and control over film distribution. Indeed, in the book industry where the Government had already established a strong policy in 1985 to strengthen Canadian participation in this vitally important industry, we saw in the 1988 New American Library decision the abandoning of the essential Baie Comeau policy.

At present the Government seems to be avoiding making decisions on a number of Investment Canada cases which will again test the 1985 Baie Comeau policy. Will those decisions now wait until after the election in order to avoid the embarrassment of further withdrawal from protecting Canada's cultural sovereignty and identity?

There is the fact that we have about 10 per cent of the theatrical film market, which is a problem. There are a number of areas in which the fact that Canadian culture was protected under the free trade agreement could be challenged.

There is further evidence for this interpretation of the Government's actions since other new legislative initiatives which might have contravened the Canada-U.S. Trade Agreement have also been rejected. For example, the Government refused to include in the draft Bill any requirement that foreign pay-television or specialty services carrying on business through affiliates in Canada should do so through a Canadian entity licensed by the CRTC. I remind Members of the House that this unanimous, all-Party recommendation of the standing committee was endorsed by the Canadian Cable Television Association.

Failure to act on this recommendation will result in two classes of broadcasting networks carrying on business here in Canada—those which require a licence and must contribute to achieving Canadian programming objectives, and those which can extract money from the Canadian market without a licence and with no obligation to contribute to Canadian programming. The result will be a growing sense of unfairness and a resulting undermining of the legitimacy of the regulations applied to the Canadian services. The result will also be a reduced ability to meet Canadian programming objectives.

The Government said that it cannot do this, but that is not the case.

• (1230)

In a response to recommendation 17 of the standing committee's sixth report, it said it cannot do this because "most of the foreign services do not have a business presence in Canada and operate under American law". That is based on a misconception of fact and an error in law. I have consulted broadly on this particularly matter. The legal counsel with whom I drafted the amendment made it very clear that he and his colleagues would support the view that this is a misconception of fact and an error in law.

The misconception is that the recommendation would apply to off-air U.S. border stations. These stations do not contract to deliver their services to members of the public in Canada. The principal focus of the recommendation is on U.S. specialty networks like Arts and Entertainment and CNN, which enter into contracts with Canadian cable systems in Canada to deliver their service to Canadian homes. This activity is clearly capable of falling under Canadian law if legislators wish this to be the case. Obviously that is not the wish of the Government.

The term "undertaking" does not require actual physical assets to be present in Canada and in a number of cases have held that the presence of a signal in Canada can give rise to tortious, or copyright liability here. I have recommended that the Minister or her staff check landmark cases such as *Jenner v Sun Oil, 1952,* or *CAPAC v International Good Music, 1963*. Obviously there was no interest in following through on those recommendations.

In commenting on Bill C-136, the Canadian Association of Broadcasters summarized the problem well by stating that "the proposed Act fails to clearly establish the structure of the Canadian Broadcasting system and principles that will keep it Canadian". That is what it said during the legislative committee on Bill C-136.

CAB went on to note: "A post-free trade environment will undoubtedly generate increased pressure for access to the Canadian market for a wide variety of U.S. broadcast and programming services". It went on to express concern that "the Bill provides no certain defence against that kind of pressure".

The combination of increasing pressure from U.S. broadcasters for access to Canada and an absolute refusal by the Government to include in Bill C-136 any legislative basis whatsoever for limiting their access to Canada is a sure recipe for the rapid erosion of Canada's own broadcasting system.

Our concerns with this Bill are rendered more acute because the Government has even refused to provide a basis in law for the CRTC to protect those exclusive rights which Canadian broadcasters acquire to exhibit programs in Canada. I do not know any business person who would find these principles acceptable. Here too there was an all-Party recommendation from the standing committee and a subsequent amendment which I proposed earlier in the House. Yet the Government refuses to provide a legislative basis for the CRTC to take reasonable measures to protect the exclusive program rights acquired by Canadian broadcasters.

These points can be quickly summarized. First, the Bill does not clearly require that licensed Canadian broadcasters should, with appropriate but limited exceptions, provide programming that is predominantly Canadian. Second, this legislation fails to provide an adequate basis for regulating the carriage of foreign channels on cable television systems.

Third, the Bill fails to capture all satellite to cable networks carrying on business in Canada although technological change has made such networks an increasingly important part of the broadcasting system. It has failed to define clearly the carriage rules for public and private elements. Finally, the Bill provides no basis for the CRTC to protect the exclusive rights purchased by Canadian broadcasters.

The result is that the legislation as drafted creates the potential for further substantial Americanization of our broadcasting system. Since the Government has stated explicitly that it is opposed in principle to any limits at all on the entry of foreign broadcasting signals into Canada, it seems fair to assume that such signals will increasingly be allowed in even if they compete directly with and undermine our own broadcasters.

What the Government proposes to do in 1988 is reverse the decisions made in 1932 in the original Broadcasting Act. At that time the Government of R. B. Bennett moved decisively to limit the flood of American broadcasting and American programs which had come across the border, to provide a basis for developing a strong Canadian broadcasting system able to meet the needs of Canadians for both foreign and Canadian programs, and to do so in both French and English.

Now, 56 years later, the Government seems intent on giving U.S. networks and stations the unrestricted access to the Canadian market they were originally denied. If the Government carries through on its stated intention to create a wide open market, the result will be to undermine Canada's own broadcasting system and sharply reduce our ability to meet our own programming requirements. There is no evidence whatsoever that this is what Canadians want to see happen. Indeed, all recent research on the attitudes of Canadians tell us that precisely the opposite is true. Canadians want, appreciate, and recognize Canada's programs and they want them on their screens. They do not want them pushed out by unnecessary choices. A mixed system is acceptable, but this is outrageous.

In light of these fundamental deficiencies in Bill C-136, clearly it would be irresponsible of our Party to vote in favour of this legislation. Although we recognize the legislation contains a number of necessary and important provisions to bring the law up to date, the essential requirement for a new law, however, must be that it provides a solid basis for building a stronger and more Canadian broadcasting system.

The essential requirement for a new law must be that it provide a solid basis for building a stronger, more Canadian broadcasting system in the future. This law does not meet that test.

In deciding that we must oppose this Bill we recognize that this marks the first time since 1932 that it has not been possible to reach all-Party agreement on broadcasting legislation. We regret that. In fact, I find this a very difficult moment. As a member of the Standing Committee on Communications and Culture, I am particularly sorry that this has occurred. The members of that committee, including every government member, set aside partisan feelings and, as a result, were able to reach unanimous agreement on almost every issue, including all the major issues I referred to earlier.

This decision has not been taken easily. All efforts were made to amend the Bill constructively and to ensure a Canadian system by and for Canadians. Making the acceptance of a new broadcasting Bill unanimous was the goal. I believe that the Minister tried very hard. I acknowledge this with a full heart. However, not so with her Government and certainly not so at the cabinet table.

Regrettably, government philosophy is being guided by principles that we believe are not in the best interest of Canada. The reality is that in choosing to depart from over 50 years of non-partisan support for a strong broadcasting system of our own, the Government has rejected the unanimous advice of government members on its own committee. It has ignored the Caplan-Sauvageau report. The result is legislation that betrays one of Canada's most basic needs and interests.

• (1240)

I believe that when Canadians understand the fundamental flaws that exist in Bill C-136 under a veneer of pro-Canadian rhetoric, under a veneer of trying to defend itself by calling others guilty, they will reject it as an unacceptable and unsound basis for the future of Canadian broadcasting.

Therefore I move, seconded by the Hon. Member for Ottawa—Vanier (Mr. Gauthier):

> That all the words after the word "That" be deleted and that the following be substituted therefor:
>
> Bill C-136 be not now read a third time but be referred back to the legislative committee for the purpose of reconsidering Clause 3.

Mr. Ian Waddell (Vancouver—Kingsway): Madam Speaker, I am pleased to rise on behalf of the New Democratic Party and debate this very important Bill, Bill C-136, the Canadian broadcasting Bill at third reading, the final stages of the Bill. There has been an amendment introduced. I will speak to the amendment later.

In the limited time that I have I would like to address some of the remarks of the Minister of Labour (Mr. Cadieux) who spoke for the Government today. I got a note from the Minister of Communications (Miss MacDonald) who is in a meeting of the Priorities and Planning Committee, a committee of Cabinet. She could not be here. I appreciate getting a note from her. No doubt she will read my remarks.

After dealing with the Minister's speech in debate style, I want then to address my own criticisms of the Bill. Finally, I want to wind up stating what are the alternatives. I want to speak specifically about the electoral process that seems to be upon us and what this could mean.

First, the one thing I do agree with the Minister on is when he said that Canadians listen to 18 hours of radio and 24 hours of television. I assume that is per week and not per day. That shows us how important broadcasting is. In a way I regret that the press, with some limited exceptions, and some honourable exceptions, and the public have not paid more attention to this particular Bill, the first revision to the Broadcasting Act in 20 years.

The Minister quoted the Caplan-Sauvageau report. *en français, c'est le rapport sauvageau-caplan.* He also made reference to the sixth report of the standing committee of the house of commons. what he did not tell us was that in the essential, in the really important parts of those reports, the government did not follow the recommendations of those all-party reports. I regret that the hon. Member for Edmonton South (Mr. Edwards) has not had the courage to get up and speak in this debate to outline what that committee recommended. he was chairman of that committee. I will say something further about that in my speech because it becomes key when we talk about the North Americanization of the Canadian broadcasting system which we are seeing now and which this Bill does not affect—in fact, it does not take any steps to stop; rather, it encourages.

The Minister mentioned the free trade agreement. He said that culture is exempted from the free trade agreement. I want to tell you, Madam Speaker, that that is not true. It is not so. It is not exempted from the agreement. Let me explain very briefly in layman's language why. The free trade agreement states—and I would like the Minister to listen to this if he might—that culture is excluded from the agreement. But then one has to read it carefully. There is another clause that states that actions of equivalent commercial effect can be taken.

I will give an example. Say that a Canadian Minister of Culture wants to take action to protect the Canadian airwaves, perhaps to restrict American signals that come into Canada. What would happen would be Americans could take action of equivalent commercial effect. They could restrict B.C. fish or B.C. lumber, and then the poor Minister would have all the workers, businessmen, employers, and so on from British Columbia who would come to say: "You cannot do this to us. Retreat on your broadcasting policy". In fact that is what would happen.

That is the insidious way that the Free Trade Agreement affects this deal and affects cultural policy. In fact, it restricts the Government from taking nationalistic measures. That is why this Bill is flawed in the fundamental ways that my

colleague, the critic from the Official Opposition, said it was flawed, that is to say, its failure to establish a Canadian market and the encouragement of a North American market. The Government now has to do everything in the context of North Americanization, having sold Canada out in the free trade agreement. It affects cultural policies. It affects every policy.

The Minister said that they never considered limiting access of Canadians to American programming. Instead, he said that we wanted to encourage the Canadian alternative. But I say to him: How is this encouraging Canadian alternatives? In fact, the Government will be allowing American superchannels to come into Canada to knock out Canadian channels which cannot compete with them. Second, the Government is not funding adequately the Canadian public sector, the CBC, which has had to cut back on programming. It is flawed there.

The question is: Why has the Government not considered limiting Canadians access to these American channels? The answer is because of the free trade deal.

The Minister mentioned that there was a scheme to force private broadcasters to produce Canadian programs; but it is an unworkable scheme, as all the evidence in front of the legislative committee has shown. The Government should have considered other measures, tougher measures. If Canadian private broadcasters do not produce the quality Canadian programming after some encouragement and some help, and they still do not do it, then there is a licensing procedure. Some licences could actually be taken away and other broadcasters could be got who would do it. But the Government is afraid to do that.

The Minister spoke about CBC's independence. I ask from whom? He would say independence from the Government, and we have ensured that in this Bill. I say to him, and later in my speech I will give him the facts on this, the CBC has become a slave to ads now. It is in fact being privatized because its money is being cut back. It is having to put more money into commercials. In fact, it is a very subtle way of privatizing the CBC. The CBC will soon be just like any other private network, certainly on television. It is practically that now.

The Minister says that the Bill meets the hopes and aspirations of Canadians, and in fact amendments were granted. It is true that amendments were granted. I am pleased that a number of amendments were accepted. We worked hard together in committee with the Minister on this matter, but we did not get the big amendments to this Bill.

The Minister said that we have constraints. We know what the constraints are. The constraints are the free trade deal with the United States. We have a nationalistic Minister who cannot get those big ticket items through Cabinet. In my speech I will speak about those items in some detail. He says that the Canadian public is in favour of this Bill. Where? Show me where the Canadian public is in favour of it. I think that the Canadian public would be in favour of a nationalistic Bill that would protect Canadian culture. Why not try the Canadian public on that? The Government has not done this.

• (1250)

Let me deal in more detail with what the Bill does and where the flaws are in the Bill. I said in my second reading speech on this Bill that the problem with Canadian broadcasting was that the public sector was under funded and that the private sector was not doing its job in producing Canadian programs. I do not think that this Bill is going to change that, fundamentally.

This Bill, when it came in, was worse than the 1968 Act. It has been amended. I would say that it is marginally better now, but that is not saying very much because the 1968 law is 20 years old. We had this great opportunity to put a really great Act in here, and I do not think that we have done that.

In the past 18 months, we have seen a government policy. Just look at what has happened in cultural policy. First, we have seen the reduction of the capital cost allowance for Canadian films and television programs, and that had encouraged production of Canadian films and television programs. That action is going to discourage it. We are going to have less production of Canadian films and television programs as a result of that government action.

We saw the revision of the film products importation Act, which now substitutes grants instead of structural changes. The Government had to retreat in the face of pressure from the Reagan administration. Jack Valenti got what he wanted on this. That retreat was a shame, a blot on the Canadian Government. We saw the Minister's old film Bill, and then we got the new Bill which was clearly a retreat, and we can document that.

Third, we got the rejection of the Investment Canada guidelines for film distribution proposed by the 1985 film industry task force, recommendations that would ensure the orderly transfer of ownership and film distribution to Canadians. They were ignored. We then got the failure to apply the 1985 Baie Comeau book publishing policy, which promised to see the transfer of ownership in book publishing to Canadians; in other words, to protect Canadians in takeovers and apply a tough rule so that we could have Canadian ownership of publishers.

Finally, we see in this Bill the rejection of key recommendations of the broadcasting committee. These proposed measures would have significantly enhanced the production of Canadian programs for a Canadian market and have a significant beneficial effect on the recording sector.

The Cultural Industries Alliance; the Alliance of Canadian Cinema, Television, and Radio Artists; *Association des Producteurs de Films et Video du Québec*; Association of Canadian Film and Television Producers; Association of Canadian Film Craftspeople; Association of Canadian Publishers; Canadian Actors' Equity Association; Canadian

Association of Motion Picture and Electronic Recording Artists; Canadian Conference of the Arts; Canadian Film and Television Association; Canadian Independent Record Production Association; Canadian Periodical Publishers Association; Directors Guild of Canada; National Association of Broadcast Employees and Technicians; Periodical Writers Association of Canada; and The Writers Union of Canada, all raised these issues. They said this:

> It seems clear that the Free Trade Agreement will alter not only the course of our economy, but by inhibiting our freedom to strengthen vulnerable yet essential cultural industries, it will also alter the course of how we define ourselves as Canadians. The Agreement recognizes a North American reality, but it leaves little room for a Canadian vision.

You have to see this Broadcast Act in that context, in the retreat of Canadian cultural policy initiatives, because of the free trade deal.

I had a number of motions to amend the Bill which I described as key amendments. I draw Your Honour's attention to Motions Nos. 36 and 39. In Motion No. 36 I suggested that we should put in the words "deliver only duly licensed services". In other words, we would have to license all programs coming into Canada. In Section 39, I said:

> "(ii) should ensure that foreign services, with the exception of conventional off-air broadcasters, are complementary to Canadian services."

I took recommendation 58 of the broadcasting committee of the House of Commons, an all-Party committee, and I really adapted that. Let me just quote that recommendation. In referring to the Broadcasting Act, it says:

> The act should be drafted so as to define the essential role of distribution undertakings as that of distributing Canadian radio and television services in French and in English, both public and private, with first priority given to public-sector Canadian services, followed by private Canadian services. With the exception of the "three-plus-one" services already carried, the act should make provision for the carriage of foreign radio and television services only when the programming they provide is complementary to that available from licensed Canadian broadcasters and network operators.
>
> The act should also provide for priority to be given to the carriage of services in French in distribution undertakings that serve primarily francophone subscribers.

What does that mean? It means that we have American superchannels that will now start coming into our country. They are Canadian channels. If a Canadian channel starts up, something like Arts and Entertainment, it will not be able to compete with the Americans. It will be knocked off the air. Our news channel, like CNN News, will be involved. We will get American news, American entertainment. There is nothing wrong with American news and American entertainment, providing we do not have the Canadian equivalent. What we and the committee are saying is that they can only come in if there is no Canadian equivalent. If there is a Canadian equivalent, keep them out. In other words, they have to be complementary to the Canadians. That is the key.

We would not interfere with NBC, ABC, CBS or the Public Broadcasting System of the United States. They are well established in the Canadian market. We also would not interfere with the border stations. These new channels, if they come in, will swamp the private Canadian channels, that cannot compete with them. That is the key to this Bill and that is what the all-Party committee was recommending, but the Government did not act on it.

The Hon. Member for Mount Royal (Mrs. Finestone) dealt with the reasons the Minister gave—I do not have to repeat them—why they could not license them and so on. She had legal argument and authorities to back that up. The Government backed off from this because of the free trade deal. It is a fundamental flaw in this Bill and one of the reasons we cannot support it.

I will just quote what the sixth report said:

> We note that even in the large U.S. market, where service is provided entirely in English, there is only one available service in most programming categories. In Canada it is beyond question that a Canadian service could not co-exist with a non-Canadian service, especially if the Canadian service is expected to provide a meaningful contribution to Canadian programming.

The Canadian Broadcasting League said:

> If this country had adopted such an approach 60 years ago this country would never have developed a separate Canadian broadcasting system except in the public sector.

That is the first fundamental flaw in the Bill. I believe we are approaching one o'clock, but perhaps I could get started now and deal with the second flaw in the bill, the use of cable systems. They are the big winners here. They seem to have a lot of influence in the Conservative Party these days. What a gift they got in this Bill! They got the right to import almost anything into Canada, that is, there are no express limitations on what they could take. This is part of continentalization.

Second, they got the right to originate programming, not just local community programming to which no one objects, but to originate all kinds of broadcasting programs. They are not treated as a distribution undertaking now but as a broadcasting undertaking. I predict that the result will be that we will not be able to regulate any more, or even in the future, their tariffs and their fees properly.

Canadians in the last few weeks have seen cable fees go up on September 1. This Bill gives a great gift to the cable companies in that it allows them to broadcast, and it will make it more difficult in the end for us to regulate their prices.

This afternoon I want to come back to the CBC and to the role of the public sector, and then to wrap up my speech.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being 1 p.m., I do now leave the Chair until 2 p.m.

At 1 p.m., the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

SPORTS

OLYMPIC GAMES—BEN JOHNSON, DISQUALIFIED 100 METRE WINNER

Mr. Sergio Marchi (York West): Mr. Speaker, after an inspiring beginning, the Ben Johnson story appears to have had a brutal and disappointing end.

While drugs should not and cannot have any place in athletic competition, and while there can be no alternative but to bring the full weight of our own sporting regulations against Ben if he knowingly consumed the illegal substance, I was dismayed at the performance of our Canadian officials during last night's press conference in Seoul, Korea. They seemed to trip over each other in their rush to accept the guilty verdict, without attempting to defend the possible innocence of our own champion and Canadian citizen.

Given the tampering allegations, and the repeated denials of Ben and his coach, it would not have been too much to ask our officials not to render a guilty verdict until a thorough investigation was conducted into all the allegations and circumstances, and the roles of all the other people who were involved.

To accept the IOC ruling is one thing; not to defend the possible innocence and honour of one of our own, is quite another. If it had been Carl Lewis, one can rest assured that the Americans would have raised proper hell. I am puzzled and disappointed at why our Canadian officials were so anxious to drop Ben Johnson in front of the entire world.

* * *

ELECTIONS

POSTING OF ELECTORS' LISTS—RISK POSED TO VULNERABLE PERSONS

Mr. Jim Jepson (London East): Mr. Speaker, as most Canadians are aware, we are very close to another general election. Yet there is a bit of a flaw in the process inasmuch as when the enumeration lists are posted, the names of all those people eligible to vote are available to the general public. Because of this exposure, senior citizens who live alone, and single women who live alone, become very vulnerable to those who would take advantage.

As we look to another election down the road it is very important that everything that can be done should be done to protect those people from becoming victims of people who would want to take advantage of them.

S. O. 21

SHIPBUILDING

CLOSURE OF VANCOUVER SHIPYARD

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, recently the last remaining shipyard in the city of Vancouver closed down, and 150 more workers lost their jobs. For over 50 years shipbuilding had been a major west coast industry. The Conservative Government, through lack of any comprehensive shipbuilding policy, and inadequate subsidies, is directly responsible for the demise of this important industry.

The delay in building the promised world-class *Polar 8* icebreaker has also contributed to this tragedy. In 1985 the Government approved this major project to be built jointly in Vancouver and in Victoria, but apparently promises are to remain on paper. Vancouver, which initiated the *Polar 8* coalition, has been dealt out of the deal.

Thanks to Tory neglect, highly skilled tradespeople who should be building vessels for the longest coastline in the world, have been put out of work. Unemployment in Vancouver East remains at over 20 per cent.

* * *

SPORTS

OLYMPIC GAMES—BEN JOHNSON, DISQUALIFIED 100 METRE WINNER

Hon. Bob Kaplan (York Centre): Mr. Speaker, yesterday I praised Ben Johnson's triumph at the Olympics, and noted that his example had inspired hundreds of young people at a rally in the Jane-Finch area of my riding. The rally was organized by a caring community under the title "Say No to Drugs".

The sad developments overnight are a tragedy for Ben and for Canada, but there is still a lesson there for young people whom Ben inspired. Saying no to drugs is worth it.

The Prime Minister (Mr. Mulroney) is quoted as agreeing that Johnson's actions were improper and wrong, especially because he is a role model. I am not yet ready to agree with the Prime Minister. Ben is entitled to the benefit of every doubt. There needs to be an inquiry to determine whether Ben's drug use is something that he knew about and condoned, or whether he is the victim of actions by others. Ben deserves this investigation.

S. O. 21

[*Translation*]

FREE TRADE

PROTECTION OF ENVIRONMENT AND NATURAL RESOURCES

Mr. Gilles Bernier (Beauce): Mr. Speaker, I want to tell you about something ridiculous. A common front of ecologists is afraid that the Free Trade Agreement might undermine the powers of the Canadian and provincial Governments with respect to the environment. These people claim that the FTA would have a catastrophic impact on Canada's ecology and resources.

That, Mr. Speaker, is utterly false and tantamount to misleading the Canadian public. The Free Trade Agreement takes due account of the fact that, in January 1986, the Canadian Advisory Council on the Environment, widely known for its independent approach, set three conditions: our ability to manage our renewable and non-renewable resources, control pollution and waste disposal, and protect our ecology.

A concrete example would be the maple bush fertilization program which is being developed, Mr. Speaker. Besides, FTA Article 603 confirms the right of Canada and the United States to pass regulations aimed at protecting human, animal and vegetal life as well as the environment. That happens to be a sovereign attribute of each country. They should stop their scaring tactics.

* * *

[*English*]

MINES AND MINING

GOLD LAKE MINES INCORPORATED—MONEY OWED TO MANITOBANS

Rod Murphy (Churchill): Mr. Speaker, since 1984 there has been a cease trading order against Gold Lake Mines Incorporated. This company owes many Manitobans thousands and thousands of dollars. It owes up to $75,000 to one retired couple in the Bissett area.

Unfortunately, through our federal and provincial laws we are unable to protect these people. I call upon the Minister of Consumer and Corporate Affairs (Mr. Andre) to check into this case, find out why this American-based firm is still operating through a different name in Manitoba, still filing mining claims in Manitoba, and is not being responsible to those people to whom it owes so many thousands of dollars.

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—ENERGY INDUSTRY

Mrs. Barbara Sparrow (Calgary South): Mr. Speaker, last weekend on television the Right Hon. Leader of the Opposition (Mr. Turner) stated that Canada has sold out its energy in the Free Trade Agreement.

That is incorrect, and it is wrong. Nothing could be further from the truth.

We do not have to sell our energy to anyone. The control of all our resources remains in Canada. Each province has under its jurisdiction the right to control the exploration, development, and the sale of its oil and gas. Pricing is based on international prices, not U.S. prices.

We moved to deregulate the oil and gas industry in 1985. That removed that disastrous Liberal National Energy Program that robbed western Canada of billions of dollars. Our energy policy is now and will always be made in Canada, by Canadians, for Canadians. The Free Trade Agreement secures access to the U.S. market for our energy products and that will lead to future development and security of supply for all Canadians.

* * *

[*Translation*]

LINGUISTIC MINORITIES

REQUEST THAT TV5 CHANNEL BE MADE AVAILABLE TO FRANCOPHONES OUTSIDE QUÉBEC

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, two years of planning and studies have gone into the establishment of the TV5 international network which includes five francophone broadcasters from five different countries: Canada and Quebec, France, Belgium, Switzerland, and French Africa.

This undertaking flows from the francophone summit held in this country, and Canadian taxpayers have invested $1.8 million in this project. Unfortunately 1.5 million francophones outside Quebec will find it impossible to tune in to TV5. Again this Government imposes a double standard, according to where one lives in Canada. That is unfair!

This Government keeps forgetting all about francophones outside Quebec. We have to fight to command respect for their rights. Remember what happened before the Olympic Games—we had to fight this Government for a year and a half so that francophones outside Quebec would be able to watch the Olympic Games in their own language.

Mr. Speaker, TV5 is important to us. I urge the Government to get the lead out and see to it that all Canadians are able to

tune in to the international signal of French-speaking countries.

* * *

TRADE

BENEFITS OF FREE TRADE FOR QUÉBEC

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, in Ontario 840,000 people, in other words, one-third of the workforce in Quebec, are working in a complete free trade situation in the automobile industry.

The situation has been like this since the Auto Pact was signed in 1965. The Pact could be cancelled on six months' notice. Workers in the industry are among the best paid workers with the best working conditions. Many have indexed pension plans.

Did free trade make them poorer? Today in Ontario, the unemployment rate is only 3.1 per cent with free trade. Today in Quebec, the unemployment rate is 9 per cent, without free trade. In British Columbia, the unemployment rate is 12 per cent, without free trade. In Newfoundland, they have 17 per cent unemployment without free trade.

Mr. Speaker, with free trade my Government wants to improve the economies of all the provinces. That is why we in Quebec are in favour of free trade.

* * *

[*English*]

COMMUNICATIONS

UNIVERSAL ACCESS TO TELEPHONE SYSTEM ADVOCATED

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, Call-Net Telecommunications has again appealed to the federal Cabinet to grant a further extension to plainly illegal telecommunications services. Because of Cabinet interference in this case, Call-Net has received extensions totalling 330 days, and the Conservative Cabinet has allowed it to expand during this period. Indeed, the Department of Communications, as we detailed last January in the House, has intervened repeatedly and has advised Call-Net how to get around CRTC regulations.

The Call-Net affair is not an isolated case. It is part of the Mulroney Government's efforts to transform our telephone system. The Government is attempting to introduce an American-style system through the back door as part of its efforts to harmonize Canadian and American policies.

We in Canada believe differently. We think that universal access to a regulated phone system should remain our top priority. I have here petitions signed by over 1,000 telecommunication workers who want the Minister to stop interfering in this case, and I do as well.

* * *

• (1410)

NATIONAL DEFENCE

ACQUISITION OF NUCLEAR POWERED SUBMARINES—POSITION OF LEADER OF THE OPPOSITION

Mr. Patrick Crofton (Esquimalt—Saanich): Mr. Speaker, this past Sunday the Leader of the Official Opposition (Mr. Turner) appeared on CTV's *Question Period*. When asked how he would cut the deficit, he replied: "One way is to slash the 10 billion to 12 billion or 16 billion that these nuclear submarines are going to put us in debt for in the next four to five years".

Some Hon. Members: Hear, hear!

Mr. Crofton: The right hon. gentleman's response reveals his profound ignorance on two counts. First, had he actually read the White Paper he would know that the projected cost is $8 billion over 27 years. Second, instead of nuclear powered submarines the Liberal defence policy calls for at least six additional patrol frigates plus a fleet of diesel submarines at a minimum cost of $8 billion.

Our Navy and most Canadians are astonished and dismayed to learn of this sudden new twist in Liberal policy to reduce by 50 per cent the badly needed and overdue naval construction. The true Liberal colours are thus revealed: a return to their unilateral disarmament policies of the 1970s. This from a Liberal Party that dares to talk about sovereignty and security. Shame!

* * *

SPORTS

OLYMPIC GAMES—BEN JOHNSON, DISQUALIFIED 100 METRE WINNER

Mr. John Nunziata (York South—Weston): Mr. Speaker, Canadians are shocked and disappointed about the news that our premier athlete, Ben Johnson, allegedly tested positive for drug use after having smashed the world record for the 100 metres at the Seoul Olympics. There is certainly a great deal of sadness today across Canada stemming from this incident. Although the tests appear to be definitive, a lot of people have jumped to some very harsh conclusions very quickly.

The Prime Minister (Mr. Mulroney) was fast off the mark to muscle in on Ben's moment of glory and to congratulate him when he crossed the finish line last Friday night. He and his junior Minister of Sports (Mr. Charest) also acted with

lightning speed in unfairly condemning Johnson when the results of the drug test became known.

Johnson's Sport Canada funding has been cut off and he is suspended for life from participating in Canada's national team. Ben Johnson deserves better from the Government of Canada. He made all Canadians proud when he set the world record at Rome last year in the 100 metres without drugs. At the very least, we owe him and his trainer Charlie Francis the opportunity to explain their side of the story. As well, the federal Government should initiate a full inquiry into the entire affair. Disturbing questions remain unanswered, especially whether or not the Government of Canada acted appropriately in the circumstances.

Mr. Beatty: Only the Liberals would try to exploit that for partisan purposes.

* * *

MEMBERS OF PARLIAMENT

TRIBUTE TO RETIRING MEMBER FOR VANCOUVER CENTRE

Mrs. Mary Collins (Capilano): Mr. Speaker, it was with great sadness that we learned yesterday that our colleague and friend, the Hon. Member for Vancouver Centre (Miss Carney), will not be seeking re-election. On behalf of all Members of this House, particularly my B.C. colleagues, I want to recognize the tremendous contribution she made to the public life of this country since she was first elected in 1980.

We all remember well her outstanding performance as Minister of Energy in revitalizing the energy sector in western Canada, hence her being named Oil Man of the Year. We also remember her role as mother of the Free Trade Agreement when she worked tirelessly to conclude the negotiations successfully.

The first Canadian woman in federal political life to hold such high profile economic portfolios, including President of the Treasury Board, she has been a trail blazer and role model for all of us who follow. However, it is the human side that the residents of Vancouver Centre will remember—and their Member's fight for AIDS research, the Vancouver Symphony, and quality of life for seniors.

Pat, we are really going to miss you. Thank you. We wish you good health and happiness. Keep on making waves, right from the Pacific Rim, which you love so dearly, across this land, because we will be listening.

* * *

ENVIRONMENTAL AFFAIRS

OSLO OIL SANDS PROJECT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, we on this side of the House applaud the Minister of Finance (Mr. Wilson) supporting environmentally sound development and his willingness to promote this concept at the meeting of the World Bank Governors in Berlin. However, we hope he will turn his new found enthusiasm for environmentally sound development to the home front, too. While he makes the right noises in Berlin, his Prime Minister (Mr. Mulroney) gives $4 billion to the OSLO oil sands project.

This project poses a major threat to the McKenzie River ecology because the method of removing the heavy oil from the tar sand leaves huge toxic tailings ponds that will kill fish and wildlife. No environmental impact assessments have been conducted. This is at odds with the environmental posture that the Prime Minister and his Minister of Finance have taken.

The Government is inconsistent in its approach to the environment, saying one thing and doing something totally opposite. If the Prime Minister expects to be taken seriously he has to live up to his own rhetoric.

* * *

THE LATE IRWIN MCINTOSH

Mr. John Gormley (The Battlefords—Meadow Lake): Mr. Speaker, I wish to inform Members of the death over the weekend of the Hon. Irwin McIntosh, fifteenth Lieutenant Governor of Saskatchewan.

In North Battleford Mr. McIntosh distinguished himself as a newspaper publisher. As Lieutenant Governor from 1978 to 1983 he was outspoken and passionate in promoting the role of the Crown. He always displayed a great love of our country and its people. His dedication to wildlife conservation, skiing, literature, and local history will be sadly missed.

I carry with me the warm memory of many hours in my own youth spent at the McIntosh supper table discussing and debating issues of the day; a young Conservative learning from a proud life-long Liberal the values of honour, community service, and a love of Canada. Saskatchewan and Canada have lost a great citizen.

ORAL QUESTION PERIOD

[*English*]

SPORTS

BANNING OF OLYMPIC ATHLETE FROM NATIONAL TEAM

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, my question is directed to the Minister of State for Fitness and Amateur Sport. Last night the Minister said that Ben Johnson would be banned for life from our national team although he had not yet exhausted all his appeals and there had not yet been a full and fair inquiry into

all aspects of this sorry matter. There are many things that should be investigated.

I would like to ask him under what authority he said that Ben Johnson should be banned from the national team for life? How did he say that at this time before any hearing? Should the man not get a fair hearing before he gets a life sentence?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, let me start by saying that yesterday was a very sad day for a lot of Canadians. I do not think anyone, when they enter public life, anticipates being faced with this type of situation.

What I informed the media of yesterday, and what we also informed them of through a press release, is what our rules provide for now and have provided for some time. Canada has some of the strictest rules in the world in the area of sanctions for doping, and we say that with some pride. In the case of the use of steroids, because of the danger to the health of athletes it is a life suspension if they are found guilty.

If the Hon. Member takes the time to read the press release we issued yesterday, in the second paragraph he will find the words "pending possible appeal", because of course we do expect that due process of law will take its course and Mr. Johnson has an appeal open to him. If he receives redress through the appeal, then the sanction will not apply. However, as is usually the case in matters of this or other types, the sanction will apply until the appeal is heard and the decision either confirmed or overturned.

[*Translation*]

REQUEST THAT MINISTER RESIGN

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, my supplementary is directed to the Deputy Prime Minister.

Last night, the Minister responsible for Amateur Sport admitted he had received information several months ago that steroids were being used in this case, but he decided not to do anything about it. The Minister could have prevented this sad turn of events if he had taken the appropriate action at the time, and he would have saved Ben Johnson and Canada this terrible humiliation.

Mr. Speaker, why didn't the Minister take action at the time, and shouldn't the Minister, because of his failure to act responsibly, tender his resignation immediately? Is the Deputy Prime Minister prepared to ask for his resignation?

Hon. Jean Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I want to be very clear about the information that was being circulated about Ben Johnson. This type of information has been going around since his brillant victory and the world record he won in Rome. At the time, one of his opponents, Carl Lewis, made a public allegation.

Mr. Speaker, since that time, neither myself nor any member of my Department nor any person in authority have made allegations or presented evidence to support allegations about rumours being spread by other people.

Furthermore, Mr. Speaker, since then, Mr. Johnson was tested several times. In fact he was tested eight times in less than two years, and every time the result was negative. The last time Mr. Johnson was tested was in August in Zurich, a month before the race in Seoul, and at the time the test was negative.

• (1420)

[*English*]

POSITION OF CANADIAN OLYMPIC OFFICIALS

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Well, Mr. Speaker, in this case the Canadian officials in Seoul expressed concern about the number of unauthorized people in the dope testing room. They expressed concern about the exchange of the water bottles and expressed concern about the possibility of third-party intervention. Despite this, the Minister was quick to ban Ben Johnson for life last night without a fair hearing. Yet he could have done something months ago to prevent this whole sorry mess. Is it not now time to ask for the resignation of this Minister who has not lived up to his responsibilities as the Minister for Sport?

Some Hon. Members: Oh, oh!

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, believe me, of all the people in this House of Commons today, I do not think there is anyone who would like more than myself to wish that all of this thing had just never happened. I wish it would go away.

I do not think it would be a responsible attitude on our part not to acknowledge the validity of the test. The information I have is from the Canadian Olympic Association, our officials in Seoul, and I am satisfied that the proper procedure was followed in the course of this test. I am also satisfied with the results.

With respect to the procedures, I want to be very clear. The IOC decision is without appeal. It is its decision. It is for these Games. It has suspended Mr. Johnson for the course of the Games. It now falls upon the IAAF, the governing body, international body, in the area of track and field, to impose a sanction. That sanction will be corroborated by the Canadian Track and Field Association. It is on that sanction that Mr. Johnson has a thirty-day appeal period open to him. We have acknowledged through our press release yesterday that that is very clear in the rules that are now in force at Sports Canada.

Oral Questions

ADMINISTRATION OF JUSTICE

NEW BRUNSWICK COURT CASE—MINISTER'S LETTER TO JUDGE

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is also directed to the Deputy Prime Minister. The Prime Minister himself must by now be aware that in a prosecution yesterday in Saint John, New Brunswick, before Judge Taylor, conducted on behalf of the Ministry of Transport, the Minister of Transport (Mr. Bouchard) sent a letter under his own hand addressed to and delivered to the presiding judge providing, I understand, extra information designed to support a conviction, which was not submitted in open court and which was not made available to the accused until hours later.

Since it is a well established tradition that such intervention is unacceptable, I call upon the Prime Minister to do the honourable thing and obtain the resignation of the Minister of Transport.

Some Hon. Members: Oh, oh!

Mr. Beatty: The Liberal Party goes lower and lower.

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, I would like to table here today three documents, first, a memo from the Department of Transport from which I would like to read some lines to enlighten the House of Commons, one draft, and an official letter I sent to the judge. Here are the words in the memo of the Department of Transport:

> The judge has reserved his decision pending receipt of a letter signed by the Minister of Transport stating either that he personally approved the security measures in force at the time or that he authorized J. Rodocanachi, Director General, Security and Emergency Planning, to so approve the applicable security measures.
>
> The attached letter drafted by departmental Legal Services and submitted for your approval and signature states that Mr. Rodocanachi, in his official capacity, had the requisite authority to make the security measures which are the subject of the current prosecution.

I have the letter I wrote to the judge. It was requested by the judge himself. I answered the request given to me by the Department—

An Hon. Member: Off with Kaplan's head!

Mr. Bouchard (Roberval): —and I think I did exactly what I had to do.

Mr. Kaplan: That explanation doesn't square with the report—

Some Hon. Members: Oh, oh!

An Hon. Member: Where is your lynch mob?

Mr. Kaplan: —in which counsel for the accused makes it clear that he was taken by surprise by that tactic.

JUDGE'S REQUEST TO DEPARTMENT

Hon. Bob Kaplan (York Centre): Mr. Speaker, I want to ask the Minister, therefore, what were the circumstances of the judge's request for information from the Department? Was the request made in open court? And why wouldn't the Minister have sent his letter through a process—

Mr. Crosbie: That's what the judge asked for.

Mr. Kaplan: —of the open court, so that the other side would be aware of it when it was submitted, rather than mailing it to the judge?

Mr. Crosbie: Into the sewer again, Bob.

Mr. Kaplan: That's where you guys are. That's where we find you.

[*Translation*]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, in the Liberal Party's mad drive to find all sorts of non-existent problems, today I produce a memo from my Department, from the Deputy Minister Glen Shortliffe, asking for a letter at the Judge's request on the procedures for delegating authority to the director general. Mr. Speaker, I produce the documents at the Judge's request. The issue is not that I went ahead. Again, the hon. Member is searching for a non-existent victim, for non-existent problems. This has been going on for weeks. And once again, Mr. Speaker, I am tabling the documents and the Hon. Member can consult them when he likes. It's all there!

* * *

[*English*]

SPORTS

OLYMPIC GAMES—BEN JOHNSON, DISQUALIFIED 100 METRE WINNER

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is directed to the Minister of State for Fitness and Amateur Sport. I want to say at the outset that I agree with the Minister that it is a most difficult situation and my colleagues and I share with him and all other Canadians the regret for what has happened and the events which have unfolded in Seoul over the last 24 hours.

We have had the irrefutable evidence from the IOC, which none of us can challenge. On the other hand, we have the statements attributed to Ben Johnson and to his coach. We have seen quotes from his manager, from his family, and from people who trained with him, who suggested Ben would not have knowingly, and I emphasize the word "knowingly", taken steroids.

I want to ask the Minister in all seriousness what steps the Government of Canada is going to take to try to determine

exactly what has transpired and what led to Ben Johnson having steroids in his urine after the gold medal event?

Hon. Jean J. Charest (Minister of State (Youth)) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, my understanding of the unfolding of the events is that the first test produced positive. I think the Hon. Member is very aware of the mechanics around the test. Following the first positive test, there is an opportunity offered to the athlete and the Olympic Association of the country to be heard and offer an explanation, which was done.

I think the Hon. Member refers to the explanation offered by the Canadian Olympic Association on behalf of Mr. Johnson, the possibility of an inducement of steroids after the race. My understanding of the results of the test, and that was in the press conference yesterday, is that what they call the imprint in the analysis was not compatible with that scenario.

The IOC decision is without appeal. We cannot affect that. That decision being rendered, it is now up to the IAAF to act. My understanding is that it will impose a suspension for a minimum of two years. Then it is left open to Mr. Johnson to appeal that. I understand that the due process of law will be respected. He will have an opportunity to be heard and to make his case and to explain whether, as the Member points out, perhaps knowingly or unknowingly, he used the steroids or not. We expect that will happen. I have that assurance, I think, from the President of the Canadian Track and Field Association with whom I spoke yesterday and whom I know well, and I am persuaded that that opportunity will be offered to Mr. Johnson.

REQUEST THAT GOVERNMENT UNDERTAKE INVESTIGATION

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my supplementary question is also addressed to the Minister. I have two points. Last night on CBC, Lyle Makosky, the Assistant Deputy Minister, indicated that the Government of Canada would be pursuing some form of investigation.

The Minister stated earlier today that in fact Mr. Johnson was tested in August in Zurich, and I assume found to have no trace of steroids in his system, and I am advised that it would be unlikely that in such a short period of time, from August to the day of the event in Seoul, there would be little if any benefit from the use of anabolic steroids for an athlete in such a condition as Ben Johnson. Will the Government undertake that investigation, an independent investigation, separate from anything that the sports governing bodies in Canada or internationally may do, so that Canadians, Ben's coach, and Ben himself can find out exactly what happened?

• (1430)

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, in the conversation I had yesterday with the President of the Canadian Track and Field Association, we agreed that we would let the games finish and let time pass to let us all catch our breath and, as we say in French—

[*Translation*]

let the dust settle.

[*English*]

—and that we would discuss with them the terms of an investigation to look at what happened, not only as far as the involvement of Ben Johnson is concerned but of those who are in contact with him, because it is a matter that needs to be cleared up. There are certainly a lot of questions left to be answered and we will want to do that, but I would like to stress that I would certainly prefer to enter into these actions in a context that is not the one we have today, and let a little time pass.

I may want to draw one distinction. We did ask for an inquiry in the area of weightlifting, but the circumstances were different from the ones of today. There were other circumstances that made us act immediately.

* * *

[*Translation*]

PUBLIC WORKS

SALE OF MOISIE LANDS—REQUEST THAT MINISTER RESIGN

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is for the Deputy Prime Minister, in view of the Prime Minister's extended absence.

Some Hon. Members: Oh, oh!

Mr. Lapierre: Mr. Speaker, for several days now . . .

Some Hon. Members: The question!

Mr. Lapierre: Mr. Speaker, could you silence those imbeciles?

[*English*]

Mr. Speaker: Perhaps the Hon. Member would refrain from referring to the absence of either the Prime Minister or anybody else, and would proceed with his question.

[*Translation*]

Mr. Lapierre: Mr. Speaker, my question is for the Deputy Prime Minister and it is very simple. I would like to know . . . Since last Thursday, questions have been raised and documents have been produced and yesterday we could see that the Minister of Public Works was incompetent, that he was not even able to assess a property. He said that it was worth $28,000. You know, Mr. Speaker, I am sure that no one would even want to let the Minister of Public Works sell their doghouse! He also showed his negligence by sitting for more than six weeks on a very embarrassing letter that cast doubt on the integrity of the contracting system. I have excerpts of the

letter here, where the Minister of Public Works yesterday tried to tell the press that it was just a personal matter. Mr. Speaker, all sorts of questions are raised here concerning his own chief of staff, Conservative organizers and the contracting system that go far beyond personal matters.

So the question for the Deputy Prime Minister is: As soon as the Minister had shown his incompetence, negligence or lack of judgement, why did the Deputy Prime Minister not ask for the Minister's resignation?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, there are a number of different kinds of values ascribed to property. If a property has an ongoing use such as a radar base, then it may have one value. Once the base is declared surplus, the value rapidly declines. I think the best indication of that is the type of bids that were submitted by the 19 groups, the maximum amount being $100,000.

With respect to the suggestion about other action that might have been taken on the letter, the letter did not warrant any action other than that which I took, namely, to have a grievance by the person who signed the letter investigated.

[*Translation*]

MINISTER'S POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, the Minister has again demonstrated his sheer lack of awareness of the facts brought to his attention in the letter of August 5. The Minister should have reacted immediately and made sure that no-one would question his department's integrity and the tendering process, particularly not the property director of his own deparment who is an expert in this field and who made very serious accusations.

Back to the Prime Minister. Do you intend to let the Minister fend for himself, or are you going to come to his rescue or ask for his resignation? Would the Deputy Prime Minister tell us whether he sees anything wrong with the fact that the Minister is so incompetent, so lacking in judgment, and so careless in taking action about the complaint sent to his home last August 5?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the letter in question dictated a course of action. I indeed pursued the action dictated by the letter.

CONTENTS OF FORMER OFFICIAL'S LETTER

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is directed to the Minister of Public Works. Last week in the House, the Minister of Justice, in response to another matter, as reported in *Hansard* at page 19479, said that even the hint of an impropriety required that the issue be turned over to the RCMP. Given that this is the Government's policy in dealing with these matters, it boggles my mind to think that the Minister of Public Works did nothing when the Mayor of Moisie had been complaining about political interference in the land sale for months, and in fact when the PMO was making inquiries with respect to political interference in the land deals, he did absolutely nothing.

[*Translation*]

Mr. Speaker, I should like to direct my question to the Minister of Public Works.

Yesterday he said this outside the House: "I read the letter when I got it. There was nothing to indicate that it ought to be sent to the RCMP. Since it was a personal complaint I gave it to someone who works in my office."

So is the Minister saying that Mr. Hylands' letter does not even contain an allegation of impropriety? Yes or no?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Yes, Mr. Speaker, that is what I say.

REQUEST THAT MINISTER TABLE LETTER

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, that is what the Minister says, and that is what Members of Parliament do not know. In light of the fact that we have a four-year history of other incidents, one would have thought that the Government had learned how to handle these kinds of situations.

Mr. Speaker: I do not know where that preamble is going. I would ask the Hon. Member to keep in mind the care which must be used in these kinds of questions.

Mr. Rodriguez: My question is to the same Minister. In light of the fact of what the Minister has said in his answer, if he felt that the letter was innocuous and innocent is he prepared to table in the House of Commons that letter which had been sitting in a bureaucrat's shirt drawer for over a month, so we can all see how innocuous it is?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the letter in question was the matter of a personal grievance by Mr. Hylands. As soon as other statements made in other places or on tapes indicated some impropriety and that the police should have charge of the investigation, I put the letter in their hands and that is where it will stay until they finish their investigation.

* * *

SPORTS

OLYMPIC ATHLETE BANNED FROM NATIONAL TEAM

Mr. George Baker (Gander—Twillingate): Mr. Speaker, in view of all of the facts and the admitted breaches of security in the holding area for athletes at the Olympics following the race, which the highest officials have admitted took place, I would like to ask the Deputy Prime Minister a question.

Does the Government not feel that the Minister of Fitness and Amateur Sport was a trifle hasty, to say the least, in condemning Ben Johnson to a lifetime ban when Ben Johnson said he did not take steroids, when his family said he did not take steroids, when his coach said he did not take steroids, and when every test done in the past showed that Ben Johnson did not take steroids and this Minister did not even talk to Ben Johnson to get his side of the story?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I am disappointed by the attitude of Members of the Liberal Party, and I fail to see what they are seeking to accomplish with this tactic. Suffice it to say that the rules are very clear and have been clear for some time now under this Government. An athlete caught in a doping situation is suspended for life from Sport Canada funding and cannot participate in a national team that receives funding from the national Government.

There is an appeal available to the athlete. He has a 30-day appeal period and he can use it, but I want to stress one thing. There is a reason why we are so severe. It is for the athletes. The drugs, the steroids, actually kill them, and we do not think that we should enable that to happen in our sports system.

• (1440)

MINISTER'S POSITION

Mr. George Baker (Gander—Twillingate): Mr. Speaker, a man is innocent until proven guilty. No one is questioning the contents of the urine sample.

Some Hon. Members: Oh, oh!

Mr. Crosbie: Why don't you tell Kaplan that?

Mr. Speaker: Order. The Hon. Member.

Mr. Baker: No one is questioning the contents of the urine sample. However, there was a general lack of security at the Olympics. Ben Johnson was there a week and a half prior to the race. Even the highest officials admit that there was a breach of security in the so-called accreditation area. There were a number of ways that Ben Johnson could have been framed.

I will direct my question to the Prime Minister. Because of the possibility that Ben Johnson could have been victimized, and because he is such a superb athlete who has passed every single drug test he has taken in the past, does the Prime Minister not feel that the Minister of Fitness and Amateur Sport should be reprimanded for repeating what he called rumours about Ben Johnson to the entire world without giving Ben Johnson a fair hearing? Or is the Government just putting on an air of righteous indignation in an effort to impress the world?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I am glad to hear the member of the Liberal Party say that a man is innocent until he is proven guilty. That is another major shift in policy for the Liberals.

Some Hon. Members: Hear, hear!

Mr. Charest: It hasn't come too soon but we will take it.

The rules that are laid out by the IOC are very clear. I have spoken with Roger Jackson of the Canadian Olympic Association, I have spoken with my own officials in Seoul, and I have spoken with the President of the Canadian Track and Field Association. The information I have received from them is that the procedures were followed.

The opportunity of a hearing was offered to the Canadian Olympic Association, which took up the cause and made representations on behalf of Mr. Johnson and also made representations and explained what Mr. Francis said. The conclusions of the test have not been contested. That is very clear from one press release I saw this morning from Mr. Francis.

The Member says officials said something. He has not named them. That is the information I have now. Until otherwise indicated, Canada will accept the results of the test at their face value.

* * *

ENVIRONMENTAL AFFAIRS

BRUNDTLAND REPORT—PRIME MINISTER'S SCHEDULED SPEECH TO UNITED NATIONS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Prime Minister. He has given the Government of Canada's support to the Brundtland Commission and to its international report on the environment. My question concerns the Prime Minister's speech to the General Assembly of the United Nations on Thursday.

Does the Prime Minister plan to take some of the key recommendations of the Brundtland Report to the United Nations? Specifically, will he include in his speech the urging of all members of the United Nations to include, as part of their foreign policy development, a foreign policy for the environment?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank my hon. friend for his question on such an important matter. The Brundtland Commission Report developed the concept of sustainable development and did so in a particularly impressive way. Canada has endorsed that concept through CIDA. In fact, the Minister of Finance is in Berlin today introducing new initiatives from the Government of Canada in regard to our foreign lending and investments in the future, all of which sustain the general thrust of the Brundtland Report.

We are very supportive of what Prime Minister Brundtland's commission put together. I will, of course, be addressing that issue and others when I speak to the General Assembly, and I thank my hon. friend for his views.

SUSTAINABLE DEVELOPMENT—GOVERNMENT POLICY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I am pleased, as one Canadian, to hear that the Prime Minister does intend to take the important matter of the environment to the United Nations. Picking up on what he just said about one of the recommendations of the Brundtland Report being to obtain national commitment from all nations in the UN to the notion of sustainable development, will the Prime Minister now make a commitment that this will be a sustainable policy of the Canadian Government and be applicable to all our agencies and programs as they impact on the external world?

Specifically, will he make a change in the Export Development Corporation's policy in Canada which, at the present, does not consider environmental impact at all in reaching its decisions? Will he assure the House that in applying this principle of sustainable development the Government of Canada will show a leadership role and apply it to all our external relations?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the leadership role to which my hon. friend refers and seeks for Canada is one that, if I may say, was acknowledged by Prime Minister Brundtland herself in Toronto when she referred to the Government of Canada as one of the leaders, not only in foreign aid but in the marriage of foreign aid and sustainable development. This is very much an initiative of the Secretary of State for External Affairs and the Minister responsible for external relations, both of whom I think have provided important leadership in this vital area of our international life.

With regard to whether members of the United Nations such as Canada can do more, either in terms of aid or in marrying that aid to the concept of sustainable development, my hon. friend is quite right. We have not done enough as an organization. We have not done enough as a Parliament in regard to either international assistance or the harmonizing of that assistance with the concept of sustainable development. This Government and this Parliament will, I hope, do more.

CANADIAN FUNDING OF UNITED NATIONS PROGRAM

Hon. Edward Broadbent (Oshawa): Mr. Speaker, could the Prime Minister give us a very specific commitment today before he goes to the UN? If he does intend to address the sustainable development notion in his speech, will he show that leadership by saying that the Government of Canada will apply that notion to all of our agencies and programs as they impact on the external world, beginning, for example, with the Export Development Corporation which does not now act on that basis? Would he give us the assurance that the Government of Canada will in fact be practising what it preaches?

Second, since the Brundtland Report also noted that the fund that has been established by the UN to monitor environmental issues on a global basis is seriously underfunded, that it has only about a $30 million budget at this point and Canada only gives about $1 million, will the Prime Minister use the occasion to demonstrate once again some Canadian leadership by offering a significant Canadian increase in terms of our share in the funding of that important program?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, Canada is not only a very significant contributor to the United Nations, to the Commonwealth, to la Francophonie, and to the Third World in general, but I can remember when there was doubt in the minds of some nations as to whether they ought to contribute at all to the United Nations. They were in substantial arrears.

I instructed the Government of Canada to make sure that on the first of January, in advance of Canada's dues being exigible, the Ambassador be there to pay Canada's dues to ensure that the signal went out that Canada viewed the United Nations as a most valuable organization which deserved the support of all nations.

Mr. Broadbent: The environment fund.

Mr. Mulroney: With regard to the environment fund Canada has also taken, I think, an important role. We have paid our fair share, which is not to say that we cannot do more. I will be discussing that at the United Nations.

We have, in Canada, a modern and, I think, moderate foreign policy. I will be discussing that in particular. Most recent is the role of Canada in international peacekeeping. For example, Canada today supplies the largest number of members of a peacekeeping contingent which is bringing peace to Iran and Iraq where only months ago thousands of people were being killed.

This is a contribution that Canada has made in the past. It is the degree of continuity that my hon. friend would seek and encourage. These are the kinds of important issues that I will be discussing on behalf of all Members of the House at the United Nations.

* * *

• (1450)

MARINE TRANSPORT

REGISTRATION OF CANADIAN OCEAN-GOING VESSELS

Mr. Joe Reid (St. Catharines): Mr. Speaker, my question is directed to the recently appointed Minister of State for Transport. First I want to tell her that all of Niagara rejoices with her in her appointment.

Will she tell the House what progress either she or her Department has made with respect to the establishment of a

second registry whereby large ocean-going bulk vessels, carriers from Canada, would not have to register under flags of convenience to remain competitive but would be competitive with a Canadian crew?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, I thank the Hon. Member for his question. I know this is an area in which he has been very involved on behalf of his constituents. He has been following it closely.

Let me advise him that the Department has analyzed the proposal for a second registry. The discussion paper was released yesterday for input from all the parties concerned. I will be following that very closely and will keep the Hon. Member advised of the outcome.

Some Hon. Members: Hear, hear!

* * *

PUBLIC WORKS

SALE OF FORMER RADAR BASE AT MOISIE—CONTEST OF OFFICIAL'S LETTER

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Minister of Public Works. It concerns the sale of the Moisie radar base in the Prime Minister's riding. Yesterday, the Minister, after about 20 minutes of questioning, admitted his own negligence in failing to provide the letter signed by Mr. Hylands to the RCMP until the issue became public. Today the Minister said that the letter was one of "personal grievance".

Given that the Minister has just made that statement today, how can he explain the statement in the letter, an excerpt of which I have in front of me, which says: "Mr. Thibault, the choice of the local municipalities, increased his total offer to an amount superior to the amended Lefebvre offer. This situation resulted in Mr. Gosselin's telephone request that I meet with Mr. Coté on behalf of Mr. Lefebvre's interest".

Does that sound like a personal grievance, or does that not sound like interference from the office of the very same Minister?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, speaking of grievances I have one of my own. Yesterday the Hon. Member left the very distinct impression with the House that he had written to me about this matter in July and that I had indeed sent him a reply. It has been brought to my attention that the letter to which he was referring was from one Marc Laframboise, a member of the research team of the Liberal Party, directed to Mr. Jacques Roy of my Department. The reply came from him. That is not the impression that the Hon. Member left with the House.

In response to the Hon. Member's inquiry of today, there was nothing in the letter from Mr. Hylands that dictated that any other course of action should be followed than the one I took.

Mr. Boudria: Mr. Speaker, if the Minister fails to understand that what I have just read to him consists of a very serious allegation of political interference in the bidding process, then he should not be the Minister of Public Works.

REQUEST FOR COMMITTEE REFERRAL

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my supplementary question is directed to the Prime Minister. A senior official of Public Works sent a letter raising serious allegations, some of which I have just raised in the House. The mayor of the city expressed his concerns about the bidding process and the outcome. A government Minister has contradicted himself as to whether or not the RCMP was investigating. Another Minister today has just demonstrated his total incompetence.

Is it not about time that this issue be referred to a parliamentary committee so we can investigate it, not next year, not after the election, but this week?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, there is a committee constituted by the House of Commons that has the power to commence any investigation it wishes. If the Hon. Member has some information that is germane to this question and it warrants RCMP activity, perhaps he should give that information to the RCMP. We have given them all we know. We will await their report.

* * *

[*Translation*]

EXTERNAL AFFAIRS

SITUATION IN SOUTH AFRICA—PRIME MINISTER'S POSITION

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, my question is directed to the Prime Minister. A week ago, I put my question to the Secretary of State for External Affairs and it was whether the Prime Minister would keep the promise he made before the United Nations that Canada would break off all economic relations with South Africa if there was no improvement in the apartheid system. In his answer, the Secretary of State for External Affairs more or less paraphrased the same promise, without satisfying anyone. My question is simply this: Will the Prime Minister keep his word on September 29?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the policy I announced, supported by the Secretary of State for External Affairs, was valid and remains the policy of the Government of Canada. In fact, last night at Laval University, the Secretary of State for External Affairs said more about the matter, introducing some new details on behalf of the Government of Canada. As far as we are concerned,

apartheid in South Africa remains the greatest moral problem in the world today, and Canada together with its allies in the Commonwealth, the Francophonie, and the Group of Seven, is working very hard to break the system. I think that as a country we have taken some very important action since then, unique in some cases! We have taken further action together with various organizations and groups of nations and we are prepared to do more. Any decision as to breaking off our relations with South Africa will be made by Cabinet, if we conclude it is useless to pursue our present policy. Nevertheless, we keep hoping we are making some progress, be it ever so slight.

[*English*]

SEVERANCE OF DIPLOMATIC RELATIONS—PRIME MINISTER'S POSITION

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, circumlocution from the mouth of the Secretary of State for External Affairs and the mouth of the Prime Minister seems to be the order of the day rather than the key moral question that the Prime Minister made a promise three years ago before the United Nations that, if there was no change in the situation with respect to apartheid, he would sever all economic and diplomatic relations with South Africa. If there is one thing that is clear and ought to be clear to the Prime Minister, it is that there has been no improvement. There has been a marked deterioration.

The moral question is whether the Prime Minister will keep this promise.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am astonished that my hon. friend would refer to the tremendous work of the Secretary of State for External Affairs and his responses in this regard as circumlocution. It is widely recognized by the leaders of the Front Line States, the leaders of the Commonwealth, et le Sommet de la Francophonie that Canada has provided very important international moral leadership in this vital fight against apartheid. I think it is very unbecoming for my hon. friend to refer to what the Secretary of State for External Affairs has said as circumlocution. We view it as a most complicated, important moral issue, the most sensitive moral issue affecting nations today.

Mr. McCurdy: What about moral questions, making a promise?

Mr. Mulroney: I regret that my hon. friend chooses to make his views known in this particular partisan fashion.

Mr. Rodriguez: You made a promise.

Mr. McCurdy: No. We are talking about your promise.

Mr. Mulroney: It is an issue that goes much beyond partisanship.

Mr. McCurdy: It is a matter of word, honesty, promises.

Mr. Mulroney: I am trying to answer my hon. friend, if he will allow me. I think there has been strong, unanimous support by all Parties on this issue, from all corners of the House of Commons. The Government and all Members of the House of Commons have been working to rid the world of this evil that is known as apartheid. I thought I did so and I know I do so with the full support of all Hon. Members. When I speak at the United Nations I will speak in terms of the revulsion of Canada *vis-à-vis* apartheid, which is a profound evil. I know that I will speak on behalf of all Canadians who view apartheid as precisely the evil that it is.

* * *

• (1500)

COLUMBIA RIVER TREATY

APPOINTMENT OF CANADIAN ADVISERS

Mr. Bob Brisco (Kootenay West): My question is of importance to the East and West Kootenays and is directed to the Prime Minister.

In light of the fact that in the intervening years since the signing of the Columbia River Treaty in 1964 Canada has lost some of the people who were well-informed on the Columbia River Treaty, and since it is desirable that Canada maintain a knowledgeable group of advisers on all elements of the Columbia River Treaty, will the Prime Minister undertake to add to the number of advisers on the Treaty, perhaps by way of the Permanent Engineering Board, or the Joint Liaison Committee?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, that is a most important matter raised by my hon. friend. There is in point of fact a bi-national Permanent Engineering Board. There are regular consultations between provincial, federal, and U.S.A. authorities that govern our respective conduct in regard to this most important issue.

I give my hon. friend the undertaking that we will supplement the personnel and the expertise to make sure that the interests of British Columbia and Canada are fully protected in this vital area.

Some Hon. Members: Hear, hear!

* * *

FISHERIES

NEWFOUNDLAND—INSHORE FISHERY—ASSISTANCE FOR PLANT WORKERS AND FISHERMEN

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, my question is for the Prime Minister. More than a month ago I rose in the House on a number of occasions to make the Government aware of the disastrous nature of the

inshore fishery in certain regions of Newfoundland year. I asked the Government to provide immediate financial assistance to the fishermen who are affected.

The Minister for International Trade on behalf of the Government responded by saying: "There is no evidence, Mr. Speaker, of a disastrous inshore fishery about the coast of Newfoundland and Labrador this year. The Member cited no facts because the facts do not support that statement".

Yesterday, the same Minister announced a $3.4 million assistance program in Newfoundland to assist "hard hit fishermen and plant workers this year".

Some Hon. Members: Hear, hear!

Mr. Tobin: You will understand, Mr. Speaker, that I was amazed at this sudden conversion. My question to the Prime Minister is the following one.

Given that the program in question pays little more than the minimum wage, that specifically fishermen a month ago said that this is not the solution to the problem, given that it involves a loan component for fishermen who are already over their heads in debt and cannot repay their current loans, is the Prime Minister prepared to consider converting this program, which has already been rejected as too little, too late, into an emergency financial payment program—not a loan program and not a minimum wage—to be made available to fishermen immediately? If that is not done there is no help forthcoming for six weeks, and the help that is forthcoming has already been rejected by fishermen's spokesmen as too little, too late.

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, anyone can check the *Hansard* of one month ago to see at which time I said that while there was not an inshore fishery disaster in Newfoundland this year, the catch being considerably greater than last year, there were areas where the fish had not struck in, as is the case in most years. This year the same thing has occurred. On parts of the south coast and the northwest coast there are areas where there are great difficulties and the fish have not come inshore.

That is why we are introducing our fifth program in the last three years, a special response program, under the Canada Employment Commission. This program is a $3.4 million program. There are no loans involved. This is a job-creation program for fishermen and fish plant workers.

The provincial Government is supplementing the program with interest-free loans for those fishermen to enable them to go back into the fishery next year, and giving them relief on loans that they had for their vessels, if they had to pay on loans. So the province is supplementing the program.

There is an additional $1.4 million to help with Section 38 programs for fishermen and fish plant workers who are receiving lower unemployment insurance payments as a result of the poor fishery this year. There are several forms of assistance.

I might say that the same kind of program was occasionally introduced by our Liberal predecessors, but only after the fishing season was over. This was announced before the fishing season even closes, in a much quicker and more efficient manner than was ever done by our predecessors.

This is the best we can do in the circumstances. Fishermen are the only self-employed group of people in Canada who receive the UI program. We are ensuring that it continues to benefit them this year and next year as well.

Mr. Speaker: A very short supplementary question.

EMERGENCY FINANCIAL RELIEF REQUEST

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): My supplementary question is addressed to the Prime Minister. Many fishermen in the affected areas have only had less than $1,000 earnings—some less than $500—in all of this year. We are not talking about a program to give them an additional week or two earnings at very low wages. We are talking about fishermen who are short seven or eight weeks earnings to qualify for income supplements this winter. This year in particular it does not work.

I ask the Prime Minister again, will he take the funds that have been committed by the federal Government, $2.4 million, will he convert those funds into emergency financial relief for fishermen, giving fishermen the same kind of consideration and benefit that have been rightfully bestowed upon the nation's other primary producers, farmers?

Why must they be reduced to a loan program and to a program that pays little more than the minimum wage, which will strip them of the dignity of a decent ability to look after their families this winter and their children who have already gone back to school this year without the things they need to go back and get an education?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, both the fishermen and the farmers are primary producers. The Government is engaged in supporting both of these groups of primary producers with very substantial programs. I might say that I had the matter checked to try to see is there some equity and fairness in the situation.

The position is that net federal spending in agriculture is about equal to 29 per cent of farm incomes in Canada. The net federal spending in fishery programs is about equal to 78 per cent of the landed value of the fishery. Mr. Speaker, $223 million were paid out last year in UI fishing benefits, $80 million of that to Newfoundland fishermen. We are supplementing it with these job-creation programs.

There is no federal loan program involved here whatsoever. The fishermen and fish plant workers will be eligible next year for UI again as a result of these programs, something which is most desirable because they are the only self-employed people in Canada to have access to—

Point of Order—Mr. Waddell

Mr. Speaker: This will be the end of Question Period. I might say to the Hon. Member for Vancouver East that I will certainly consider her favourably tomorrow.

The Hon. Member for Vancouver—Kinsgsway on a point of order.

* * *

POINT OF ORDER

TRIBUTE TO MISS CARNEY

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, earlier today the Hon. Member for Capilano (Mrs. Collins) spoke about the retirement of the Hon. Member for Vancouver Centre (Miss Carney). I think it would be fitting for someone on this side of the House to add a few words to that.

God knows we disagreed many times, especially on the energy program and on the free trade deal, but I think all of us on this side of the House admired the hard work and dedication of Pat Carney to her constituents, to the people of British Columbia and to the people of Vancouver. We wish her well. I am sure that when she stops taking all those flights from B.C. her health will improve.

We knew a tough opponent when we saw one.

Some Hon. Members: Hear, hear!

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, I wish to rise on behalf of the Liberal caucus and the Liberal Party in Parliament to add a few words as well about Miss Carney.

Mr. Speaker, I had occasion more than once to be on the receiving end of the Minister's answers when I put what I thought was a particularly effective question. I join with my colleague in saying that we had profound disagreements but I admired on many occasions not only the skill of the Minister but the fact that she stood her ground as a Member of this place and gave as good as anybody could.

She did it always with dignity. She did it always with class. She was a class act in this House. We admire her as a Member of Parliament, one dedicated to the job she had.

Some Hon. Members: Hear, hear!

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) indicated rather forcefully today that he had not written to me about the matter in issue today. I wish to quote from *Hansard* his words of September 26 as reported at page 19622. He said:

> Mr. Speaker, my question is also directed to the Minister of Public Works whose office has refused to give information on the Moisie land deal to my office since July of this year. I remind him that I wrote to him at that time.

My privileges have been breached. It is very apparent from his own words that the Hon. Member is contradicting the allegations made today. I would bring that to your attention, Mr. Speaker.

• (1510)

Mr. Speaker: The Hon. Minister has raised a matter, which is a complaint on his part, as to what another Hon. Member may or may not have said on another day.

There may have been a disagreement as to the facts. Certainly, the Hon. Minister has taken advantage of today's Question Period to set out the facts with some care, and I think that is where the matter ends. The Hon. Minister of State.

* * *

POINT OF ORDER

TRIBUTE TO MISS CARNEY

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I, too, with your permission, would just like to make a couple of comments about the announcement that came from Vancouver yesterday when the Hon. Pat Carney announced that she would not be a candidate in the upcoming election.

Over the last four years, the Hon. Minister and I have had a very close relationship, me being her Parliamentary Secretary, both for two years in energy and for almost two years in the trade portfolio, International Trade. Over those years I came to know Pat Carney as one of the hardest working and most diligent Members of Parliament and cabinet Ministers that we have seen here. She gave me a great number of opportunities as her Parliamentary Secretary. I know that for a number of weeks she has been wrestling with this decision. It has been very, very difficult on her. I spoke with her last night, after she finally decided not to run. She is going to miss this place very much, and I think that it is fair to say that we will miss her. I did not want this moment to go by without saying a very public thank you to this very fine and wonderful Canadian who has, I believe, made a very significant mark on the history of this country in the last four years.

Some Hon. Members: Hear, hear!

GOVERNMENT ORDERS

[*English*]

BROADCASTING ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Miss MacDonald that Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto, be read the third time and passed, and the amendment of Mrs. Finestone (p. 19682).

The Acting Speaker (Mrs. Champagne): When the House rose at one o'clock, there were two minutes remaining in the speech of the Hon. Member for Vancouver—Kingsway.

Mr. Ian Waddell (Vancouver—Kingsway): Thank you, Madam Speaker. I wonder if I might seek the consent of the House to get an extension on my time. I thought I had longer—40 minutes—and I only had 20. The Minister and the opposition critic had unlimited time. I could speak again, and if the House gives me the extension, I will not speak again on the motion. I could speak on this motion, but I would like to speak at the beginning to set things out, and I would give the House a commitment to not go more than 15 minutes at the very outside. I would seek unanimous consent.

Mr. Hawkes: Madam Speaker, in that kind of spirit, I thank the Member for laying it out so clearly. Government Members would certainly have no objection to giving the Member more than the normal amount of time at this point.

The Acting Speaker (Mrs. Champagne): The Hon. Member for Vancouver—Kingsway.

Mr. Waddell: Thank you very much. I thank the Parliamentary Secretary.

When I was speaking before, I wanted to say this. When I spoke on second reading of this Bill, I said that the problem in the Canadian broadcasting system was that the public sector was underfunded and that the private sector was not doing its job in providing quality Canadian programming. That was it in a nutshell.

This Bill was originally worse than the 1968 Bill. It has been amended. I think it is better now than the old Act, the 1968 Act, but only marginally better. I think that we can do much better after 20 years. This is the first Broadcasting Act in 20 years.

I said this morning that the Bill is flawed in numerous aspects. We have had amendments, and they have helped. We had a good legislative committee. I see the Chair here. We got some amendments.

Here are the flaws of the Bill. First, I believe that the Bill leads to a North Americanization—especially in television—of our broadcasting. The Government rejected two key NDP amendments that would in fact say that American superstations on television, if you like—new stations—could only come into Canada if they were complementary to Canadian stations. That is, if they added something. If Canadian stations, like an entertainment network or an all-news network, already existed, then the American stations could not come in. That would take some guts for the Government to do.

We are not talking about ABC, NBC, CBS, the American public network or the border stations. We are talking about these new superchannels that are going to run right over us and perhaps put our Canadian private broadcasters out of business because they cannot compete with them. That is one of the flaws in the Bill.

I asked this morning why the Government did not accept these amendments. The Minister has many good intentions, but the fact is that the Government is hemmed in by all the parameters of the Free Trade Agreement with the United States. It cannot interfere with American investment or American industries coming into Canada, including the cultural industries.

The second flaw in the Bill is that the cable industry is being treated too well in the Bill. It is going to get the right to originate programming, in opposition to all previous reports, including the sixth standing committee report, the standing committee on broadcasting, and many witnesses who came to the legislative committee.

The problem is that we will have a potential for a monopolistic situation. We will have a vertically integrated industry that will now be able to broadcast as well as transmit. That could present some real conflict problems, because they will transmit their own programs, or they will be tempted to do that, or they will be in a potential conflict, as many witnesses stated.

The other problem is that it makes it more difficult for a regulatory agency or a government policy that really wants to hold down the prices of the cable industry, that wants to control the prices, as we control and regulate the telephone industry. We should be doing that with cable. That amendment was rejected. I see that the Liberal Party rejected my amendment on that. Canadians have seen, in the last month, cable prices go way up and different stations not available with their converter.

The third flaw in this Bill is that the CBC is seriously underfunded. If the Government wants to promote Canadian programming, it cannot do it by underfunding the CBC.

I want to quote Jamie Portman, a distinguished writer in broadcasting for Southam's, who said in an article in *The Spectator* of Hamilton:

> The government has ignored a recent call from an all-party Commons committee that it show its commitment to better Canadian programming by increasing its support of broadcasting with up to $250 million in fresh funding annually . . . in real dollar terms, the CBC's budget has shrunk by more than $150 million since the Conservatives came to power.

I outlined in my speech on second reading that the budget has consistently gone down. Not only that, in order to make up some of that money, the CBC's budget or money that is taken in on commercials has constantly gone up. So we have a pattern of almost like a privatization of the CBC. They are relying more and more on commercials. They are more and more like a regular network. That was not the original mandate of the CBC.

I specifically point out the plight of CBC Radio, which is being underfunded. There are difficulties in the regions. There has been a cut-back of 28 per cent in regional programming. Why? Because the CBC had to take money and put it into its central dramatic program to meet its aim of 95 per cent Canadian content in drama—a good aim.

The Government cannot have it both ways. We cannot say that this is a Bill that is strengthening Canadian broadcasting and at the same time be taking money away from the CBC, because it just cannot be done.

[*Translation*]

Madam Speaker, speaking of the CBC, we must add that the French services have suffered most from the Conservative attack on the CBC. The French services produce more programs with a smaller budget than their English colleagues. As a result, we see fewer and fewer French drama series. You know that, Madam Speaker, as a former CBC actress!

Quebec's creative people, as the *Coalition pour la défense des services français de Radio-Canada* notes, almost always have to stay in their studios and cannot present their viewers with varied settings. Competing with *Dallas* takes money and resources.

• (1520)

[*English*]

Again, there is the same problem with French television. Resources are needed to produce those programs.

The third flaw in the Bill is that the Minister has talked about an alternate network in the Bill. It has been created with a wide mandate but there is no money for it. Therefore, we do not know when it is going to come in. We say: "Where's the beef?" If it is to be created in the Bill, where is the beef and the funding for it?

The fourth flaw in the Bill is with respect to the private sector. Through amendments we managed to get the notion of predominantly Canadian expression to apply to all the broadcasters in the broadcasting area. However, that only takes us back to the *status quo* that we had in the 1968 Bill. That is not acceptable to the NDP, when one considers that report after report has stated that the private broadcasters are not doing their fair share to create quality Canadian programming.

What does the Government do? In this Bill it sets out a performance incentive. That received no support in the committee hearings. It is a strange scheme. A broadcaster receives a penalty if so many hours of Canadian programming is not produced. Canadian programming is costly to create as opposed to buying an episode of *Dallas* or an episode of another American program. I predict that the broadcaster will pay the penalty or the fine because it is cheaper. I do not think that we will see any major change there.

Various groups interested in broadcasting appeared before the committee. They opposed this Bill, and in a sense then yielded in their opposition; not that they accepted the Bill, but they were not quite as vocal against it. I made the following analogy, which I think is a good one. When you are being beaten by a two-by-four and someone switches and hits you with a little stick, you say that it is better than being beaten by a two-by-four. That is what has happened here. These groups are being beaten by a little stick after the Bill was amended, and not by the old two-by-four of the original Bill.

I say to these groups not to be weak-kneed, stick to your principles and keep going. There is a national Canadian vision here that could be in broadcasting. There is an election coming. I say to some of those groups that there could be an NDP government, or a minority House in which there will be a balance of power in a centre-left Government. In that case, the trade deal will be ended, and there will be an industrial strategy for Canada. Part of that strategy will be a cultural strategy. There will be a surge in cultural initiatives. There will be encouragement and much greater subsidization of Canadian programming and Canadian distribution, which will mean work for Canadian artists. It will be a Government that will not be afraid to cut back the carriage of so much American programming, and that will take some political guts. I say to those groups not to lose hope, and do not be weak-kneed and think that we have to get this Bill through or we will get nothing else.

There was an action day in which groups in Canada talked about what could be done. They stated that the need for better and more Canadian programming is now stronger than ever. Canadians have invested considerable time, energy, and money in developing Canadian programming. It would be a tremendous loss if we were now to restrict our efforts. We need to forge ahead to continue to reverse the flood of foreign programming on our air waves and in our cinemas. What could be done?

We could fund the public sector sufficiently, and have a five-year commitment to the CBC in order that it could carry out this wide mandate that it is being given under the Bill. We could restore regional service. We could support CBC Radio and stop the cut-backs. We could get the CBC to do the all-news network, and not cave in to the Conservative lobbyists with Allarcom and the group in Alberta. That is what we could do for the public sector.

We could say to the private sector that we expect a minimum of 50 per cent Canadian content in prime time between 7 p.m. and 11 p.m., and if you do not produce it, you lose your

licence. We will give some aid in a sense of helping the private sector to produce it, but we expect some results from the funding that they receive.

On the distribution side we could ensure that Canadians only receive the American specialty services when they are complementary to Canadian channels, for example, CBS, ABC, NBC, the border stations, and public American television, but not the superstations on some of those other networks, if we have the same service in Canada. If we do not have the same service in Canada, that is fine. But that cannot be done with a free trade deal, and that is why the free trade deal must go. If there is a minority Government, or anything other than a majority Conservative Government, that trade deal is gone.

Finally, on the distribution side, we must make a clear division between content and carriage. The cable industry, like other monopolies, should be regulated for the good of the people, and its rate of return should be regulated.

We can do it. When I was growing up we used to say in English Canada, and perhaps it was not the same in French Canada, do we have a Canadian culture? Of course we have a Canadian culture. We have a French Canadian culture, we have an English Canadian culture, and we have a broader culture of the two groups above that. We, especially in English Canada, and especially on television, have to take those steps now to protect that, or we will lose it. We are being inundated.

As the Minister stated when this debate opened, Canadians watch 24 hours of television a week, and young people watch more. We have to make sure that Canadians get Canadian choices of good, quality programming. This Bill will not do that. That is why we in the NDP will vote against it. That is why, if we have a say in the next Government, expect a strong, nationalistic, cultural Bill that will be unique in Canada's history. It will not exactly be unique, it will go back to 1932 when a Government had the guts to create the CBC and to create a strong public will in broadcasting. We have done it before, and we can do it again.

Miss Aideen Nicholson (Trinity): Madam Speaker, the pattern of rushing Bills through Parliament this session continues with the debate on Bill C-136. It was introduced on June 23, debated for two days at second reading, and rushed through a legislative committee that met and heard witnesses for just over one week.

In August the Association of Canadian Film and Television Producers wrote to the Prime Minister (Mr. Mulroney) asking him to slow down the deliberations of the legislative committee. The letter urged the Prime Minister to direct the committee, then acting "with undue haste", to devote "full diligence and consideration" to the Bill. That did not happen. The Bill was rushed back to the House. At report stage most of the amendments that would have made the Bill better were rejected by the Government.

It is difficult to understand exactly what has been happening in the community. Many of the groups that spoke vehemently against this Bill in committee have now withdrawn their opposition, although they still say that the amendments should be passed. In other words, what we are hearing from the cultural industries is that it is a badly flawed Bill, but it is probably not as bad as what we may get after the next election, if the Government is returned. Therefore, let us pass it. It is only half bad and we might get something that is wholly bad. This is very difficult to understand. Why should we be asked to pass a bad Bill?

• (1530)

The co-chairman of the radio and TV task force, Gerald Caplan, co-author of the Caplan-Sauvageau report, having criticized the Bill for 18 months, then said: "It is better than the one we will get if this one dies and if the Tories come back after the next election with a majority". That is a strange argument for passing a poor Bill.

Indeed, the Bill is not all bad because no Bill can be all bad, but it could have been greatly improved had the Government been prepared to take seriously the committee stage and seriously examine the thoughtful amendments proposed by the Opposition. Perhaps one of the few positive things about this Bill is that it confirms the airwaves as public property to be regulated in the national interest. As well, the public network is still designated as "the principal vehicle for cultural expression in Canada". Having said that, it is difficult to find anything else that is positive in the Bill.

Let me look at the background to the Bill before returning to some specific criticisms. On June 23, 1988, the Government tabled a new Broadcasting Act and a broadcasting policy intended to replace the 1968 Broadcasting Act which provided the framework for developments in broadcasting in Canada for the last 20 years. The industry had been lobbying for many years for the Government to replace an admittedly outmoded Act, but what has been received is a Bill that does not go nearly far enough. It fails to make programming in Canada predominantly Canadian.

This is important because watching television is the number one leisure activity for Canadians, particularly young Canadians who are forming their views of their own country, of the world, and of their place in the world by watching television. This is true to a large extent. On average Canadians spend more than 24 hours per week in front of their television sets. Children watch almost 1,000 hours of television, compared to the 800 hours they spend in school. Canadians are radio listeners, too. Some 95 per cent spend 18 hours a week listening to the radio. More than 50 per cent of Canadians say that broadcasting is their principal source of news and information. Yet despite this heavy reliance on programming in Canada, most of what Canadians hear and see is not Canadian. Other world views, primarily American, are reflected.

We need more access to Canadian cultural products because 80 per cent of our publishing industry is in foreign hands, 95 per cent of films shown in Canada are foreign, and 71 per cent of all programs viewed by English-speaking Canadians on television are American.

I think we would all agree that just any Canadian content is not what is required. The present Broadcasting Act, established by the previous Liberal Government, reflected that the goal was not just programs being made in Canada, but that they be programs reflective of Canada. Granted that fulfilling that objective was easier in the past before the predominance of cable TV, it was interpreted to mean that over half the programming provided by each station or network should be Canadian. The technical interpretation of the predominantly Canadian provision is unclear and the CRTC has allowed a number of services to operate with more limited levels of Canadian programming, particularly specialized limited audience services in ethnic languages or on pay TV.

In response to that the Standing Committee on Communications and Culture, in its fifteenth report, recommended that the definition of "predominantly Canadian" be clarified so that the meaning would be obvious, that most of the programming provided would be indeed Canadian, and that the CRTC be allowed to exempt from the requirement the specialized limited audience services I just mentioned. For those services the requirement is not practical.

Originally the Government rejected that recommendation, but after much criticism from many experts a watered down provision was included in the Bill as Clause 3(1)(e). The Government accepted the standing committee's first recommendation but not the second. The redrafting is so poor that it is unclear whether the intent is the programming provided by Canadian broadcasters should indeed be predominantly Canadian. This clause is so important that the Bill should not be passed unless it is amended. Otherwise, without a clear requirement for Canadian content, the CRTC will have no legislative basis on which to maintain any such requirement.

Prior to the introduction of this Bill the Canadian broadcasting policy was based on two fundamental goals. First, to maintain a separate broadcasting system rather than simply allowing American broadcasters to extend their reach into Canada. Second, to ensure that those broadcasters provide a reasonable amount of Canadian programming. A major criticism that many people have advanced is the failure of this Bill to address carriage regulations for cable. This was seen as an urgent and important issue by the standing committee and the Caplan-Savageau task force on broadcasting which reported two years ago. The standing committee concluded "the carriage regulations for cable are at least as important as the requirements for individual broadcasters in maintaining any reasonable balance between Canadian and foreign programming in the system". Both committees concluded that the Government should define for the CRTC which channels cable systems should carry. The Bill, however, is silent on this issue.

The Liberal Party moved an amendment to define the role of distribution undertakings as that of distributing Canadian radio and television services in French and English, both public and private, with first priority given to public sector Canadian services, followed by private Canadian services. This amendment was rejected by the Government. It was modified and presented again and rejected again.

In the new Act there are also some changes in the CBC's mandate. In the 1968 Act the CBC was to provide "a balanced service of information, enlightenment and entertainment". The new Act states that the CBC should provide a wide range of information and entertainment programming. Why does the Government object to the word "enlightenment" as part of the mandate of the CBC? This has not been explained. In terms of actual practicalities, there are those who suggest that this could mean the end of programs like *The Nature of Things*, CBC TV, which attract large audiences.

● (1540)

I want to talk also about the situation with respect to condominium owners and this Bill. Owners of condominiums which have an MATV system are concerned that under Bill C-136 they will be considered a distribution undertaking and subject to licensing by the Canadian Radio-Television Commission. Their concern centres around the wording of the definition of "distribution undertaking" in clause 2(1) which, when taken together with clause 4(3), would bring MATV systems under the Act to the extent they receive and redistribute broadcast signals. The Canadian Bar Association addressed this issue in its brief to the legislative committee studying Bill C-136. It stated:

> There continues to be an omission in the Act, namely, the situation where an apartment or hotel distribution system, either using encrypted radio signals, or closed-circuit cable system, provides programs solely to the tenants of the apartment building or the guest rooms of a hotel. Constitutional issues aside, in that case, the new Act would not apply to the system because the signals would probably not be thought of as being intended for reception by the public.

Prior to Bill C-136, the situation was different, but the unease among condominium owners continues. The amendments which would have clarified the situation have been rejected. My Party believes that condominium owners have the right to know where they stand with respect to this issue. The amendment proposed by the Hon. Member for Mount Royal (Mrs. Finestone), and rejected by the Government, clearly provides that assurance while allowing the CRTC to place terms and conditions to ensure fairness to local licensed cable television systems.

I have one final comment I want to make. It concerns the provision in this Act that allows the Government to give policy directions to the CRTC. This is worrisome. There is a point where it is logical but the Bill really is too open-ended. It would allow the Cabinet sweeping powers that ought to be spelled out in the law. Lately we are seeing quite a lot of the kind of drafting which allows the Government to make any regulations it chooses. This is a bad practice. It is a practice

which has escalated with this Government. I may say that the assignment of all power to the executive is also the hallmark of the new free trade bill.

Most of the experts in the field, including members of the Task Force on Broadcasting, thought the Government should have some policy-making authority over the CRTC. However, the trouble is that this Bill as drafted would open the door to those powers being used in a Draconian sense. Whenever we look at legislation, I suppose we always have to look at it with two optics. First, one can assume the legislation is going to be administered by sensible people and people of goodwill. Therefore, if one takes that position, one does not become too worried about having things left wide open to be subject to regulation. However, I think as legislators we cannot assume that every Bill will always be administered by people of goodwill and good sense. We do have an obligation to have some things clearly specified. I would suggest that the issue of the Government giving policy directives to CRTC is one which should have been specified very much more clearly rather than left to be regulated.

The Standing Committee also wanted some real limits set on foreign, mostly U.S., broadcasting services in Canada. The Government rejects this. Again, one can look at it from both points of view. We would all say that Canadians should have as much choice and freedom in choosing what to watch as possible. But the Government also has an obligation to encourage the development of Canadian talent, Canadian expression, and while there is a balancing act here, it would appear as though the Government is choosing to go the route of continuing to let our airwaves be swamped with American content, often American content which is not of any great artistic value.

This is a Bill which is a start but which needs a great deal more work. It is regrettable that the Government has not been prepared to look seriously at amendments or to do the necessary work to give us a Bill of which we could be proud.

Mrs. Finestone: Madam Speaker, I want to thank my hon. colleague for a very well presented argument in the interests of a Canadian content of the Canadian system. Because she sits on the committee on Finance and Economic Affairs and because she was well aware of the changes that were to be brought through tax measures, I would like to ask her about the capital cost allowance and the kind of exchange, perhaps, or the kind of concerns that that brought to her attention. I heard the Member say it was important to find the mechanisms to develop the artistic skills and demonstrate the competence of our own Canadian talent and to develop the opportunity to see the expression of Canadian talent on our screens. As the Member pointed out, American programs are very costly to produce. We need all the kinds of internal funding here in Canada that is possible.

The Minister has enriched the Telefilm fund, that is true, that is public money, but added to that we had the potential, through the Capital Cost Allowance, of increasing the incentives of the private sectors in the film industry. We were able, through this House, to persuade the Minister of Finance (Mr. Wilson) to reinstate the capital cost allowance for the mining industry but we were not able to do so for the film industry. I wonder if the Hon. Member would comment on that particular aspect which is in her portfolio.

Miss Nicholson (Trinity): Madam Speaker, I agree with the Hon. Member that one of the traditional roles of the CBC has been to showcase Canadian talent. We have all heard many briefs from those who saw the role of CBC as hopefully expanding in the future to showcase more Canadian films. There is indeed a very direct connection between the Member's question and this Broadcasting Bill before us.

• (1550)

I suppose the Government, in removing the tax incentives for the film industry, has taken the Draconian approach it has taken in a number of other matters. Granted, there were some lawyers, doctors and others who were doing very well financially out of sinking money into the film industry, and there was a place to close that loophole. To close a loophole is one thing but to close off an important incentive to creativity is quite another. Indeed, the Government went too far with its sledge-hammer approach.

Mr. Neil Young (Beaches): Madam Speaker, it gives me some pleasure to be able to make a few further remarks on Bill C-136. I want to say how much I regret that the Government chose to defeat the amendment I put forward to this Bill as it affected the provisions for condominiums. Unfortunately, as a result of that, the anxiety of those people who happen to live in condominiums has not been satisfied at all, and their concerns will continue.

I want to say a few words at the outset on the provisions of this Bill as it affects the Canadian Broadcasting Corporation. The provisions of the Bill dealing with the CBC, Canada's national broadcasting service, were greatly improved in the legislative committee. The Minister has acknowledged that the CBC is the principle vehicle for cultural expression in Canada, and in the committee, the committee members worked hard to ensure that the word "enlightenment" was returned to the mandate of the CBC. The regional programming provisions of the CBC's mandate which had been weakened in the Minister's original Bill were strengthened in committee and there were other important amendments made which have also added to the legislation.

However, the bottom line question is: "Where's the beef?" There is no use for the CBC to have a broad mandate if the network does not have the resources to fulfil it. Obviously, the specific question of funding is not a legislative matter. However, it remains fundamental that, on the question of funding and other non-legislative matters, we in the NDP have a profoundly different view from that of the Conservatives.

The fact is that the Conservatives have launched a vigorous and systematic assault on the CBC since they arrived in office

in 1984. They took over from the Liberals who, in their last years in office, sought to solve the deficit problems on the backs of this country's cultural industries.

The CBC's parliamentary allocation has been cut enormously in real terms since 1984. In fiscal year 1984-85, it was cut by $905 million. The effect of the Government's policy, first and foremost, has been what could be called the *de facto* privatization of the network. More and more, the CBC has been forced to count on its own resources to stay afloat. Over the past four years, the evolution of CBC-generated revenue has also not been of great help to the CBC.

The pattern is clear. It has been to cut the CBC's public funding and to force it to increase commercial revenues and act more like a private station. As the CBC noted in its brief to the committee:

> —this affects the quality and distinctiveness of the program schedule and it also means that creative risks have to be minimized or eliminated. This is not compatible with a Public Service mandate.

The damage has been most pronounced in the areas of regional programming. The standing committee set out in detail the crisis in the CBC's regional centres. In recent years, the network has been forced to cut 28 per cent of resources for regional programming in order to maintain network programming services on a national level. This has meant lost jobs and services for Vancouver, Calgary, Quebec City, Halifax and Chicoutimi, for example.

We have witnessed the forced centralization and privatization of the network itself. Peter Cochrane, a member of ACTRA, said the following in detailing the effects of the CBC cut-backs on the regions and on the quality of programming in general:

> We think the emphasis that should be placed on local and regional programming must be large. Right now, with the reduction in budgets—and I am talking as I said, predominantly about radio—what has happened is that one of the finest radio systems in the world—and I think it is not arguable—has been eviscerated.
>
> The general standard of programming, the general standard of what is made available to Canadians for the nurturing of their minds and their spirits, has become less and less and less effective. The stuff that is being reached out now and is being pumped into radios across the country is made level—a lot of it—generic pap, level pap, to which people are not required to respond.

We must remember that for the national broadcasting service to truly reflect Canada, there must be quality programming coming from all regions of the country and artists must have a variety of points of entry into the system.

The Minister has spoken of the money she has offered to the CBC in her new broadcasting policy in order for the corporation to reach the commendable aim of having 95 per cent Canadian content. In fact, the Minister is giving $20 million to the English service and only $15 million to the French service. This is great, but it does not come close to correcting the damage caused by the sledge-hammer cuts over the last four years. Even with the money, the CBC will not be able to meet the 95 per cent level unless it reallocates money, presumably from the regions, to meet this limited goal.

Thus, when we look at the substance and not the rhetoric being offered by the Minister, we find it lacking. The basic conclusion of the Caplan-Sauvageau report was that the CBC was the heart of the broadcasting system and it was seriously underfunded. It was the Conservative chairman of the communications committee who said that $250 million in new funding was needed to meet the country's broadcasting goals. This Minister has not even come close, as Dale Goldhawk, the President of ACTRA said, in responding to the Government's policy statement:

> And while the CBC is expected to fulfill a wide mandate, the money to go forward simply isn't there. In short, this part of the announcement doesn't exactly make my socks roll up and down.

Pretty witty guy, he is. Gord Hunter of NABET has said the following on the Government's broadcasting policy:

> The CBC has faced financial difficulty since the mid-1970s but the real assault began in 1984 when the Conservative Government took office. Each year the situation has worsened. I cannot see how the corporation could possibly be expected to increase its Canadian-content levels to 95 per cent when the funds allocated to it will not come close to paying for the service it was able to provide Canadians back in 1984.
>
> In 1984 there was a very large budget cut at the CBC, and 1,200 jobs were lost. This reduction in funding and the subsequent reduction in staff has seriously reduced the CBC's capacity to produce and we have seen an ever-increasing reliance on advertising revenues to survive.

Two final points have to be made about the effects of the Tory cuts to the CBC and why the centrepiece of any broadcasting policy must be the restoration of CBC funding to the point that the network can adequately fulfil its mandate.

• (1600)

The first point is that the French services of the CBC, which produce more programs on a lesser budget, have been particularly ravaged by the Government's attack. The effect of this has been that the French network can rarely afford to produce *teleromans* and other programming which can have high production costs. Television series on Radio Canada can rarely go on location. Creators have stuck with simple in-studio sets with which they must compete with dubbed versions of *Dallas* and the like and we are committed to ensuring that the both the French and English services receive adequate funding.

Second, in the Minister's policy statement the Minister pays lip service to CBC Radio and its extraordinary success with Canadians. On a literal shoe-string these radio networks have produced an extraordinary array of fine radio programming. Every year we see it building an audience despite cut-backs that have led to more and more repeats. While the Minister throws crumbs to CBC Television, she does absolutely nothing for the suffering radio service.

I note that in the recent CRTC decision, which renewed the radio licences for only three years instead of five, the Commission said the following:

> The overwhelming majority of interveners expressed strong support of CBC radio, stressing their desire to see the quality of service maintained and supported by adequate Government funding . . . Many interveners however,

expressed concern about the CBC's ability to sustain the quality of its radio services in the face of reduced federal funding.

I do not want to take too long in this debate, but it seems to me that the Canadian Broadcasting Corporation is one of those structures in Canada that holds this country together much in the same fashion as a transportation system does. If the CBC were not there, many communities in Canada would not receive that kind of communication, very often because the private corporations and the private companies do not see a profit in providing that service. Canadians have recognized over the years that the only way that service can be provided is through a publicly funded corporation such as the CBC.

What we have seen over the last number of years is not so much whether or not Canadians deserve that type of service, but really an ideological approach to how Canadians receive these vital and necessary services. I want to say very clearly and very bluntly, not only to the Minister but to the Canadian public, that about the only Party which has consistently supported the kind of service provided by the CBC over the years has been this Party and the New Democratic caucus.

In conclusion, we in this Party and Canadians in general very much appreciate the tremendous amount of hard work that has been put into committee stage and all the proceedings that have gone on around this Bill by my colleague, the critic in this area, the Hon. Member for Vancouver—Kingsway (Mr. Waddell). I sat in on several of the meetings when witnesses appeared before that committee and I was quite impressed at the way the Hon. Member handled himself and pressed forward our Party's position on this very important matter.

Mrs. Finestone: Madam Speaker, I would like to take advantage of the remarks which the Member has just made with respect to the work of his colleague. I would agree that it has been an extraordinary catch-up and he has done an outstanding job. I would also like to pay tribute, and I am sure he would agree with me, to the Member for Broadview—Greenwood (Ms. McDonald) who, unfortunately, cannot be here. She put about two years of her time and effort into the considerations as we travelled across this country with an excellent team of professionals and professional staff to come up with this report of our standing committee, which I think stands as a landmark view and review of the broadcasting industry.

I think we should pay our respects and particular accolades to the Chairman of the committee and the members of the committee whose names are quite well known at this point. Behind the scenes we had an outstanding Director of Research, Paul Audley; an Assistant Director of Research, Rene Lemieux; researchers from the Library of Parliament, Tony Jackson, Millie Morton, and James Robertson; and a Senior Consultant, Tim Creery. We had other consultants who I think deserve to be recognized. They include Peter Grant, John McKay, Jean Paquin, Robert Pilon, Mark Stiles, and Robert Storey. We had some outstanding editors and administrative assistants, secretaries, and assistants from Centralized Support and Translation Bureau.

I say this because I think it is important to acknowledge the role that was played by our staffs, both the staff to the parliamentary committee for over two and a half years and our own personal staffs behind the scenes who enable us to be effective in this House. Members are only as effective as the collegiality of the research body that helps us draw up these kinds of reports.

That being said, the Minister, who had her speech delivered by another Minister in the House early this morning, said that she felt that this Bill should go through, had to go through, that there would be very unhappy constituents out there if the Bill did not go through.

Does the Member believe that the broadcasting system of Canada would be more damaged with the new Bill than it presently is? Because the friends of public broadcasting, or because one of the authors of the task force report, Mr. Gerald Caplan, and perhaps because the NDP of Québec region did not feel rather strongly that this Bill should go through, should we capitulate or have we, with the help we have had, done the kind of study that indicates that this is not a good Canadian Bill for Canadian broadcasting and for Canadian people?

Mr. Young: I want to thank the Hon. Member for Mount Royal (Mrs. Finestone) for reminding me of the tremendous work that research and support staff do for Members of the House of Commons on our committee work. I agree with her that very often we do not pay as much attention or give as much praise, if you will, to those people who work so hard to make us look good very often.

In response to the Member's question, I heard my colleague, the Member for Vancouver—Kingsway, set out at least six points on which he expressed his concern over the flaws in the Bill. He has also indicated that we think that the Bill, with perhaps a little more consideration from the Government, would have been much stronger for Canadian broadcasting.

Having said that, I also appreciate the problem that the Minister has because of the debate that has gone on around the CBC over the last number of years. I can only guess at her difficulties in not accepting our suggestions. My friend, the Member for Vancouver—Kingsway, has clearly indicated that we do not feel that we can support the Bill in its present form. We very much regret that because we all would have wanted to make this review, the first real review of Canadian broadcasting in a number of years, a very positive one. Unfortunately, because of the flaws in the Bill, we do not think we will be able to support it.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED.

The Acting Speaker (Mrs. Champagne): At this time it is my duty, pursuant to Standing Order 66, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Willowdale (Mr. Oostrom)—Refugees—Case of Francesco Piperno sentenced for terrorism by Italian court; the Hon. Member for York East (Mr. Redway)—External Affairs—Estonia—Recognition of Honorary Consul General.

* * *

BROADCASTING ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Miss MacDonald that Bill C-136, an Act respecting broadcasting and to amend certain Acts in consequence thereto and in relation to radiocommunication, be read the third time and passed, and the amendment of Mrs. Finestone (p. 19682).

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Madam Speaker, one of the casualities of this somewhat bizarre period we are going through, where the election campaign is being fought within the confines of Parliament Hill, rather than on the streets and hustings of Canada where it probably belongs, is that we are now being faced with exorbitant demands by the Government to rush through very important pieces of legislation that reach into the very vitals of this country in a very profound way without the proper examination, judgment, or reflection that such a policies require and demand.

• (1610)

In saying that, I want to pay tribute to my colleague, the Member for Mount Royal (Mrs. Finestone), who against incredible odds has made every effort to introduce changes and amendments to the legislation that would reflect the testimony heard in the committee and draw out the concerns that so many organizations and so many Canadians have expressed.

The Bill was introduced only in late summer and Canadians have not been given the proper opportunity to engage in the debate that is required, especially when so much is at stake.

We are well aware that that some very important pressures are impinging upon the question of culture in this country. One is the explosion of a broadcasting technology that has exponential growth with the innovation and expansion of new forms of broadcasting and distribution in all varieties of communication. It simply astounds the imagination. One only needs to read recent articles that suggest the video recorder is on its way out. I went to buy a compact disc, only to discover that the salesperson told me it would be obsolete within months and a new type of tape would replace it.

Similarly in the area of broadcasting and the emergence of world-wide satellite technology and other innovations, it is absolutely imperative that we acquire a framework of public policy that is flexible enough to incorporate that change and still incorporate very specific values about what we as Canadians want to capture as part of the broadcasting spectrum so that Canadians would have a fair choice. That is one set of pressures.

The other set of pressures are applied as a result of our geographic location. It has been the touchstone of Canadian cultural policy since time immemorial. We have a neighbourhood relationship with a very powerful country that has been very successful in developing a dominating global communications empire. It is one of those areas of American industry that has dominated the world and which has developed an enormous political power within in order to protect itself.

I returned from the United States last week where I gave a series of lectures. It is fascinating to see how their view of their communication industry is, first, so different from ours, and second, so much dominated by a mixture of commercial and political forces to give it such incredible power within that country. Unfortunately, over the years that power has been exercised upon our country.

Canada is not seen as a distinct entity by the American communications industry, but simply seen as a suburb of Akron, Ohio, or some other regional variation to be addressed. There is no comprehension whatsoever on the part of that industry that it is dealing with a separate entity which has its own concerns, interests and values. We are simply treated as an appendage of its own distribution network. As a result, various Canadian governments over the years, Conservative and Liberal, have had to find ways to combat that while attempting to maintain an open communications system which offers a fair amount of choice without imposing complete isolation within national boundaries. It has been one of the most difficult balancing acts attempted by Canadian governments over time.

The Broadcasting Act has been an essential element in that policy. The American influence is not concerned about the Canadian Opera Company or the Royal Winnipeg Ballet. It is primarily concerned about popular culture, where it makes money. That is the American preoccupation. They would be quite willing to allow us to subsidize the Royal Winnipeg Ballet, but when it comes to popular culture in television, radio, film and publishing, it is a very different story and attitude.

This has been compounded very dramatically by a Bill that was also passed by the House just a few weeks ago. Bill C-130, dealing with the trade agreement, opens a whole new set of pressures and makes us even more vulnerable than we were to those commercial judgments.

Every cultural organization that appeared before the committee on Bill C-130, and others, pointed out that Article 2005 of the Agreement, the notwithstanding clause, gives the

Americans the power to retaliate on what they consider to be any future act of a Canadian government that will impinge upon their commercial interests. That is a Damocles sword over the head of Canadians when they try to deal with the expansion of new technologies and distribution networks. That will require major redefining, but Canadians will be faced with a sanction that will always be present if the agreement is ratified. Of course, that is something that we and a majority of Canadians hope will never come about. It is something still to be decided.

The debate on the Broadcasting Act must be seen in the context of that new development. It is not only a theoretical threat, it is one that has already been exercised. We have already seen the pressure applied with the kind of Valenti muscle that was exercised with respect to the radical alteration of the proposed film Bill the Minister talked about a few years ago. It has now become a pale ghostly shadow of its original self.

We have seen how that kind of American muscle has been applied in the publishing industry. The brave words of the former Minister of Communications about ensuring that takeovers and acquisitions would be carefully guarded have simply disappeared before the blind eye that has been turned toward this area.

Therefore we must question whether the Broadcasting Act will give us the ability to meet such challenges. Will it provide the ability and resources in Canada to meet the new technology and the very omnipresent and growing American demand for full and complete access and control of our popular communications systems? As has been expressed at second reading, at committee stage and during third reading by my colleague, this Bill has failed that fundamental test. It has not given any confidence that it will provide a strengthened defence in terms of retaining the capacity of Canadians to protect their popular culture systems and feel free that they will at least have an effective choice.

Part of that weakened defence has been the kind of undermining and erosion that has taken place on the CBC itself since the inception of the Government. We have seen the cutback on budgets and the informal but very clear intimidation on the public network. The limitation on its independent role severely weakens the network.

If the CBC is expected to carry the load in terms of dealing with the challenges I have outlined, then it has not been given the resources to do it. The tasks may be clear and identified but the flesh is weak. It simply does not have the necessary support and resources. The move to diffuse the role of the CBC into new channels and alternate networks without any accompanying infusion of proper resources simply dilutes its ability to meet its task.

• (1620)

I think that Members of Parliament should take seriously the kind of statements that were made by the President of the CBC in front of the committee about just how precarious a position it has been put in, just how difficult it is. It is unfortunate that that kind of ammunition was not recognized by way of changes to the Broadcasting Act, or further commitments by the Government. God knows it is not for lack of money. The Government has committed in the last three months $15 billion or $16 billion to various projects around the country. Obviously, the Minister of Finance (Mr. Wilson) has found a new money tree somewhere, or the whole fiscal framework has been thrown out the window for the sake of the election. Within that $15 billion or $16 billion of new commitment, surely there might have been something more for the Canadian broadcasting network, in a substantial way.

If that is the number one requirement we have, why is it less deserving than a gas pipeline to Vancouver Island which in itself may be of some value? I am not here to judge that in this debate. But surely on the scale of priorities—and particularly the priority of what this national Government is responsible for—nothing is more precious or valuable than the communication/cultural system of the country in light of the globalization and the Americanization that is taking place as part of it. Yet not one cent was provided to it.

Similarly, I want to point to the changed definitions that we apply to private broadcasters. It has been acknowledged that this is an area that has never been managed successfully. I do not think that anyone has been able to find the will or the fortitude by which to make a requirement for our private broadcasters to live up to a high level of responsibility. This is not a partisan attack. I include Governments of which I was a Member and which I supported over the last 15 or 20 years. I do not think we have ever applied the will necessary even through the CRTC or the Cabinet to make it stick. The price of a licence, being able to get on that airwave, I think, is an extraordinarily valuable entitlement, a rare one, a privileged one that we have given. Yet we have never asked for a full set of obligations in return.

There have been very powerful lobbies and very strong arguments, but the fact of the matter is that the private broadcasting system in this country has not lived up to its obligations to give Canadians real choices. You know the figures as well as I do, Madam Speaker, you have heard them in the House. Some 98 per cent of our drama is foreign, most of it American. That is shameful.

If we look at the area in which we are supposed to have real competence, in news broadcasting and public affairs, something we have taken some pride in as Canadians, by comparison so little of the budgets of private broadcasters is spent in those areas—very, very little little of it. There is nothing in this Broadcasting Act which strengthens that. The very strong message that came out of the Caplan-Sauvageau report has somehow been dissipated, kind of vapourized in this Bill. In fact, I would have to say that the management of the present system gives signals of that kind, both at the level of the commission and at the level of the Department.

I would like to give you one example, Madam Speaker. I have now received I do not know how many inquiries or demands from my own constituents about the displacement of the parliamentary channel from the cable system on to a cable system that requires a new converter. In my riding there are a lot of people who can neither afford a new converter nor a new TV set. They simply do not have the money. Yet they have found a great satisfaction—sometimes one wonders why—in watching the parliamentary channel, watching Question Period and debates. A lot of people feel that that is a very important exercise of their citizenship. As a Member of Parliament you yourself, Madam Speaker, would know how people draw to your attention when you have been saying something good, bad or whatever. That has become, in part, an ingredient in our culture over time. I guess we can say that it is certainly no worse than the soap operas with which it competes. Certainly, we have all learned how to dress more appropriately at least.

Why would we allow a system, a judgment that brings MuchMusic on to the cable systems, which is okay? I watch it. It is kind of fun at times. Or why would we allow a system that brings a new family channel or a new religious channel, both of which are valuable and have a minority interest but which displace the opportunity for Canadians to watch their own Government in action?

I have written to the Chairman of the CRTC about it. We have raised the matter in the House. The fact of the matter is that it says something. There is a signal out there that no one is minding the store. No one is applying themselves to that kind of judgment. It slipped by and everybody is backing off. It is like watching those sports officials in Seoul last night who were saying: "It is not my fault". Talk about passing the buck. I am afraid that that has become too much of a pastime under this present regime. Yet here is something that is very crucial to Canadians and we have allowed it to take place.

Let me give you another example, Madam Speaker.

[*Translation*]

I think it is very important for all Francophones in Canada and in fact the whole country to have access to Channel TV5. Especially since the Government of Canada paid most of the money for this service. There is a service for Quebec and for the "Francophonie" but not for Ontario and certainly not for the West or the Atlantic provinces.

I think the people of my riding have the right to have access to Channel TV5. But the Government of Canada isn't there to make a clear-cut decision that will get the service for the entire country.

Madam Speaker, this is one more example of the lack of direction in Canadian policy. It's fine for Senegal to receive Canadian programs, but I think people in Winnipeg, Saskatoon and Moncton should enjoy the same privilege. This is one more example of the vacuum that exists in our communications policy.

[*English*]

That is the problem. The Broadcasting Act is not a piece of legislation that reflects a coherent set of judgments about what Canadian communication policy must be in light of the kind of conditions. It has been kind of patched together to satisfy one interest over another. A little cloth has been cut here and something has been tailored there, but it does not represent the kind of framework of broadcasting that the future of this country will require, especially in light of what we face.

I see you are asking me to conclude, Madam Speaker. I would like to cite one small example which will just take a moment. I refer to the amendments proposed at committee concerning the question of satellites for condominium owners. The amendments which we had gave proper credibility to the right to license programming coming in, but they also gave the technology access. The amendments proposed would have created a system equal to all Canadians. But it was also rejected even though it was supported by all sides of the House—by New Democrats, Tories and Liberals. Once again, there was a kind of blankness and refusal to respond to those kinds of conditions, simply because it was already fixed in stone.

• (1630)

The great regret of this—and it may be a product of haste and rush—is that it is not the kind of Broadcasting Act that Canadians either need or deserve, and it will not provide the kind of important front line argument and structure that we will need to deal with the future, especially as it relates to the preservation of Canadian culture.

Mrs. Finestone: Madam Speaker, I want to say to my hon. colleague from Winnipeg—Fort Garry that I was very pleased to see him mention, first of all, TV5, as it would bring a cultural perspective of French Canada to all Canadians. Many Canadians are bilingual, and I am sure that they would be interested in watching it. It would also bring in the international aspect of France and Belgium and Senegal.

It would seem to me that when we are spending Canadian public-federal dollars there is no reason why that public-federal service should not be available, if we truly believe that the fundamental characteristic of Canada is its bilingual nature. I can remember the arguments around the French and English on the cornflakes box. I hope we are not going to go back to that silly business.

You, I know, have had an ongoing interest around condominiums, and I was glad to hear you mention that. But because you mentioned at the outset of your remarks that you have been in the United States recently—

The Acting Speaker (Mrs. Champagne): I would appreciate it if the Hon. Member, even in the period of question and comments, would come through the Chair to ask her questions and address the Hon. Member. It was done before and I let it go. The Hon. Member.

Mrs. Finestone: Thank you very much, Madam Speaker. You are right. I had forgotten the protocol of the Chair. Through the Chair, I would ask the Hon. Member if in his recent trip to the United States, and with his knowledge of the free trade Bill, he would see that although the Minister may well have wanted to have had a Canadian Bill that would reflect Canadian concerns, because the entertainment aspect is not seen as a cultural aspect in the United States, that had some true implication for the potential for licensing any and all satellite-to-cable programs, direct-to-home, which perhaps can soon be part of the new technology, or the direct broadcasting system, the concerns that new technologies will bring, and if we do not control them, we are going to have an even greater problem on our hands.

What would his view be regarding entertainment versus cultural programs, or cultural sovereignty?

Mr. Axworthy: In response to my colleague from Mount Royal, it may be that too few Canadians and perhaps too few Members of this House have taken the time to read carefully both the American implementing legislation dealing with the trade agreement and, perhaps more important the accompanying document that was issued by the President called Administrative Action. Within that document you will find that the Americans make very specific definition as to what they consider to be the impact of the trade agreement. They believe that any attempt by Canada to subsidize a cultural or communication activity that will injure their commercial interest will now be subject to a substantial countervail retaliation, not just in the area of culture but in other industries as well. They can attack hydro or automobiles for undertaking that kind of action.

It is interesting to note, in exchanging views with American experts in the field, which I have done in various meetings over the past week, that their view is that that is one of the great advantages that they have won as a result of the trade agreement. They have been able to see this as a way of substantially restricting any further attempts of Canadian content rules or limiting distribution in other areas. That is part of their win-win proposition.

The definition, of course, is one that is very clear. They see it purely as an enterprise. Perhaps you have to understand that is a country where there is virtually no foreign broadcasting. I guess the odd British film shows up on PBS from time to time, but Americans basically look at their own programming. They have no understanding or concept or sensitivity to a country such as ours, where 98 per cent of our drama is from a foreign country and, therefore, we have to provide protection. They see it purely as something that is a market-place decision, a market-place decision, by the way, that must be buttressed and supported by the power of the state.

I am just illustrating this particular observation that was made to me. It is one reason why the Americans have been so supportive of this particular trade agreement. They see it as a way of establishing a precedent for bludgeoning into other markets around the world.

The attitude expressed by Secretary Treasurer Baker and Ambassador Yeutter in front of the House of Representatives and the Senate Committee, on testifying, shows very clearly that the reason that American Congressmen should support the trade legislation is that it will give a lesson to other countries, that if they try to get cute on things like culture, establishing new forums and relations, then the Canadian example can be used to break through.

They will be using this, very clearly, as part of their argument at the Uruguay Round to open up the whole system around the world for their access, because they know that they have such a dominant position in order to be able to do this. Attempts by other countries to provide content provisions or limitations will now be under attack, and we are aiding and abetting in that attack by the acquiescence of the trade agreement.

This is not simply a matter of a debate between some cultural groups. This is part of a very clear and broad trade strategy by the United States. They are under pressure and they are losing markets in their manufacturing, and they see that the opportunities in the service industries and to the so-called entertainment industry is prime among those. They will be using this in a way that they hope will bash their way in to other world markets. Other countries have attempted to preserve their cultural arrangements against that kind of Americanization. We are in fact an accomplice to something that will become a very major and dramatic debate, the GATT Round, and unfortunately we are on the wrong side of the argument.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I welcome this opportunity to take part in this debate, although I didn't think it would be necessary. I thought the Government would understand the incredible significance of this debate. What I fail to understand, Madam Speaker, is that during the last minutes of a reign, of a government, we are . . .

Miss MacDonald: Filibuster!

Mr. Prud'Homme: I beg your pardon. If you really think this is a filibuster, you don't know what a filibuster is, because if anyone can organize a filibuster, I certainly can and I would give you your money's worth! I regret the attitude of the Hon. Member for . . . for which riding?

[*English*]

Mrs. Finestone: Are you objecting to the fact that some of our Members have the right to speak on broadcasting? Is that your complaint, Madam Minister? Ridiculous.

[*Translation*]

Mr. Prud'homme: Right. So if we can let bygones be bygones, the Minister seems very anxious to have her Bill adopted, and I understand that. The Minister would like to see

her legislation passed as quickly as possible. However, Madam Speaker, we are talking about some vital issues. As an experienced parliamentarian, I fail to understand that having come to the very end of this Government's mandate—of course this Government was duly and democratically elected, I realize that—I can't understand why, within the last two weeks, this Government has introduced bills that are incredibly important to Canada's future. There was the child care Bill, which of course is not before the House today, Madam Speaker.

I briefly took part in it, not on the substance of the matter but on the way we were to vote on it. It is as though the Government, at the last minute, looked back on its election platform of four years and two months ago and said, "Oh, how can it be? We forgot day care! Let's bring in a Bill, rush the Opposition, rush all the interest groups and pass this Bill." In the last minute, almost at the last gasp of a dying Parliament! And again today, they come to us with a Bill! I see that they are impatient, that the Minister is very impatient, I understand that, but if she would bear with us, I could tell her, "Madam, why did you not force your Government to deal with this question long before today?"

When you have a Minister with clout in a department or in Cabinet, I think it is that Minister's duty, as my colleague, the Whip for my Party, and my Party's excellent critic, the Hon. Member for Mount Royal (Mrs. Finestone), will tell you, when a Minister has clout, he or she must fight within Cabinet and say, "This is a priority." If it is a priority today, in the last minute, why were these Bills not a priority a year ago?

So I am quite amazed that in the last minute, perhaps in the last week of a long reign, because their term in office is almost the equivalent of five years, Madam, since we have sat continually, with extended hours and summer leave cancelled. The Government has really had five years and not four and in the very last minute, it wants to force through two bills that it considers very important and that we consider important. It wants to show Canadians that the Opposition is blocking two Bills, when there have only been three speakers, I think, on this Bill . . . Madam Speaker, I will not participate in a filibuster. We know that! I believe in Parliamentary reform. But I can tell you one thing: there is a difference between what you call a filibuster in English, i.e. unduly prolonging debate, and not debating at all, and we are within those limits.

You know, Madam Speaker, that we attach great importance to this Bill—that is understandable. Why? Because today, what is Canadians' main activity? It is watching television. It is not playing sports. Canadians are glued to the television twenty-four hours a week on average. It is important to know what is on television. It is important to know who controls television. Every year, for our young pages who have just arrived . . .

• (1640)

[*English*]

Our young pages who have just arrived are a product of that generation. Each year Canadian children watch almost 1,000 hours of television, compared to 800 hours spent in school.

It reminds me of the debate I had some years ago when I had the honour of being the arts and culture critic prior to my esteemed colleague, the Hon. Member for Mount Royal (Mrs. Finestone), who did a remarkable job in her new assignment. I remember that I said to the Hon. Member for Frontenac (Mr. Masse) when he was the Minister, and that was before he became popular, "You have a duty, Mr. Minister. You are not the defender of cabinet decisions near the artist, you have the duty to defend the artist in Cabinet." That is my conception of a Minister.

[*Translation*]

That is how I see a Minister's responsibility. He has a duty to defend the interests of his sector, meaning that if I am Minister of Youth, I defend youth, and if I am Minister of Seniors, I passionately defend senior citizens, and I would certainly do that. If I am supposed to defend farmers, I have a duty to stand up to my Cabinet colleagues. I am not supposed to take the Cabinet's decisions and get them accepted by the people whose interests I am supposed to represent. It wouldn't make sense.

I repeat what I said earlier that our children, who will build the Canada of tomorrow, watch 1000 hours of television and spend only 800 hours in school.

Madam Speaker, 95 per cent of Canadians listen to the radio for an average 18 hours a week. Madam Speaker, this is very, very significant, if my figures are correct.

But I said all this during the debate we had two and a half years ago to Mr. Masse, our present Minister of Energy, Mines and Resources. Two-thirds of Canadians . . .

[*English*]

Two-thirds of Canadians admit that watching television is their favourite pastime. I enjoy it too. Sometimes I watch television for too long in the late hours and it is terrible, Madam Speaker, as you know very well when you have to get up early in the morning, and you cannot do otherwise but keep watching television because it is interesting. In my case I watch international affairs, disarmament questions, east-west relationships, and political programs; for others it is a cowboy program, a criminal program, or violence. However, it is very important.

Today we are told we are filibustering after three speakers. We must make sure Canadians understand, regardless of whether or not there is an an election coming that, at the very last minute this Government has decided today to ram through the House a very major, capital, and important piece of legislation. That is the reason that, at the very last minute, I accepted the request of my esteemed colleague, the Hon.

Member for Mount Royal, who did a remarkable job in participating in this debate.

Fifty per cent of Canadians say that they are not too interested in reading, that their principal source of news and information comes from broadcasting. Madam Speaker, can you imagine that 50 per cent of Canadians say that broadcasting is their principal source of news and information. What does that mean in practice? It means that television shapes the minds of the people. Television shows them the type of news, or does not show them the type of news, and this is very dangerous. You, Madam Speaker, know what I am talking about because of your great career prior to this career. You understand the importance of broadcasting and television.

These young people who have just arrived to work in Parliament are the ones who probably tomorrow will be sitting in the House of Commons. Some of them get their information from television, or they are influenced by television. When you have a neighbour like the United States of America, and I hope they are listening across the street—for the time being. For listeners, when I say "across the street", I have to explain, to have an intelligent debate, that it is because the Embassy of the United States of America is across the street here in Ottawa.

When I was a student it used to be called the American Embassy. I remember I lead a delegation—I always liked demonstrations what I was a student. We had a few demonstrations to tell them that they should not call themselves the American Embassy, but the Embassy of the United States of America. It was a nuance that we students understood. We were proud Canadians and we understood the difference, because we are part of America too, but we are not citizens of the United States of America. We are Canadian. If we want to remain Canadian, if we want to have a Canadian country, and if we want to progress toward the future in remaining what we are and in becoming even better, we have to watch how we shape our brains. You do this by what you listen to, by what you see, or by what you read. It so happens that Canadians prefer television to reading. That means you gradually form an opinion of the world, of Canada, of your province, of your own race or religion, by what influences you. I repeat that to make Canadians understand why at this very last minute, it is important that we do not deal with this Bill urgently.

• (1650)

Last week it was day care. We are supposed to have a new era in Canada of participatory parliamentary process. Members of Parliament would be more independent. They would be somebodies after all. You remember that famous quote. Parliamentarians thought they were going to be somebody. They were going to give their time, their devotion, their patience and their understanding in working in a parliamentary committee. This was the invention of the man who is now Lieutenant Governor of Newfoundland. He put his name on the report, the McGrath report. That dealt with reform of the House of Commons and its committees.

What happened with day care? Some 40 witnesses said it was bad, it was wrong. They are all experts. I am not an expert on day care, but I recognize its immense importance. You may smile but I understand the problems if we do not take care of our young Canadians. They are raised differently than you and I were raised. They are raised differently than my esteemed colleague from Ottawa—Vanier (Mr. Gauthier) was raised. Today we have a lot of single parents who could go on welfare. They want to work but they have children. They need day care. This did not exist in my day. I am the youngest of 12 children. We did not have day care because our society was different. I know we need a good full day care system, yet we rammed the Bill through the House. We did not listen to anything that was said in the committee. Now it has gone to the Senate and the Government would like the Senate to ram it through, otherwise the Conservatives will campaign against those in the Senate.

I say to the Senators: "As long as you exist, do your duty. You have the duty to at least study the Bill, at least for a couple of days. At least three days." Is that asking too much for something that is supposed to cost $6.4 billion?

Amendments to this Bill here today were turned down. Why did my colleague from Mount Royal work so hard? It is because she believed in the spirit of the McGrath report that says legislative committees will have some power. Power to convince. Power to be convinced. Power to call Canadians to participate, to give us their view, and then react accordingly.

There are parliamentarians who are stubborn and say this is the Bill, the Queen can do no wrong, the Minister can do no wrong, and it is take it or leave it. I would rather say leave it for a while until we come to our senses and recognize that the Bill is too important to ram it through the House so rapidly.

Do I need to say that the broadcasting message very often is not Canadian? I could talk for hours about Canada. Yes, I become passionate. What the hell am I doing in the House of Commons if I do not believe in Canada? I came here for that. Everything that could help us frame a good Canada must be debated and understood. Programming must be Canadian.

We should also remember it is all very well to talk about anglophones and francophones but we must understand that long before we were here, long before even my ancestors came to this country in the 1600s, there were native people and we should address that question.

I also disagree with the role of the President and Chairman of the CBC. This should be addressed.

I must conclude by saying I am disappointed, as Canadians should be, that a sense of urgency seems to have fallen upon the House of Commons. Everything is urgent. There is no urgency. The Prime Minister (Mr. Mulroney) can call the election in the spring if he has such a—

Mr. Bouchard (Roberval): No.

Mr. Prud'homme: Why not? I do not mind.

I would like to conclude by saying that this Bill should be suspended. If it is the intention of the Prime Minister of Canada, as is his right, to call an election, day care and this legislation should be put on the shelf and left to the next Government to decide how it wants to tackle it.

The Acting Speaker (Mrs. Champagne): Questions and comments.

Mrs. Finestone: Madam Speaker, as the critic for communications and culture but more importantly as a Canadian, I know the Hon. Member for Saint-Denis (Mr. Prud'homme) has a very passionate sense of the place of Canada and the importance of maintaining our identity. I heard him extol, and rightly so, the importance of differentiating ourselves from our American friends and cousins. He very often says that good fences make good neighbours.

Given that, I wonder how he feels about the fact that this Bill, while purportedly saying we are going to have a better Canadian broadcasting system, allows all kinds of American programs to come in here unlicensed. It does not define the necessity for predominantly Canadian content. It does not say where that content should appear on the screen.

The Hon. Member has also been outspoken, certainly in the lobby, with respect to TV5 and its importance for all Canadians. Therefore, does he feel it would be fair to allow the American systems access to our market and have them take the money out and produce fine programming but programming which can be hurtful to Canadian artists and their potential to grow and reach the world class level they are capable of?

• (1700)

Mr. Prud'homme: Well, Madam Speaker, that will show to my friend that we did not prepare ourselves accordingly, because if we had, I would be able to pick up a paper and have the answer. I will try. This is exactly what Winston Churchill said. This is true parliamentary debate and exchange. The essence of the British parliamentary system is to have that kind of exchange, unprepared. We see from time to time one of the members of the majority in the House asking a question of the Minister, such as happened today, and the Minister rising and giving the answer. Everyone knows it is theatre, it is prepared.

I do not deny the fact that Americans produce good programs. Of course, they do. They are so rich and powerful. I can use the same argument for the trade agreement of the Right Hon. Prime Minister (Mr. Mulroney) and of President Reagan. I do not deny the fact that the Americans produce big and produce good, but they are big. I am not afraid of that. I enjoy the neighbourhood of the United States. I enjoy everything it can offer me, as I would hope Americans would enjoy what we can offer them. Unfortunately, it is very often a one-way street. The United States is so big. It does not want to harm us. I am sure of that. I am absolutely friendly with the United States of America. But I know one thing, being big as it is, it cannot care less about what it does to us, and this immense invasion of programming reduces our Canadianism. There is no doubt about that. Canadians will have to decide what kind of country they want and what kind of Canadianism they want to give to those who will come after them.

I am always extremely suspicious when a Bill of this kind is too general in tone. I do not like too much regulation. But there is not enough protection for us in this Bill against the absolute infiltration by American programming. It is not bad, it is dangerous, and at least we should realize it is dangerous. In a country the size of Canada, with our small population, we have to double our efforts in being more careful when we arrive at something that goes directly to the fabric of Canada, and that is this Bill. It is—

[*Translation*]

It is vague. It is not specific. There are too many loopholes. I am not overly fond of Bills that tell me where I am supposed to put the stamp on the envelope, and I hope I didn't give that impression. The simili, in any case, is very French. However, I would like to know how we can protect ourselves against this huge giant, a giant I am quite fond of, and I am referring to the United States. They are so pervasive and so powerful that if we don't watch out, the situation might become very dangerous for us.

[*English*]

What do we see in the national anthem? I had the honour, under the Right Hon. Lester Pearson, to be appointed to the National Anthem Committee. The Hon. Member for Dartmouth—Halifax East (Mr. Forrestall) and I are the only sitting Members left of that committee. What did we include in the English version of *O Canada*? We say: "We stand on guard for thee". What does it mean? It means we must be careful with a Bill of this kind.

[*Translation*]

We must watch out. In fact, the same would apply, as I said earlier, to the Canada-U.S. Free Trade Agreement. The agreement is not all bad.

[*English*]

We have what the Government calls the Free Trade Agreement, or, as my Party prefers to call it, the Mulroney-Reagan agreement. It would be silly to say that everything in it is bad. I am not ready to say that. I did not say it and I will not say it. But I am allowed to "stand on guard for thee". I say to you, the young people, it is your Canada that is at stake in the trade agreement. It is your Canada that is at stake in the kind of day care we want for Canada. It is your Canada that is at stake with these kinds of Bills, especially this one. This Bill is the most important thing because this is what influences people. How can we be denied the right to debate a little longer than three or four speakers for something that is—

[*Translation*]

. . . that goes straight to the roots of our Canadian identity? I am certainly not ashamed of taking part in the debate at the

very last minute, because I thought the Government would say: Listen, we are going to call an election, enough is enough!

[*English*]

Enough is enough. How many more Bills does my dear friend have up his sleeve to try to ram through the House? Is he going to bring in Bill C-79? I had the honour to be the Chairman of the legislative committee on the reform of the Election Act. Is he going to bring another Bill forward? I would say, please, Madam Speaker, enough is enough. Please let us study this more attentively.

[*Translation*]

The Acting Speaker (Mrs. Champagne): I must interrupt the Hon. Member. The period provided for questions and comments has now expired.

[*English*]

Mr. Howard McCurdy (Windsor—Walkerville): Madam Speaker, thank you, for giving me this opportunity to speak in debate on this important piece of legislation. One of the most important aspects of this present crisis in Canadian broadcasting is the increasing continentalization of our airwaves. The all-Party standing committee in its report recognized this problem and made a number of strong recommendations to ensure the distinctiveness of the Canadian market. These were not minor recommendations. As the sixth report of the standing committee, chaired by Hon. Member for Edmonton South (Mr. Edwards), noted, these recommendations were parallel in importance to the Canadian content requirements that apply to individual licensed broadcasters. It is a combination of the Canadian content obligations applying to individual broadcasters and the carriage priorities, and other carriage rules applicable to cable, that determine whether the Canadian programming objectives set out in the broadcasting policy can be met.

The Minister explicitly rejected these recommendations to create a distinctive Canadian market. For example, Recommendation 58 said that the Act should be drafted so as to define the essential role of the distribution undertakings as that of distributing Canadian radio and television services in French and in English, both public and private, with first priority given to the public sector Canadian services, followed by private Canadian services.

With the exception of the three-plus-one services already carried, the Act should make provision for the carriage of foreign radio and television services only when the programming they provide is complimentary to that available from licensed Canadian broadcasters and network operators. The Act should also provide for priority to be given to the carriage of services in French and distribution undertakings that serve primarily Francophone subscribers.

Clearly it is the result of the trade deal negotiations that has hamstrung the Minister of Communications (Miss MacDonald). My colleague, the Hon. Member for Vancouver—Kingsway (Mr. Waddell), put forward two motions that reflected the standing committee's and task force's reports to amend this Bill at report stage. They were Motions Nos. 36 and 39.

• (1710)

Motion No. 36 would ensure that all services operating in Canada, including U.S. satellite-to-cable services, are licensed. The House knows, for example, that the U.S. Arts and Entertainment Network is beamed into Canada by satellite and affiliates with cable companies package and sell it to Canadian subscribers. It makes no contribution to Canadian programming and does not need to meet the requirements of the CRTC. In fact, it basically costs A & E nothing to tap the Canadian market.

As the Association of Canadian Film and Television Producers said before the standing committee:

> It would be consistent with the government's stated policies for broadcasting in Canada to require all broadcast services available in Canada to be subject to CRTC regulation and approval. The CRTC has a demonstrated sensibility to the needs of broadcasters and the government's policy priorities. We should all be confident in the Commission's ability to develop a realistic licensing process for foreign satellite-to-cable services coming into Canada, given a solid legislative base.

That is what Motion No. 36 sought to do.

More important than this, however, was Motion No. 39. This motion would have ensured that, with the exception of the three plus one American networks, NBC, CBS, ABC and PBS and border stations, that carriage of foreign stations should only be provided by cable systems if the programming they provide is complementary to that available from licensed Canadian broadcasters and network operations. This motion is in part a response to the continuing penetration into the Canadian cable market by U.S. services. In particular, I am referring to the recent decision to license U.S. superstations which provide the unique service of Beverley Hillbilly reruns 12 hours a day in addition to Atlanta Braves, Mets and other baseball games.

As the producer groups rightly said when they came before the legislative committee, this will have a highly negative effect on the ability of Canadian producers to maintain a distinct Canadian market. To quote Sam Jephcott of the CFTA:

> Canadian producers have relied on the "cordon sanitaire" that kept such channels out of Canada in the past, an advantage that allowed them to license original Canadian programming to Canadian broadcasters as well as American ones, without the diminution in value that inevitably occurs when market exclusivity is compromised by transborder signal penetration.

Just as important as the question of a distinct Canadian production market is that of the viability of Canadian local stations such as City TV and specialty stations in the face of competition from directly competing U.S. services.

As I noted earlier, this motion comes from a direct communication of the all-Party standing committee's sixth report. In her response to that report, tabled with this Bill, the Minister gave the following reply, which is in my mind really quite extraordinary:

> The prohibition of foreign radio and television services other than those whose programming is complementary to that available from Canadian broadcasters has not been included in the legislation, since it would unduly restrict Canadians' access to a range of international broadcasting services.

The impact of the Minister's policy is really something quite different. She is simply dead wrong. Her policy will limit Canadian choices and the chance to watch Canadian broadcast services. As the Friends of Canadian Broadcasting rightly put it:

> If this country had adopted such an approach 60 years ago this country would never have developed a separate Canadian broadcasting system except in the public sector.

We are not proposing to stop Canadians from getting complementary services. We just want Canadians to have the chance to provide them. The standing committee, in the sixth report, put it very well, I think, by saying:

> We note that even in the large U.S. market, where service is provided entirely in English, there is only one available service in most programming categories. In Canada, it is beyond question that a Canadian service could not co-exist with a non-Canadian service, especially if the Canadian service is expected to provide a meaningful contribution to Canadian programming.

There was a Conservative majority on that committee, so the question is, what made the Tories—I notice one or two around—change their minds? Well, a group called the Cultural Industries Alliance made up of more than a dozen major cultural organizations has said the following:

> We have already seen evidence of the effect of the trade agreement on existing policies and policy development. This includes the rejection of key recommendation for Broadcast Policy made by the House of Commons Standing Committee—

This brings us to the general question of the impact of this trade deal on our cultural industries. It has clearly had an impact on the Bill before us. The Prime Minister's (Mr. Mulroney) trade deal threatens to change completely the nature of cultural activity in Canada. The Prime Minister has repeatedly claimed that cultural policy was untouched by the trade deal. He has said with apparent pride that the *status quo* has been maintained.

What is the nature of the *status quo* of which the Prime Minister is so proud? Only 3 per cent of film profits stay in Canada, 3 per cent of videocassette sales are Canadian, prime time drama is 2 per cent to 3 per cent Canadian, and 77 per cent of all magazines sold in Canada are of foreign origin. The litany of statistics goes on. No other sovereign country can match this unfortunate situation.

The fact is that the United States has succeeded, in the trade negotiations, in whittling away at Canada's cultural programs as it has whittled away at so much of the character of Canada. As a direct or indirect result of the trade deal talks, the Conservative administration has abandoned its film distribution policy, abandoned the Baie Comeau book publishing policy which sought to repatriate a portion of our publishing industry, reduced the capital cost allowance on Canadian films which the Americans had argued was an unfair subsidy, and rejected a number of important recommendations of the House of Commons standing committee in the recently announced broadcasting policy. Worse, the trade deal effectively blocks Canada from adopting new policies to reverse the foreign domination of our culture so clearly revealed in the above-mentioned statistics.

According to Trade Ambassador Simon Reisman, new measures affecting cultural industries would be scrutinized by both sides to determine whether they are consistent or inconsistent with the agreement. The United States will be able to take retaliatory action of "equivalent commercial effect" against any Canadian cultural program that is inconsistent in its view with the agreement. In effect, it defines as an unjust cultural subsidy any action which costs the United States money.

In the area of communication as in so many other spheres of our relationship with the United States as a result of the trade deal, we are chipping away at the character of Canada and chipping away at those structures which will enable us to determine our own future, not only in the economic sphere but in the cultural sphere as well. What is more, we add to the sad litany of negative effects for our country that have been listed by those of us who oppose this deal.

• (1720)

I was interested in hearing my colleague in the Liberal Party express his pride in our country. That is a pride that I would like to have maintained in my own heart. However, that kind of pride in this country can only be reinforced and maintained if we have those powers and those abilities within our land that will enable us to determine our own future in all spheres, not because we are disinterested in appropriate economic and commercial relationships with other countries but because, if we are to have proper and rewarding relationships with other countries, as other countries have with us, those relationships must be based on the integrity of our nationhood.

This Bill, as so many others, because of a context which chips away at that nationhood, constitutes a failure on the part of the Government that should be the basis for its punishment when after Friday afternoon the Prime Minister, we all hope, will finally get up the courage to go to the polls to determine whether in fact the Mulroney-Reagan trade deal will be the determinant of our future or whether it will be the consciences and the needs of the Canadian people which will determine the future of our country.

Mr. Allmand: Mr. Speaker, in his speech the Hon. Member has stated that this Conservative Broadcasting Act will threaten the capacity of Canada to project its individuality, its soul, its self and, in particular, its capacity to project that individuality up against this massive attack of American media which comes from south of the border to threaten, not intentionally, I believe, Canadian expression or Canadian culture. However, it is a massive attack of radio, television, magazines, and even newspapers. Today I was walking down the street and saw that we now have newspaper boxes for *U.S.*

News Today on our streets. That may become more prevalent if this free trade deal goes into operation.

The Member has very well expressed this threat to our capacity, through broadcasting, to express ourselves as Canadians. I want to make sure that his point is not missed by the Canadian electorate who might be following this debate. Could he give us some more examples of exactly how threatening this Bill is to our capacity to do that. We do not get too many opportunities to put forward our point of view. We do not have the same resources as the Government, and I look on these debates in the House of Commons as one of the few means that we have to expose the weaknesses of the Government's legislation.

I know the Member ran out of time. Perhaps he has some more examples of how serious a threat this Bill is to broadcasting in Canada and the capacity of our country to express its culture and individuality so that we all have something in common.

Mr. McCurdy: Madam Speaker, I thank the Hon. Member for the question. I was much taken with the preamble to his question in which he cited the tremendous impact upon Canadian culture of the American media. I immediately began to reflect upon that most conspicuous of matters treated in recent weeks by the American media, to wit, the presidential election. I like to think of Canada as a tolerant country, a country that accepts dissent, accepts a diversity of opinion. Indeed, I would like to think of Canada as—and please do not misunderstand me, let me make sure that I say this clearly—essentially a small "l" liberal country. I mean that to construe a nation of tolerance, of diversity of ideas and dissent.

We are being bombarded with the notion that somehow it is a sin to be a liberal by an American media which, through this Bill will gain, one way or another, continued and perhaps expanded access to Canada as an audience. It is suggested that to believe seriously that sticking laser weapons and other kinds of contraptions in orbit for war purposes is destabilizing, and to describe it as such and to suggest for a moment that these mass expenditures on weapons constitute a danger to society is somehow bad. They suggest that if every American does not, at every excuse, jump up and recite the Pledge of Allegiance, that is somehow un-American.

I know, Madam Speaker, that just as I and my colleague from Vancouver—Kingsway, you have been aware of what is going on there. That is an election that is based on the notion that a good society is an intolerant society. This may seem like a small thing but I think that most Canadians, were they to realize that this pervasive encroachment of the American media and those kinds of American attitudes have a serious impact on our young people, would be offended by it if they examined it for just a moment.

Surely it is significant to our country that those attitudes, which have developed in another nation with a history quite different from ours, should become determinant in our own attitudes in a country which I consider to be one of the more civilized countries in the world. Inevitably, if we do not enhance the opportunity for Canadians to have greater and greater access to those attitudes which are the foundation of our nation, our nation will be threatened seriously.

I find it offensive to have a trade deal that says that if we attempt to increase the degree to which we communicate our values through our cultural media there will be retaliation from our trading partner, the partner in the economic agreement. That, all by itself, is sufficient reason for rejecting the trade deal.

I do not know whether, in expressing this concern, I have specifically answered the question of my respected colleague, but I thank him for the opportunity to allow me to point out the real impact that the present debate in the United States has on our country through the American media. More important, the content of that debate is so destructive, so pitiful in its disregard even for American values, that I fear the penetration of such a set of values in our own country. Without any means of limiting it, it promises difficulties for us in the future.

Mr. Alan Redway (York East): Madam Speaker, I know you are a much younger person than am I, but I would like you to cast your mind back a few years to remember the first time you or your family owned a television set. If you can remember those days perhaps you can also remember how you got the reception on that set in those days. I know that you have appeared on television yourself many times since then, Madam Speaker, and you are appearing on television right now. I would like you to cast your mind back a year or two to those days when the first television set was acquired in your family and to think of exactly how you got your reception in those days. That is the picture I would like you to have in your mind as I make my comments this evening.

• (1730)

I do not know what you remember about that, Madam Speaker, but I remember quite vividly when my family got our first television set. We had an aerial on the roof. There were some guy wires attached to that aerial to hold it on the roof. They were wrapped around some screws that were sunk in the roof. Sometimes when the wind blew one wondered whether the aerial would come down. Of course, the reception on the television was not very good. After a few years water began to leak where those screws were sunk into the roof. It was not a very satisfactory method of getting television reception.

When my wife and I got our first home, I was rather pleased that it did not have one of these aerials on the roof. It had a big tower on the side of the house. I remember those days very well, when there was a tower up the side of the house on which there was a television aerial. That is how we used to get our signals for television reception.

That was fine in our family for a while, but one day, not too long after we moved into our house, our three-year old

daughter, Kim, was playing in the yard. My wife and I were looking out the back window from the second story and suddenly a face appeared at this window. It was our three-year old daughter, Kim, who climbed up the television tower and was looking in the window at us. As a result of that we decided that that was not a very good way of getting our television reception either and in fact it would be better to make a deal with a cable company and have them string some cable into the house to get our reception that way.

That is the way many people, particularly in urban centres, get their television coverage these days. When you become a cable subscriber sometimes you feel a little as though you might be a captive of the cable company, perhaps a captive of the CRTC because the CRTC regulates the cable companies and allots the territorial franchises for those companies so that there is inevitably just one cable company where you live. You must buy your television signal from one television cable company and you do not have any choice. As a result of that the companies can dictate the kind of programming you get. They set the rate for the cost of that programming and, of course, they do that in conjunction with the CRTC that regulates those companies. That programming is set in a way that sometimes we do not always appreciate.

I do not know whether you have heard from your constituents on that subject but I have heard a lot from my constituency in the last few months about changes in the kinds of stations that are now being received and changes in the rates being charged. Senior citizens in particular, who watch a lot of television, feel rather upset and concerned that they are being dictated to by the cable companies and the CRTC.

People who live in a single family home have another alternative to a cable company. It is the satellite television receiver by which people can bring in signals from everywhere. They do not have to rely on a cable television operation and do not have to pay the cable company. They are not a captive of cable television because they have the right to install their own dish in their own yard.

The interesting part of the satellite receiver is that it is not regulated by this Bill we are discussing this evening, Bill C-136. The Bill exempts from regulation an individual homeowner who might want to put a satellite dish in his or her yard. Individual homeowners like me and others are not governed by the provisions of this Bill. We do not stand to be regulated or licensed. We do not stand to pay a fee. In fact, this Bill exempts single family homeowners specifically from that kind of regulation.

However, people who live in a condominium apartment or townhouse, who are homeowners just like individuals in a single family detached dwelling, would not have an alternative to cable television. They would become subscribers to cable and subject to all those rules and regulations of cable. They could be subject to having to buy the same kind of programming that those cable companies give to everyone else. They could be subject to paying the fees and the increased fees each year that cable companies seek and which seem to be inevitably approved by the CRTC. They do not have an alternative of a dish or satellite television receiver that a single family detached homeowner would have, unless it was regulated.

The Bill we are discussing tonight regulates condominiums. It does not specifically exempt them from the provisions of the Bill as it does with single family homeowners. That is discriminatory. People who live in condominium apartments and townhouses feel very keenly that they are being discriminated against by this Bill. It is true that if each condominium owner decided to own his or her own satellite dish they would not be regulated. If there was a complex with 40 units and there was a dish on each of the 40 balconies or 40 dishes sitting on the roof, they would not be regulated. They would be considered to be exempt under the terms of the Bill.

However, because there may only be one, two or perhaps three dishes for the whole complex, whether they be townhouses or apartments that are owned just like you or I own a single home, they are subject to regulation. They are subject to be licensed and pay fees. It is not so much that condominium owners feel it is wrong to pay fees, wrong to be regulated or wrong to be licensed, but that they should be treated exactly the same as owners of single family dwellings. I agree with them very strongly. Otherwise, they are being discriminated against.

Condominium owners have gone through this battle many times in the past. They have gone through this battle with respect to property taxes. The House may be aware of the appeals that have been taken by condominium owners against assessments for municipal property taxes based on the fact of discrimination, on the fact that originally when all these condominium complexes were assessed for real estate taxes on a municipal basis they were assessed on the same basis as if they were a business, not as if they were single homes. They were assessed as if they were generating some sort of profit out of this. As a result, they were given the same type of assessment that a rental apartment building would have been given, a building in which there is an owner and tenants, in which the owner charges not only rent to cover the costs but to make a profit.

• (1740)

Condominium complexes originally, and there are probably some still today, were assessed on the same basis because they look like an apartment complex. They were assessed on the same basis as an apartment complex with the assumption that there was some sort of a business profit being generated. It was thought they should have a higher assessment than your home, Madam Speaker, and mine, a single-family detached dwelling.

Of course, condominium owners fought against this and fought against it very hard. There were appeals one after another in my province from city to city, from neighbourhood to neighbourhood, from complex to complex. Eventually, in

most cases, certainly in my own constituency, those condominium owners were successful in having their assessments reduced to something comparable to that of your home and mine, Madam Speaker, single-family detached homes and dwellings.

They have been used to this sort of discrimination between single-family home owners and condominium owners over many, many years. They do not like it. It is quite natural that they do not like it. That is why they are upset with this Bill, just in the same way that they were upset with their real estate taxes many years ago, and perhaps to some extent upset with them today because of that discrimination.

You may or may not be aware, Madam Speaker, that many of these complexes were discriminated against, as some undoubtedly are today as well, as far as garbage collection is concerned. Once again municipalities treated them as if they were a profit centre, as if they were a business, as if they were an apartment building with an owner who was generating some profits. The concept for many years with those types of buildings was: "Look, we will charge you some taxes. The taxes may be higher than you might otherwise pay if this were a single home, but you will have to pay this high rate of taxes, and there are certain services we will supply you with". One of those services was garbage collection.

The garbage truck, sanitary engineers from the municipality, did not go around to the apartment buildings to pick up the garbage. That was not part of the tax bill. That was an extra that the apartment owners had to arrange for, had to pay for separately apart from regular garbage collection service. He or she then had to charge that back to the tenant and increase the rents in order to do so. It was the same concept that municipalities originally took with respect to condominiums, whether it be an apartment complex or townhouse complex. It was the same theory that was applied, which was that condominiums are a different sort of animal from the single-family detached home.

Condominium owners fought against that kind of discrimination as well. Eventually, they won, at least in my constituency and in my municipality. They may still be fighting those battles in some other municipalities across the country, but in mine they won.

It is against this background of discrimination, this background of a matter of high principle for condominium owners, a principle which says that they should be treated exactly the same as any other home owner, that they view this Bill. They view it as gross discrimination against them as condominium owners.

This piece of legislation and the particular problem of discriminating against condominium owners with respect to television reception in terms of satellite TV receivers did not start today. It did not start with this Bill. It did not start four years ago with this Government. Quite frankly, it started many years ago with the former Government, the Liberal Government, and the Broadcasting Act which this Bill is aimed at amending and replacing. That sort of discrimination between single-family home owners and condominium owners was inherent in that legislation, as well as in the legislation that was put in place by the former Liberal Government. Condominium owners did not just suddenly rear up and get excited when they saw this Bill for the first time as it concerns this issue. This is an issue that has been going on with them for years and years. In fact, it has been going on since the early eighties at least.

I recall that when I first made it known that I was going to be standing for Parliament in the last election, representatives of condominium complexes in my riding came to me. They outlined the problem for me and showed me the problem that was in the present legislation that had been put in place by the former Government. They said: "For Heaven's sake, we are counting on you. We are counting on a new Progressive Conservative Government to correct this wrong and to make sure that there is no discrimination in the future".

I took that message and conveyed it to the then Leader of the Official Opposition, the Present Prime Minister (Mr. Mulroney). I conveyed it to him in the form of letters that I wrote to him. I conveyed it to him in private meetings. As you may recall, Madam Speaker, I have conveyed it to him publicly in this House during this debate, the debates that have preceded this one and in statements that I have made in the House pursuant to Standing Order 21.

I have tried my best to get the message across that what the Government is doing here is viewed very vehemently and strongly by condominium owners not only in my riding but across Canada as gross discrimination.

I would like to add here that about 5 per cent of the population of Canada—5 per cent of the 25 million or 26 million who live in this country—live in condominiums. We are talking about something in excess of one million people who are potentially affected by this provision in the Bill, a million people in the country who feel that they are discriminated against as a result of this Bill.

It was not just with the Prime Minister that I expressed these concerns. I expressed them with every Minister of Communications and Culture that we have had since the Government took office in 1984. I have had meetings with those Ministers. I have had meetings with their exempt staff and their political staff. I have had meetings with their department officials. I have had meetings separately on my own and I have had meetings collectively with numerous other Members of Parliament who share this concern that I have on behalf of our constituents. It would seem that they have all been to no avail.

Initially, it appeared that we were making progress. You will recall, Madam Speaker, that early on in the mandate of the Government there was another Bill concerning broadcasting, Bill C-20. That particular Bill had inherent in it the same discrimination aspects as this Bill has with respect to condominium owners.

It was as a result of that particular piece of legislation and the meetings that took place around it within the Progressive Conservative caucus that an organization called the back-bench committee was formed. It is a committee which has been subject to a great deal of discussion, a great deal of debate. Some people, including my friend from Ottawa—Vanier, has characterized it as the dinosaur club of the Progressive Conservative Party. If we are the dinosaurs of the Progressive Conservative Party, we were born as a result of concern arising out of this issue, the issue of cable television, broadcasting, et cetera.

What has to happen is that we must have some changes made to this Bill or we have to see it die. That is what happened to Bill C-20. It died on the Order Paper when the first session of the Thirty-third Parliament came to an end. That Bill was allowed by the Government to die on the Order Paper. At that time it had apparently seen the light. But it did not because subsequently, as we can see, there was this new Bill, Bill C-136. Here we are at third reading. There are a great many people—over one million—in the country who are condominium owners who would like to see this Bill die on the Order Paper. Quite frankly, that is their last hope, their last gasp.

• (1750)

I see that you are giving me the time signal, Madam Speaker, but I hope perhaps somebody will ask me a question and allow me to make one or two further points.

Mr. Gauthier: Madam Speaker, the Member got my attention when he mentioned my riding of Ottawa-Vanier and referred to my identifying some members of his caucus as dinosaurs. At the time I thought that indeed on the language issue, on Bill C-72, the people who were and are opposing certain amendments to the law of the land were indeed people who spoke of prior times or who represented possibly some thoughts or some trends that were with us many years ago, but he has now enlightened me by telling me that indeed it started with the back-bench committee. I remember that one too, so I thank him for reminding me of the historical significance of the dinosaur dynasty in the Progressive Conservative Party.

I know that the Member has a great interest in the condominium question on Bill C-136. I know that he has had a number of constituents call and write to him, and he has made us aware of the numerous interventions of his constituents.

He is certainly aware that our concerns have been similar to his in dealing with the wording of the definition of "distribution undertaking" in Clause 2(1), which, when taken together with Clause 4(3), would clearly bring the MATV, the master of TV systems, under the Act to the extent that they receive and distribute broadcast signals.

I want to quote something from the Canadian Bar Association's brief which I have before me and which impressed me as being somewhat enlightening and revealing of what, I would suppose, a very good body of lawyers would have to say about the subject of Bill C-136. I may want to ask the Member to comment on that.

They state in their brief to the legislative committee on Bill C-136, "There continues to be an omission in the Act, namely the situation where an apartment or hotel distribution system, either using encrypted radio signals or a closed circuit cable system, provides programs solely to the tenants of the apartment building or the guest rooms of an hotel. Constitutional issues aside, in that case, the new Act would not apply to the system because the signals would probably not be thought of as being intended for reception by the public". That is the end of the quote from the testimony of the Canadian Bar Association.

I wonder if the Member, who I think has a good background in law—I do not know if he is a lawyer, but he impresses me sometimes with his arguments—could explain to us if he has had any representations or comments from lawyers dealing maybe with the legalistic point of view here. It may be narrower than saying, as he has been telling us in the House, that indeed we should treat condominium owners as single-dwelling property owners are treated, that is, having the right to utilize the MATV systems.

I wonder if he could bring us up to date on the legal approaches to this Bill. Is he satisfied, for example, that there is a fuzziness to the Bill that would make it possible for a court to have to pass judgment on the interpretations of these clauses, and is there a danger that we are indeed going to be finding ourselves in a legal mess, in a few months or a few years down the road, with this wording of the definition of distribution undertaking, in Clauses 2(1) and 4(3)?

Mr. Redway: Madam Speaker, I thank the Hon. Member for Ottawa-Vanier (Mr. Gauthier) for his comments. I might say that the Canadian Bar Association's brief and their comments were made to the legislative committee dealing with this Bill before amendments were made to that clause that the Hon. Member referred to, the distribution undertaking clause.

In that committee, on the clause-by-clause passage of the Bill, there was an amendment made to this clause, as the Hon. Member knows, which added to the end of the definition of distribution undertaking the words "or dwelling unit, or to another such undertaking".

The purpose of that amendment, of course, was to try to solve the problem that had been pointed out by the Bar Association and raised by the Hon. Member, to take the fuzziness out of that definition. But in taking the fuzziness out of the definition, it in fact made it quite clear, in the eyes of the lawyers for the Department and in the eyes of the public, that what they were doing was excluding specifically single family home owners and not excluding other people.

In fact, I appeared in committee and put questions specifically to the lawyers from the Department of Justice who were there with respect to this Bill. I asked them if the wording "distribution undertaking", as amended at that committee, would catch something like a senior citizens' home. He said

yes, of course. A senior citizens' home would have to be regulated and licensed and pay fees if it had one of these dishes.

I asked similarly if it would catch a hotel and that sort of thing. Again, that was the same story. There has been this effort to clarify it, but in so clarifying it, it has reinforced the discriminatory aspect of the Bill.

In fact, it is interesting to note that in dealing with this Bill and in seeking advice from the Minister as to how this Bill is going to be applied, the Minister has told me and told every condominium owner who has contacted her in this regard, "Have no fear about this Bill. You will be excluded from this Bill by regulation".

We know, of course, that the Bill catches you and regulates you and it may license and require you to pay a fee. But she said, "Don't worry about it, because we are going to pass a regulation that will exclude you. So there is nothing to worry about".

Why is it, the condominium owners ask, if we are going to be excluded anyway by regulation, that we do not put it specifically in the Bill and say that it is quite clear, you are excluded by legislation, not by regulation?

For some reason the Minister does not seem prepared to do that. The condominium owners attribute the Minister's statement to the cable companies. They say it is because of the cable company lobby and that this country is not being run by a government of the people, by the people, for the people, but in fact it is being run by the cable companies, and it is a government of the cable companies, by the cable companies, and for the cable companies, and that in fact this sort of thing is discriminatory and a real disappointment to condominium owners across the country, and it is to me, too.

The Acting Speaker (Mrs. Champagne): The period for questions and comments is now concluded. We will now proceed to the adjournment debate.

• (1800)

PROCEEDINGS ON ADJOURNMENT DEBATE

[*English*]

REFUGEES—CASE OF FRANCESCO PIPERNO SENTENCED FOR TERRORISM BY ITALIAN COURT

A motion to adjourn the House under Standing Order 66 deemed to have been moved.

Mr. John Oostrom (Willowdale): Madam Speaker, the abuse of Canada's immigration system by individuals who are undesirable, both in Canada and in their native countries, is becoming a major problem bordering on a serious crisis.

Francesco Piperno, a noted Italian terrorist, successfully stayed in Canada for more than seven years. He was convicted in Italy of complicity in the murder of former Premier, Aldo Moro, in 1978. Mr. Moro was elected to office by open, democratic elections. Italy had had a democratic Government since World War II, and any changes to its society are made by the ballot box and not through violence.

The Red Brigades, of which Mr. Piperno was a member, was committed to a communist revolution to be achieved by violent means. Democracy meant nothing to these committed terrorists. Their only objective was to destroy freedom and replace it with their own notions of tyranny. The Red Brigades were noted for their terror tactics which were responsible for killing hundreds of innocent human beings.

Therefore, it is ironic that Mr. Piperno, who despised democracy, would choose the democratic system which guarantees all people freedom, to defend him from being returned to Italy to stand trial. Mr. Piperno came to Canada and claimed refugee status. The Italian Government issued a warrant for his arrest for his role in the murder of Aldo Moro, the former Italian Premier, and it attempted to extradite him in 1983. In fact, for more than seven years Mr. Piperno used all the legal means at his disposal in Canada to avoid having to return to Italy to stand trial. Mr. Piperno was even able to land a job teaching physics at the University of Alberta while he continued his fight to stay in Canada. The final irony, he applied for refugee status, refugee status in a democratic country.

Mr. Piperno's case is a celebrated one. However, this occurrence is becoming more widespread in our immigration system. Individuals with criminal records, notorious criminals, murderers, and terrorists are taking advantage of our laws to escape prosecution in their own lands.

This is not right. If an individual commits a major crime in another country, that individual must be punished in the country where the crime was committed, if he can be assured of a fair trial. Individuals cannot be allowed to circumvent justice by escaping to Canada and using our legal system to avoid punishment for their deeds. The Canadian public must be protected from these types of individuals. We Canadians are a very generous group of people who place the rights of the individual above all other commitments. Thus, we have a major quandary on our hands.

At what stage do the rights of a society supersede the rights of an individual? We must remember that the individuals with whom we are dealing are not Canadian citizens or landed immigrants. Should those individuals who are not Canadian citizens or landed immigrants be granted the same rights and access to protection of Canadians laws as are available to all Canadians? Should Canadians be allowed to foot the bill for those individuals who are deliberately using our system of justice to evade punishment for a crime committed in their native country?

I believe that as legislators it is our duty to address this very serious problem, for it relates directly to the society we want for Canada. At present, due to the past policies of the previous Liberal Government, and the intransigent actions of the other place on Bills C-55 and C-84, our system has become inundated with false claims by individuals with unsavoury backgrounds. This, in turn, has sent out a false message to the world that, if one can get to Canada, one will have at his or her disposal all the mechanisms enjoyed by Canadian citizens and landed immigrants.

In addition, individuals who use Canada's immigration laws and legal system to escape prosecution for capital offences committed in foreign lands, create a negative impression of our system of justice. Canadians have every right to ask whether a dual system of justice is being practised. The taking of an innocent life in another country is the same as taking that life in Canada. Murder is a capital offence in all civilized societies, regardless of the political stripe of a government.

If one can escape to Canada after committing a murder, are we in effect condoning that crime, if an individual is somehow successful in staying in Canada? What if an individual who has committed a crime and has managed to escape to Canada and while using our legal system to gain status here, commits another murder? Who is responsible for the termination of an innocent life? The individual would still be alive if the perpetrator of the crime had not been allowed access into Canada and used our legal system to further his or her position. Therefore, even though the Government has passed legislation which will stop the cheaters and criminals of the world from entering Canada under false pretenses, further action is required. We need short-term measures which will prevent abuse of our immigration system until January 1, 1989 when the provisions of Bill C-55 and Bill C-84 come into effect.

• (1805)

Second, all individuals in Canadian jails who are fighting extradition to other countries for committing a capital offence should be sent back. Charles Ng is a prime example of an individual who committed the most heinous crimes in California and is still in Canada after four years of fighting extradition to the United States.

Third, any individual who commits terrorist acts in countries which have democratic Governments should be returned to those nations.

Fourth, all terrorists who commit crimes against innocent civilians, such as airplane hijackers, should be returned to those countries to face justice.

The message must be clear to all that Canada only wants those who are peaceful and law-abiding. Individuals who do not meet this criterion need not bother to come to Canada for they will be sent back. Canada was built by those individuals who had the greatest respect for the law. It is up to us as legislators to ensure that Canada continues this tradition. Our democratic institutions are our greatest asset and sometimes one of our weaknesses, but the more we recognize how fragile our democratic institutions really are, the more we will do to strengthen them. I am certain that our immigration system will once again acquire a worldwide reputation of being fair and accessible by those individuals who possess all the qualities which will continue to strengthen Canada.

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Madam Speaker, I would like to thank the Hon. Member for following up on his question. When he asked the question in May of 1987, the Minister could not give a full and complete reply because the case was before the Immigration Appeal Board. Subsequently, Mr. Piperno voluntarily left Canada, in January of this year, and withdrew all of his legal applications.

I guess this emphasizes the reality that someone can come to Canada as a visitor and despite being convicted of a very serious offence which resulted in a ten-year sentence, remain in this country until January of this year. It emphasizes for the House and Canadians the problem with the law that was on the books prior to this Parliament's action early last fall and the Senate's subsequent concurrence in our judgment a year later. It is a bit of a shame that the Senate took so long to approve legislation passed by democratically elected members of this Chamber, and we have to live with the consequences.

I would like to pay tribute to the Hon. Member. I served with him on the Standing Committee on Employment and Immigration. He has had a longstanding interest in helping change the legislation so we could separate the true immigrant and the true refugee from those who would abuse our system. He brought to our attention a case of what he viewed to be abuse, and I am pleased to report that the law has been changed and the man in question has left the country and is currently serving his sentence in Italy.

EXTERNAL AFFAIRS—ESTONIA—RECOGNITION OF HONORARY CONSUL GENERAL

Mr. Alan Redway (York East): Madam Speaker, have you been nominated as yet for the upcoming election? I am pleased to hear that. That is good. I have as well. I was nominated in a wonderful community centre in my riding called the Latvian Cultural Centre. That is really a great spot. I hope you will have an opportunity to visit it one day because it is the centre of the Latvian community in my riding and in Metropolitan Toronto. They have all sorts of Latvian cultural activities, language classes, history classes and dancing classes. I know you would enjoy them. As well, it is really a community centre for the whole neighbourhood. In fact, I have had fund raising dinners there, I think about six. I was nominated there in 1982 and again earlier this year. It is a very active place and a great spot in our community.

One of the reasons it is located there is that it attracts an awful lot of Canadians of Latvian origin who live in nearby neighbourhoods. I have a lot of Canadians of Latvian origin in

my constituency. Interestingly enough, just outside my constituency is the Estonian Cultural Centre, called Estonia House, on Broadview Avenue. As a result of that, of course, there are a lot of Estonian Canadians who live nearby as well. In addition, we have a goodly number of Lithuanian Canadians.

• (1810)

You are aware, Madam Speaker, that Canadians of Latvian, Estonian and Lithuanian origin are called Baltic peoples. They come from the Baltic nations, if you will, and in fact I suppose something like 2.1 per cent of all my constituents could be described as being originally from the Baltic states. I am sure you are aware, Madam Speaker, that back in the 13th century—that is quite a way back and we have to look at history—Estonia, Latvia and Lithuania were independent countries. After that they became dominated by one neighbouring country after another and lost their independence but never the goal of freedom and independence.

After the First World War in 1918, Estonia, Latvia and Lithuania became once again sovereign, independent, free nations. They remained that way until the Second World War, in fact, until 1940, when the Red Army of the Soviet Union invaded them and in so doing broke three peace-keeping treaties or non-aggression pacts with those three nations. Those Baltic states were devastated by the Soviets. In fact, in one month alone in the year 1941, while the Soviet Red Army was occupying those three countries, over 100,000 people were sent off to labour camps. Thousands were imprisoned, tortured or murdered.

On top of that, in 1941 the Nazis invaded and wreaked the same sort of devastation. About 300,000 Jewish residents of those three nations were deported or executed during the Nazi occupation of Estonia, Latvia and Lithuania during the Second World War.

After all that came the Yalta Conference in which Mr. Churchill, Mr. Roosevelt and Mr. Stalin got together and divided up Europe into spheres of influence, deciding that Estonia, Latvia and Lithuania should be in the Soviet sphere of influence. Immediately after that, within the next few years, with the Soviet troops again occupying those countries, something like 500,000 people of Estonian, Latvian and Lithuanian origin were deported to the Soviet Union. Between 1940 and the early 1950s about 10 per cent of the total population just disappeared, deported to the Soviet Union.

Canada recognized the independence, sovereignty and freedom of those three Baltic states, namely, Estonia, Latvia and Lithuania. When they were taken over and occupied by the Soviets, Canada never recognized that illegal annexation or occupation. We have always considered, as far as legalities were concerned, that those three countries should remain independent nations.

Each of those nations has an honorary Consul General here in Canada. Up until 1972, those honorary Consuls General of Estonia, Latvia and Lithuania here in Canada were officially recognized and listed in a publication of the Department of External Affairs called *The Diplomatic Corps and Consular and Other Representatives in Canada*. However, since 1972, they have not been listed in our Canadian diplomatic directory. That is not so in other countries. For instance, the United States and Australia officially recognize the honorary Consuls General of Estonia, Latvia and Lithuania to those countries. Here in Canada, since 1972 when we dropped them from our official recognition list, we have been thinking about it and considering whether we should put them back on the list and whether we should in some way recognize them again.

• (1815)

It seems rather strange that for 16 years now, Canada has been thinking about this and wondering about it, and Canadians of Estonian, Latvian and Lithuanian origin and many others including me wonder if it is just that we are slow thinkers and learners in Canada. What is going on that it is taking so long, or is it really that we are lacking in courage? Is that the whole reason for it?

Recently, even Mr. Gorbachev, the Secretary General of the Soviet Union, seems to have had more courage with respect to Estonia, Latvia and Lithuania than we Canadians have had. In fact, recently Mr. Gorbachev has allowed Latvia, Estonia and Lithuania to ask publicly to be made sovereign states and have sovereign status, to have representatives at the United Nations, to have representation at the Olympics, to have control of their own press and to have control over foreign travel and their own military and secret police. He has allowed Estonia actually to set up a commission to investigate the status of the deportations.

Why is it that Mr. Gorbachev has all this courage? If Mr. Gorbachev can have all this courage, why can't Canada have the same sort of courage and recognize in our diplomatic registry the Honorary Consuls General of Latvia, Estonia and Lithuania? Why is that?

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister for External Relations): Madam Speaker, first, I think that I should congratulate my colleague from York East (Mr. Redway) for the excellent presentation he has just given us on Estonia, Latvia and Lithuania. I would like, perhaps, to remind his constituents that in defending them so vigorously, he shows, I think, how sensitive he is to the ethnic communities and how welcoming Canada is as a country, one that is built on such ethnic communities.

And that also is why the Secretary of State for External Affairs (Mr. Clark) had the pleasure to reiterate in the House the policy of the Canadian Government on the Baltic States of Estonia, Latvia and Lithuania. He clearly stated at the outset that we have no intention to recognize *de jure* the occupation of these countries by the Soviet Union since 1940. However, like all Canadian Governments since that time, we recognize

their *de facto* annexation, because the Soviet Union exercises its authority over this territory.

This statement of principle is based on some concrete actions. The Government continues to allow acting honorary consuls from Estonia, Latvia and Lithuania to perform their duties in Canada.

Official relations with the authorities of the Baltic States are limited. No Canadian ambassador goes to the region. Other Canadian officials who go there avoid relations with the local authorities as much as possible.

Special procedures have been established to make it easier for Baltic representatives in other countries to come to Canada in the exercise of their duties.

Estonia, Latvia and Lithuania may be shown as acceptable birthplaces on Canadian passports and immigration documents.

To reassure my colleague from York East (Mr. Redway), these measures and others show that Canada still refuses to accept Soviet control over the Baltic States, and Soviet authorities are fully aware of that.

As to the listing of Acting Honourary Consul Generals of the Baltic States in the Department of External Affairs publication entitled "*The Diplomatic Corps and Consular and Other Representatives in Canada*", our policy is not to delete the names already listed but not to add the names of new consuls. Successive Canadian Governments did review the question and decided to maintain this policy.

In conclusion I would say that the Minister is very much aware of the concerns voiced by Canada's Baltic community and, without losing sight of the wider consequences relating to our foreign policy, he will certainly make it a point to take them under very serious consideration on every appropriate occasion.

The Acting Speaker (Mrs. Champagne): The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 3(1).

The House adjourned at 6.21 p.m.

HOUSE OF COMMONS

Wednesday, September 28, 1988

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

HOUSE OF COMMONS

TRIBUTE TO MADAME THÉRÈSE KILLENS

Mrs. Lucie Pépin (Outremont): Mr. Speaker, if the rumours we are hearing are true, the Thirty-third Parliament will be dissolved in a matter of days. Twenty-seven women out of a total of 282 Members were elected to the House of Commons.

• (1405)

[*English*]

I rise today to pay tribute to three of my colleagues who will be leaving this House shortly. I speak of Madam Thérèse Killens, the Hon. Pat Carney, and Miss Pauline Jewett. All three have played a very important role in leading the women of this country into public life. Their insight and intelligence have helped in the formulation of policy and legislation, and the fair and lucid critique of legislation once formulated.

[*Translation*]

Thérèse Killens was dedicated to the cause of the disabled and the homeless. She did not make a lot of noise, but we remember her for her effectiveness and for what she accomplished in the area of pensions for women working in the home.

[*English*]

Pauline Jewett will be remembered for her work in both judicial committees and constitutional committees. At a time when women managed to mobilize their forces to entrench the basic right to equality in the Constitution, it was noteworthy that women such as Pauline Jewett provided courage, strength, and inspiration.

Pat Carney, who was at the forefront of one of the most important debates facing the country, should also be lauded for her ability to hold her own and be fair, for her ability to voice her opinion and to be heard, as well as for her ability to listen.

To all of these women I wish good luck in their future endeavours. As a recent arrival in politics, I also extend my many thanks.

HUMAN RIGHTS

INDIA—PLIGHT OF DETAINED CANADIAN CITIZEN

Mr. Bob Pennock (Etobicoke North): Mr. Speaker, the protection of its citizens is a valued right in any country. In this regard concern is being expressed by Canadians and an international human rights organization about the plight of a Canadian citizen, a resident of Etobicoke North. I refer to Balkar Singh in detention in India since November 2, 1987.

The renowned international organization, Amnesty International, in a report last month urged the Indian Government to release him or charge him, and bring him to trial under normal judicial procedures, with all customary legal safeguards.

While recognizing the efforts of the Government to obtain consular access to the detainee to ensure adequate medical treatment and cessation of torture, I would like Members to join with me in urging the Indian Government to bring Balkar Singh to trial at the earliest opportunity, and urge the Government of Canada to continue in its worthy efforts to bring the matter to an early resolve.

* * *

THE LATE GEORGE GRANT

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, Canada has lost one of its best patriots and best philosophers in the death of George Grant.

The man who wrote *Lament for a Nation* in 1965, lamenting the capitulation of Canadian identity and values to American pressure, is now to be lamented for himself by many Canadians who saw and heard in George Grant and his writings someone who understood what Canada had been about, and what we could be if we resist rather than give in to the temptation of continentalism, the American technological ethos, and the poverty of spirit that lies at the root of advanced liberal capitalism.

George Grant was one who understood the modern mind, who could discern and explore the moral fault lines and crevices of what the modern mind takes for granted as objective reality, but which is really no more than a collectively held uncritical belief.

In his books, *Technology and Empire*, *English-Speaking Justice* and *Technology and Justice*, he has given us a warning, too often unheeded, about the new tyranny that we court by turning our backs on the best of our philosophical and political traditions.

If the Canada-U.S. Free Trade Agreement goes through, George Grant will have been spared from the final assault on the Canada he loved. If it does not, perhaps there is yet time to recover and play reveille for a country saved and a philosopher vindicated.

* * *

• (1410)

ROYAL CANADIAN MINT

PLATINUM MAPLE LEAF COINS

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, the Royal Canadian Mint enjoys a proud reputation as one of the foremost producers of high quality precious metal coins in the entire world. Maple Leaf gold coins are sought out by coin collectors, investors, and those looking for a secure store of value.

Canada is a major producer of platinum, so it is only natural that we should also get into the platinum coin business.

Last Thursday's special striking ceremony initiating the production of platinum Maple Leaf coins, marks, I am sure, the start of what will be another highly successful venture by the Royal Canadian Mint.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

POLITICAL PARTIES

THE LIBERAL OUTLOOK

Mr. Jean-Claude Malépart (Montréal—Sainte-Marie): Mr. Speaker, this morning the Leader of the Official Opposition (Mr. Turner) our future Prime Minister after the election, announced with pride the platform of the Liberal Party with respect to the environment, quality of life and professional ethics. What I find particularly heartening is that the future Liberal Government will correct the injustice to the elderly and families on middle and low incomes perpetrated by the Conservative Government.

Mr. Speaker, this morning I was proud to join the Leader of the Liberal Party in announcing the forty objectives of our Liberal vision. The people will have to choose between a sleazy, dishonest Conservative Government and an honest Liberal Government.

[*English*]

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—POSITION OF LEADER OF THE OPPOSITION

Mr. Rob Nicholson (Niagara Falls): Mr. Speaker, the other night I was surprised and disappointed to hear the Right Hon. Leader of the Opposition (Mr. Turner) state that Canada's ability to protect its environment is somehow threatened by the free trade agreement. That is a bunch of nonsense.

For the Leader of the Opposition's benefit, let me refer to the agreement:

> Import and export control measures can be justified when it is "necessary to protect human, animal or plant life or health (such as measures to protect the environment or endangered species)".

Instead of trying to scare people, why doesn't he start listening to B.C. Liberal Senator George Van Roggen, former Liberal cabinet Minister Gerald Reagan, the Liberal Premier of New Brunswick, the Liberal Premier of Québec, and countless other Liberals who agree that this agreement is good for Canada? Otherwise I think it is going to be very bad for the Liberal Party.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE ACT

DAY CARE BENEFITS—FEDERAL COURT DECISION

Mrs. Marion Dewar (Hamilton Mountain): Mr. Speaker, last June the Federal Court of Canada ruled that the Unemployment Insurance Act was unfair to natural parents because it denied them the benefits for child care enjoyed by adoptive parents.

This decision makes a clear distinction between maternity benefits, which are received by women for health reasons, and parental benefits, which are paid to adoptive parents for the child's care and emotional development.

[*English*]

The Conservative Government has until September 30 to appeal this decision, if it wishes to take such a retrograde step. New Democrats hope that instead the Government will listen to groups such as the Canadian Labour Congress, the Canadian Advisory Council on the Status of Women, and the National Association of Women and the Law, and accept the ruling by implementing parental leave for Canadian parents without jeopardizing maternity leave benefits.

This move will finally ensure that Canada provides child care benefits already available in other industrialized countries.

* * *

POLITICAL PARTIES

SALES TAX REFORM—POSITION OF LIBERAL PARTY

Mrs. Mary Collins (Capilano): Mr. Speaker, so the Liberals are starting to unveil their election promises and their Leader says that they would not proceed with sales tax reform. They would instead tinker with the present 12 per cent manufacturers' sales tax, perpetuating its unfairness, continuing to disadvantage our domestic manufacturers.

Perhaps the Leader of the Opposition (Mr. Turner) should check with the members of his Party who sit on the Finance Committee with me and have shown considerable interest in substantial sales tax reform. But splits on Party policy are not new to the Liberal Party.

Of course, what else could we expect from the Liberal Leader, who, when he was Minister of Finance in the 1970s, was the "Father of the Deficit", raising expenditures nearly 30 per cent per year without increasing revenues, starting the inflationary spiral which led to the recession earlier this decade.

Once again the Liberals have shown that they are the Party of the past, with policies to hurt exporters, to kill jobs. Old ways, old times—Canadians will not be fooled. They want, they demand better.

* * *

• (1415)

EDUCATION

TAXATION OF SCHOLARSHIPS

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, education ought to be a priority for all Governments. We on this side of the House place a high regard on the educational institutions in our country. We also have an understanding of the financial sacrifices that students must make while studying at a post-secondary institution.

It was with some dismay that I learned that the Government taxes graduate scholarships. Recently I received a letter from a graduate student in Sudbury, Ontario, who had received a $9,000 scholarship for her studies in 1987-88. When she completed her tax return she found that she had to pay $2,000 in taxes. Mr. Speaker, this is unjust. The Government should encourage academic excellence in our youth. This can only benefit the country as a whole. To turn around and tax the very moneys students are using to upgrade themselves is absolutely ridiculous.

Under this Government we have seen the most substantial tax increases in Canadian history. The problem is that the wrong people are the ones targeted to pay taxes. Why tax a student bursary, and not the 60,000 profitable companies that each year pay no taxes, or the 5,220 taxpayers who made over $50,000 last year and paid no tax, or the 40 people who made over $250,000 last year and paid no tax?

It is time for the Government of Canada to take students into consideration. It is time for the Government to call an election so the people of Canada can have a choice to make in the next election.

* * *

MEMBERS OF PARLIAMENT

TRIBUTE TO MEMBER FOR QU'APPELLE—MOOSE MOUNTAIN

Mr. Jack Scowen (Mackenzie): Mr. Speaker, today I would like to pay tribute to a Member of Parliament who has contributed more to Canada than would be expected of any individual. I refer to the Hon. Member for Qu'Appelle—Moose Mountain, the Hon. Alvin Hamilton. This man has devoted his life to serving his country, not only in the Armed Forces, but for 30 years in Parliament, and during this time also raising a fine family.

Under his leadership as Minister of Agriculture we developed grain and other markets with the Eastern Bloc countries which were unheard of before. I would say that he should be called the "Father of Free Trade". Alvin's initiative as Minister of Northern Affairs and Natural Resources to build the famous "Roads to Resources" has opened up the northern area more than any other program and has made the North and South one.

These examples are but two of the many programs and policies that have made the Hon. Alvin Hamilton famous for his forward thinking. He got the job done. This Parliament will be the loser when he leaves this place.

* * *

EXTERNAL AFFAIRS

ISRAEL—USE OF PLASTIC BULLETS AGAINST PALESTINIANS

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, I rise today in response to reports from the West Bank and Gaza Strip indicating that the Israeli Army is now using plastic bullets without restraint against Palestinians protesting their continuing oppression under occupation.

The replacement of rubber bullets by plastic ones last month has been accompanied by a marked increase in the number of people wounded, up from 19 in July to 130 in the first 25 days of September in the Gaza Strip alone. Three people have been killed in spite of dubious Israeli claims that the bullets are non-lethal.

While those casualty statistics are considered appalling by representatives of the United Nations, they are not considered so by Israeli Defence Minister Yitshah Rabin. On the contrary, to him they indicate that his troops are doing a good job, even while admitting that the level of unrest in the occupied territories has not been diminished by this escalation of Israeli firepower.

Representatives of the United Nations have protested this deliberate and futile escalation. I call upon the Government of Canada to do the same.

ORAL QUESTION PERIOD

[*English*]

SPORTS

OLYMPIC GAMES—DISQUALIFICATION OF CANADIAN ATHLETE—REQUEST THAT GOVERNMENT ESTABLISH INQUIRY

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, my question is directed to the Minister for Fitness and Amateur Sport. As the Minister knows, the Ben Johnson incident has raised sincere concern and many questions among millions of Canadians. I believe that it is the duty of the Opposition to raise those questions in the national Parliament, and for the Government to seek answers to those questions.

First, with specific reference to the Ben Johnson case, we now have statements made by the former Minister for Sport stating that he does not believe that Ben Johnson knew he was taking steroids, and a statement made by Richard Pound, the Executive Vice-President of the IOC, that Ben Johnson would not have administered these drugs to himself.

In view of these and many other unanswered questions, would the Minister make a clear commitment today to have a full inquiry into this matter in order to determine who is responsible, and in the meanwhile not categorically and finally condemn anyone?

• (1420)

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I am glad to see a change in tone in the approach to this issue and that the Hon. Member recognizes the fact there are some sincere questions to be answered. Yesterday the Government recognized the importance of these questions being answered and we intend to have an inquiry on this issue.

The fact that the Member refers to statements made by Mr. Pound and the former Minister and other people, and there are many statements in the papers today, also indicates to me and the Government the importance of conducting ourselves in a manner which will enable us to reach the truth and not do it in a disorganized way which would lead to nothing more than speculation. That is extremely important if we are going to get to the bottom of this. Yes, the Government will of course be part of an inquiry. We will discuss it with the parties concerned before a decision is made. We will take time to discuss it with them.

I think Canadians are sympathetic to the case of Ben Johnson, as all of us are. Ben Johnson being a Canadian, with the difficulty of maybe a mistake on his part, I think we are all sympathetic to his cause. However, I think the Hon. Member will want to recognize that the rules that apply to all other athletes, including the weight lifters who never reached Seoul, including all the athletes who never reached the Olympics because their times were not good enough, the rules that apply to them also apply to Ben Johnson. My duty is to apply those rules and that is what we intend to do.

Some Hon. Members: Hear, hear!

Mr. Allmand: Mr. Speaker, I want to thank the Minister for his answer.

[*Translation*]

REQUEST FOR THOROUGH INQUIRY

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, there is also a broader question concerning the use of drugs in general by Canadian athletes.

Following recent discussions on radio and television, Canadians were shocked by the suggestions of more widespread drug use by Canadian athletes. In addition, statements were made to the effect that most athletes are not health professionals and that they must be helped by a professional in buying and using these drugs.

Under these circumstances, is the Government prepared to conduct a more thorough investigation in order to determine the extent of this drug use by Canadian athletes and the involvement of professionals? Is the Minister prepared to conduct a more thorough investigation of this matter?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, when this Ben Johnson affair was announced around 6 or 7 p.m. local time in Canada, I had already had the opportunity to discuss it with the President of the Canadian Track and Field Federation, Jean-Guy Ouellette. We agreed that there would at the very least be an investigation into the Ben Johnson affair.

We will sit down with those concerned, while allegations are pouring in from everywhere; we will sit down with the people concerned and see whether a broader, more extensive investigation of the whole sports community is warranted.

What I can say today with complete assurance is that there will no doubt be an investigation into the Ben Johnson affair, as I said yesterday. It will cover the people in his entourage and we will try to get to the bottom of this matter. We are prepared to do so as soon as we have the opportunity to discuss it at least with the main parties concerned, to give them the chance to tell us what form they think this investigation should take.

[*English*]

PROPOSED DOPE TESTING PROGRAM

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, yesterday Gerrard Mach of the Canadian Track and Field Association said his association has been pressing for an improved drug testing program for Canadian athletes. He expected this program to be in place by April 1, 1988. That system would have included dope testing on one day's notice. However, according to Mr. Mach the program was not implemented on time.

Why was action not taken to implement this suggested program in good time for the Olympics? Would the Minister give an explanation for the delay in this program?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, in his first question my hon. friend referred to sincere questions and sincere answers. I think this is the time for some sincere answers.

To be very frank in this regard, Canada plays a world leadership role in the area of anti-doping. The first world conference on anti-doping was held here in Ottawa in June. The result of that conference was an anti-doping charter. If my hon. friend takes the time, and I am sure he will, to read that anti-doping charter which Canada is trying to have implemented all over the world, he will find a proposal for random testing without prior notice. That is this Government's position and the position we are trying to have implemented all over the world so that not only our own athletes are under strict guidelines, but all other athletes around the world are also under the same rules.

• (1425)

In the case of track and field, we are negotiating, and we were negotiating before the Seoul Olympics, a protocol of agreement to implement such a policy, and we are going as fast as we can to implement it. We are at the beginning of a process that started before the Ben Johnson incident, and we are not at the end of it.

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—PORT EXPORTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Deputy Prime Minister and it concerns the Prime Minister's faulty trade deal with the United States.

At the same time the President of the United States was signing the Prime Minister's trade deal today the National Pork Producers' Council in the U.S. announced that it would be seeking countervailing duties against not only Canadian hogs—on which it has had success in the past—but Canadian pork products.

Given that the Prime Minister promised Canadians that no trade deal would be passed unless it gave Canada guaranteed access to the U.S. market, doesn't it prove that the Prime Minister's trade deal simply doesn't work? Doesn't it prove that we gave away the store and got nothing in return, and shouldn't we call an election now?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, that shows the peculiar logic of the Opposition. All that this question indicates is the need for us to have the U.S.-Canada Free Trade Agreement implemented in this House so we have a better defence against actions that might be taken in the United States under American law for countervail purposes.

The National Pork Producers' Council stated that it is planning to file a petition. It has a right to do that, and Canadian firms in Canada have a right to file petitions here in Canada. If it does file a petition—we are going to get together with our own pork industry anyway—we will be assisting that industry with a very vigorous defence to any allegations made.

I want to point out to the House that we have four investigations currently being conducted by National Revenue here in Canada on imports from the United States with respect to apples, cherries, coat hangers, and steel grinding balls. They are all anti-dumping cases, Mr. Speaker, but we don't hear the U.S. population complaining that here in Canada we are still enforcing our trade laws.

For Heaven's sake, stop being childish and get serious about the U.S.-Canada issue.

Mr. Boudria: Mr. Speaker, speaking of reverse logic, we have just had a great example. The Minister just said producers have a right to file a petition. They had the right before. Therefore, what have we gained in the trade deal?

[*Translation*]

COUNTERVAILING TARIFFS—GOVERNMENT POSITION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I would like to put a supplementary to the Minister. With the new U.S. omnibus bill, American producers will have the right to ask that countervail be used against Canadian pork producers, a privilege they did not have before the signing of the free trade agreement between the Prime Minister and the President of the United States.

Will the Minister finally admit that his trade agreement is a total failure, that we have gained nothing and that we have given away the store?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, it is really piteous to watch the hon. gentleman floundering with respect to the question that he has asked here today. How could this action of the U.S. pork producers have anything to do with the U.S.-Canada Free Trade Agreement—

Mr. Boudria: That is the point.

Mr. Crosbie: —which is not yet in effect although it is approved by all elected Members of both the United States and Canada? The hon. gentleman's Party has seen that the unelected Senate has stopped the legislation in its tracks here in Canada.

The benefit of the legislation will be seen after the next election when it is passed by this House and the Senate and it enables us to become part of the binational procedure that will be in effect to decide these disputes in the future. The answer is that we will be far better protected after January 1 next year, but the hon. gentleman won't be here to join with us in that.

* * *

SPORTS

OLYMPIC GAMES—DISQUALIFICATION OF CANADIAN ATHLETES—STEROID TESTS

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I too have a question for the Minister responsible for Fitness and Amateur Sport and it concerns the Ben Johnson case. As the Minister knows, there are a lot of unanswered questions which I think warrant an immediate investigation.

• (1430)

Yesterday in the House the Minister said that Ben Johnson was tested in Zurich about a month ago, after the competition there, and the tests were negative for steroids. He had been tested some seven other times and all the tests were negative. On the other hand, the IOC said a couple of days ago that there was evidence of long-term steroid use.

There seems to be a contradiction here. I wonder if the Minister can tell the House today why there is a contradiction of that sort. Can he explain the discrepancy of, on the one hand, the IOC saying that there is long-term use of steroids, while on the other hand he has always tested negative?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, the Hon. Member refers to the results of the tests and the fact that Ben Johnson has been tested approximately, to my best knowledge, eight times in the last 21 months. Furthermore, in that 21-month period he had been out of training for a four or five-month period because of an injury.

I am not an expert in this area and neither is the Hon. Member, as far as I know, or other Members of this House. I do not know whether there is a contradiction or not. Some of the explanations that I have both read and heard seem to indicate there is no contradiction, in fact, between testing negative at the Zurich meet and testing positive at another point in time. Not being an expert in that area I will not seek in any way, shape, or form to replace that expertise.

Suffice it to say that Dr. Dugal, a member of one of the committees of the IOC Medical Commission, a Canadian who was part of the group there who received the test and evaluated it, made some comments today in *le Journal de Montréal*, and he seems to be very unequivocal about the results of the test and what they mean.

VALIDITY OF TESTS

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I do remind the Minister that he has at his disposal experts in the field with a lot of training and experience, and that the IOC said that there was evidence of long-term steroid use. Meanwhile, Ben Johnson had been tested negatively eight times in the last 21 months. I wonder if the Minister can explain that discrepancy.

At the same time I wonder if the Minister can explain to the House why, as a matter of policy, Canadian athletes are not tested before they leave the country to go to international meets?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, to make things quite clear, it is not for me to explain the content of the technical expertise on the results of the sample. Suffice it to say that we have representatives in Seoul, including the President of the Canadian Olympic Association, and that the Canadian Government accepts the validity of the test.

By the way, it is my understanding that up until now both Mr. Johnson and Mr. Francis also accepted the validity of the test. I do not know what more I can say as far as the test is concerned. We will perhaps have to wait until an inquiry gives us more precise information in that regard.

As far as the system in Canada works, once that determination has been made our rules are quite clear, as the rules were under the previous Government in 1983. Once that determination is made, a suspension or a sanction is imposed. In the case of the use of steroids, our rules are quite clear. With the first-time use of steroids there is then a life suspension pending, of course, the usual appeals that we hope will happen, and we will await anxiously to see the results.

[*Translation*]

PUBLIC INQUIRY—GOVERNMENT POSITION

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I wonder whether the Minister could perhaps comment briefly in the House on the public inquiry that will be conducted by the Government of Canada. Will Mr. Johnson's entourage be questioned in the course of this inquiry? I am referring here to people like his manager, his doctor and his coach.

[*English*]

Can he also say whether or not they would be looking at the whole question of due process for an athlete so that there is some kind of proper appeal if an athlete is accused? Will he be looking at those kinds of questions in the inquiry?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I indicated yesterday that we will have an inquiry and we will take the time to sit down with those who are concerned to make sure that we have some understanding of the terms and where we want to go with this inquiry. I hope that through this process we will offer an opportunity for Ben Johnson to speak and to be heard because Canadians want to hear what he has to say. It is important that he have that opportunity.

In the meantime, may I remind Hon. Members of exactly how the system works. In the case of Mr. Johnson, a test is taken. The IOC makes its determination, and it has made a decision to suspend him for the rest of the Games. That decision is without appeal. Obviously the Games will finish.

The IAAF, the international body for track and field, then enters in and suspends him for a period of two years. The Canadian Track and Field Association follows suit. That is the third instance. Automatically, the rules we have had since 1985-86 provide that the Canadian Government takes notice of that decision and then imposes its sanction.

After that has been done, of course the international federation provides for a 30-day appeal period. That is going on now and an opportunity is provided to the athlete to appeal that decision. If he is successful in his appeal, then the suspension will be withdrawn, as it should be. If he is not successful or if he chooses not to enter into the appeal, then after a period of two years the athlete will have an opportunity to appeal directly to the Canadian Government Minister to have his suspension lifted and then to be reintegrated.

That is the process that we have been following, the process that applies to each and every athlete in Canada.

* * *

[*Translation*]

PUBLIC WORKS

SALE OF MOISIE LANDS—REQUEST THAT INQUIRY BE ESTABLISHED

Hon. Jean Lapierre (Shefford): Mr. Speaker, I have another question today for the Minister of Public Works. This morning, we read in *The Globe and Mail* that the Minister's statements are a mass of contradictions. His colleague, the Minister of National Defence, who was acting for the Minister last Thursday and Friday, informed the House that there had been an investigation by the RCMP. Friday, he said there was a second one. However, the Minister of Public Works, on whose behalf the Minister of National Defence was answering in the House, later informed the House that he was not aware of this at all. One day the Minister of Public Works tells us that he transmitted a letter on Thursday and the next day, it's Friday. Mr. Speaker, we have a really confused bunch across the way!

I want to ask the Minister of Public Works whether, as a man of honour and integrity, he would agree to submit his own case and that of his political staff to an investigation, either by the Privy Council or the Deputy Prime Minister or a committee of the House. One thing is certain: he is not at all sure about his facts. I think that if the Minister of Public Works, as a man of honour and integrity, wants to save his reputation, he should either immediately submit to an investigation or tender his resignation. Is he prepared to make a gesture to clear his own name?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, last Thursday when I was away from Ottawa, apparently a package of material was given to the RCMP. They looked at it and found nothing there which compelled their further attention. Apparently, further information was given to them within a day or two, and they are now proceeding to an inquiry about that matter. That inquiry is still going on. We will await the results of the inquiry before commenting further.

[*Translation*]

GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, the Minister has just proved my point. He is already completely confused about what happened last Thursday and Friday. He tells us that Thursday, a package of material was examined by the RCMP. It wasn't like that at all. The Minister of National Defence told us the exact opposite. Thursday, the investigation had already been completed, and the Minister of National Defence said that a second investigation had been ordered that night.

Mr. Speaker, the Minister of Public Works doesn't know what happened in his own Department and what his own staff was doing. In fact, Mr. Speaker, the Minister of Public Works has also sinned by omission. In his press release last Saturday, he said: To my knowledge, the actions of Mr. J.C. Gosselin, who was a member of my staff... ", and so forth. Mr. Speaker, why didn't the Minister of Public Works mention the actions of his present chief of staff, Mr. Ron Lefebvre, who was also involved several times in this matter? Why did the Minister justify what was done by Mr. J.C. Gosselin but forget about Ron Lefebvre?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I do not know if I heard all of that.

Some Hon. Members: Oh, oh!

Mr. McInnes: But in any event, I got a letter. It was a complaint by an employee of Public Works. He wanted a comment from me. I asked to have the letter investigated, and until the RCMP have concluded their inquiry I will withhold further comment.

* * *

TAX REFORM

HOUSE—EFFECT OF PROPOSED SALES TAX

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, my question is directed to the Deputy Prime Minister. The Canadian Home Builders' Association has said that the Conservatives' proposed sales tax to be implemented if the Government is re-elected will add approximately $10,000 to the selling price of a newly constructed home. If we use today's Royal LePage figures, for an average home in Halifax that means a rise from $93,000 to $101,000, a rise in Montreal from $102,000 to $111,000, a rise in Toronto from $225,000 to $245,000, and a rise in Vancouver from $160,000 to $174,000. Given that this is going to mean that home ownership for the average Canadian family will be too expensive, why is the Government prepared to take away the dream of home ownership from thousands of average Canadians and their families by implementing such a tax?

• (1440)

Some Hon. Members: Oh, oh!

An Hon. Member: Fear mongering.

Mr. Waddell: I don't think it's so funny.

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I want to help the Hon. Member with some statements in the past months he has obviously missed. First, he knows that neither the base nor the rate for the new federal sales tax has been decided. Therefore, his complaint is very premature.

Second, the Minister of Finance spoke directly to the Canadians to whom the Member made reference this morning. This is what the Minister of Finance said in Regina on December 6. "He said that when the new system is clear, and there are a great many details to be settled, we will assess whether it might pose a barrier to affordable housing. If it does, we will take action to address the problem either by assisting individuals and families directly or by modifying the operation of the tax in this important area. We will do so in the spirit of reasonable consultation I described a few moments ago.

That is the answer to the Hon. Member's question. This Government has been working hard in housing and this is fully consistent with that.

Mr. Waddell: I don't know why the Government just doesn't exempt housing.

REQUEST THAT HOUSE PURCHASES BE EXEMPT FROM TAX

Mr. Ian Waddell (Vancouver—Kingsway): Last year in my province Premier Bill Vander Zalm put on a property purchase tax, which meant a $1,600 increase for houses in the Lower Mainland, and his pal here in Ottawa, the Government led by the present Prime Minister, is going to put on a tax which will mean an increase of $10,000 on houses. I want to ask the Minister—

Some Hon. Members: Oh, oh!

An Hon. Member: Don't be silly!

Mr. Waddell: These are the figures from the Government's own tax papers. Given that interest rates are up, given that housing prices are up according to today's figures, given that the Government is spending like a drunken sailor right now and will need taxation after the election, will the Government now say it will exempt home purchases from this proposed new sales tax and finally give a break to average Canadians and their families who need it to purchase houses?

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, what I will say is that the Hon. Member should do some mathematics. First of all, there is federal sales tax and provincial sales tax being levied on building materials today.

Mr. Waddell: Not like this.

Mr. Hockin: Those, of course, will be removed and factored into our new multi-stage sales tax. Together with that, this Government has reduced the deficit from over 8 per cent of GDP to a little over 4 per cent in four years.

Mr. Waddell: You have taxed the average family more.

Mr. Hockin: That is putting an economic context in place so that the average Canadian can not only earn a living but buy a home as well.

PUBLIC SERVICE

STAFFING OF AIR TRAFFIC CONTROL CENTRES

Mr. George Baker (Gander—Twillingate): Mr. Speaker, in 1985 this Government announced it would cut back on training and recruitment programs for the Public Service and get rid of thousands of jobs in the Public Service through attrition. This the Government has done.

Some Hon. Members: Hear, hear!

Mr. Baker: It has led to understaffing at air traffic control centres, for example, right from Vancouver, British Columbia, to Gander, Newfoundland.

I want to ask the Deputy Prime Minister why the Government this week is sending letters right throughout the United States offering Canadian air traffic controller jobs to Americans who were fired from their jobs in 1981. Why go to so much trouble to issue ministerial permits and orders to circumvent the Immigration Act and the Public Service hiring laws, and the security laws, just to hire Americans who have not worked since 1981, when so many Canadians are willing to train for these Public Service jobs?

Hon. Don Mazankowski (Deputy Prime Minister, and President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am advised that indeed there is a short-term shortage of controllers. Some 40 or so are being hired on an interim basis.

Mr. Boudria: From where? From the United States.

Mr. Mazankowski: Outside the country. That is what I am informed. I think in large part this is due to the successful results of regulatory reform which has provided more transportation to more communities and, therefore, more people travelling, particularly in the Toronto area, and that is where the shortage is critical.

OFFER OF JOBS TO AMERICANS

Mr. George Baker (Gander—Twillingate): Mr. Speaker, just a few months ago some Newfoundland applicants were refused even an opportunity to apply for air traffic control training positions because the notification of their interview time had come late in the mail due to the decrease, the downgrading of our mail service. Now, coincidentally when the head of Canada Post, Donald Lander, this week was given a huge salary increase, the Americans are taking Canadian jobs.

How can the Deputy Prime Minister justify giving the Americans free room and board, free relocation, all expenses paid, when the mobility grants for Canadians were halted by this Government? How can he justify an on-the-job training allowance for the Americans of over $1,000 a week, $5,000 a month, which is not available to Canadians? Why this handout to the Americans and a backhand to Canadians?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, simply put, I think the Hon. Member should be congratulating the Government, because the air traffic into Toronto has exceeded all expectations. In fact the Toronto air traffic control centre is now handling over 600,000 flights a year. That traffic was not forecast to occur until 1991. This is largely in part due to the success of regulatory reform, and the tremendous acceptance of it and the tremendous impact it has had on service to more Canadians—

Mr. Gauthier: You were warned.

Mr. Mazankowski: —and more Canadians travelling by air.

Mr. Tobin: You were warned, and you know it.

* * *

PUBLIC WORKS

SALE OF FORMER RADAR BASE—OFFICIAL'S LETTER TO MINISTER

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is directed to the Minister of Public Works. It concerns the radar base sale in Moisie, Québec. Yesterday in the House, in reply to a question I asked the Minister, he told me there was not even a hint of impropriety in the letter Mr. Hylands wrote to him in early August, a letter which he refuses to table in this House and which reads in part:

> Jean-Claude Gosselin became involved in this disposal. I acceded to Mr. Gosselin's request for a meeting with a Mr. Cote, a P.C. organizer who was lobbying for Lefebvre's tender—
>
> Mr. Thibault, the choice of the local municipalities, increased his total offer to an amount superior to the amended Lefebvre offer. This situation resulted in Mr. Gosselin's request that I meet with Mr. Cote on behalf of Mr. Lefebvre's interest—

Will the Minister not agree that these statements constitute not only a hint of impropriety but an impropriety itself, and the letter should have been turned over to the RCMP then and there?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I have never used the "hint" with respect to this particular issue. We are not aware of a Conservative organizer by the the name of Côté. An official, one of my departmental assistants received a phone call requesting that he arrange an interview with Mr. Hylands. It is the kind of request I have had from virtually every single person in this House. It is one of the obligations we accept when we are Members of Parliament, to ensure that anybody has the opportunity to make proper representation to any of the public servants. That was done and it was done in the normal course of events.

This letter indicated that nothing was untoward. There was no complaint in the letter. It was from an aggrieved individual who was taken off the file. And my position has been made very clear on this.

REFERRAL OF LETTER TO RCMP

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my supplementary question is directed to the same Minister. In light of the fact that the Minister is staying on this old saw that Mr. Hyland's letter was a personal grievance, if this is the case, if this letter was a personal grievance letter because he was taken off the case, why did the Minister turn this letter over to the RCMP which was doing an investigation into the land sale at Moisie? Has the RCMP suddenly become the shop steward?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, when allegations were made outside of the letter, it was brought to my attention that the RCMP had been given suggestions about undue influence or something of that nature. I immediately suggested it would be appropriate for the RCMP to have everything in my possession. That was the course we followed.

* * *

• (1450)

AGRICULTURE

FEDERAL ASSISTANCE FOR ONTARIO GRAPE GROWERS

Mr. Rob Nicholson (Niagara Falls): Mr. Speaker, my question is directed to the Minister of Agriculture. As the Minister knows, several weeks ago the federal Government and the Province of Ontario entered into an agreement to provide $100 million in assistance to Ontario's grape and wine industry. The negotiations are now under way with the province and the representatives of the industry. However, grape growers are anxious to be provided with the details of the distribution package. Will the Minister provide the House with an update as to how the negotiations are going and as to when an announcement will be made in this important area?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I appreciate the Hon. Member's interest in this very important subject. Of course we are continuing to discuss this $100 million initiative with the province, with the industry, and particularly with the growers. I believe he is aware that there are various aspects to this program, including the acreage reduction, price support, marketing, and surplus removal.

Mr. Tobin: Why was this program necessary in the first place?

Mr. Mazankowski: The program was necessary because of a GATT ruling of which Members opposite are so much in favour. I challenge the Member to read the press release which was signed by Ontario and the Government of Canada.

In the meantime I want to assure the Hon. Member that the Government is assisting in the purchase of surplus grapes. Approximately 12,000 tonnes have already been purchased. This will continue. I am optimistic that the details of the program will be worked out very soon.

* * *

AIRPORTS

HAMILTON AIRPORT—SUGGESTED ALTERNATIVE TO TORONTO

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is directed to the Deputy Prime Minister. I want to return to the admission he made a few moments ago about the deplorable conditions at Toronto International Airport and the excuses he made for that which we in the Opposition do not accept. We insist that urgent steps be taken to try to remedy the problem for the travelling public.

Without excusing those conditions, I want to ask the Deputy Prime Minister if the Government is aware that there is an underused federal airport in Hamilton? Why have no efforts been made by the Government to increase the traffic there, including the possibility of using that airport as an alternative to sitting on the tarmac in Ottawa, for example, waiting for at least two and sometimes three hours before one can take off and fly to the Toronto area?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, we are indeed addressing the very serious problems. That is why additional air traffic controllers are being brought in on an interim basis. The fact is that this Government has done a lot to improve the conditions at the Hamilton Airport. As a matter of fact there was a serious dispute with regard to the removal of some trees which had the effect of limiting the use of the Hamilton Airport. This was done. Of course we are encouraging the utilization of Hamilton in every way, shape and form.

REQUEST THAT MINISTER VISIT HAMILTON AIRPORT

Hon. Bob Kaplan (York Centre): Mr. Speaker, the Deputy Prime Minister is a former Minister of Transport. Would he undertake to visit Hamilton Airport to meet with the citizens' groups that are concerned with the underutilization of that airport? Will he take steps and make a commitment to increase the traffic at that airport?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I have probably visited the Hamilton Airport more times than the Hon. Member even though he lives in the area. As a matter of fact I participated in the opening of the new airport terminal building.

PUBLIC WORKS

CANADA POST CLEANING CONTRACT

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, my question is directed to the Minister of Public Works. I want to remind the Minister that his Department took part in the tendering of a cleaning contract for Canada Post. The president of the company which was a higher bidder and was awarded the contract said that after all the bids were in officials of Canada Post said they still wanted his company to do the job even though it was the second highest of the four bidders. He said: "They asked me to negotiate the bid". He said that he lowered his bid by about 10 per cent to make it slightly lower than Federated's and then was awarded the contract.

Does the Minister not agree that this has all the appearances of undermining the integrity of the bidding process? Is the Minister prepared to put a stop to this? Will he investigate it? What will he do to preserve the integrity of the bidding process so that people with the lowest bid can get fair treatment and get the contract?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, our Department handles thousands of contracts a year. I have not been given notice of this question and I do not know to what contract the Hon. Member refers. As a matter of general principle, Crown corporations are not subject to quite the guidelines that are imposed on Departments of Government. Canada Post has the final say on who they want to hire. All we do is administer the procedure.

[*Translation*]

MINISTER'S POSITION

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, it is really a great surprise to know that this Minister is not concerned about this situation. Why is he prepared to allow a situation where the tendering process is stopped, while the person who made the highest bid, or nearly, receives the contract and the one who made the lowest bid is ignored? Why is he prepared to let this situation continue without taking any action?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, if this matter is of the importance that the Hon. Member gives it, I thought he would have given notice to me so that we might have it investigated.

Mr. Keeper: Do you not read *The Globe and Mail*?

Mr. McInnes: It is not required reading, Mr. Speaker, no.

There are a lot of considerations in the awarding of contracts. There are three or four considerations and price is one of them. There are many others. If the Hon. Member gives me an indication of the file to which he refers, I will be glad to investigate it.

[*Translation*]

SOCIAL JUSTICE

QUEBEC'S PLACE IN CANADA

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, my question is for the Deputy Prime Minister and relates to the statements made by the Premier of Alberta, Mr. Getty, who said that the Province of Quebec got everything that the Premier of Quebec asked for. Moreover, Mr. Getty used the bilingualism policy to justify his statements by saying, "Bilingualism should not be rammed down our throats."

Since the Deputy Prime Minister comes from Alberta, could he talk with the Premier of that province to remind him that Quebec has not had its fair share, that Quebec got none of the frigate contracts, that this resulted in the closing of two shipyards, that despite many promises, Quebec has not got the space agency and that it has only received $560 million for regional development, while the West got more than a billion dollars and the Atlantic provinces... Could he ask the Premier of Alberta to stop spreading falsehoods, when Quebec has not got its fair share, economically?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I noticed in the press this morning that the Premier has modified his statement. I think that should be noted. I have not had a chance to speak to him about it, but I think it is worth noting that he also indicated that the present Government reflects western needs better than any other federal Government. I think that is really an understatement.

[*Translation*]

REQUEST THAT DEPUTY PRIME MINISTER FORCE ALBERTA PREMIER TO REVISE STATEMENTS

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, it is serious and I would hope that the Deputy Prime Minister will speak to the Premier of Alberta. The attitude of the Premier of Alberta tends to arouse all Westerners against Quebec because they believe that Quebec gets everything. Quebec has got nothing from the Conservative Government. It is just verbal pollution and rhetoric from the Prime Minister that makes people think that Quebec has got everything. Would the Deputy Prime Minister be prepared to ask the Premier of Alberta and to tell him that in the field of research, science and technology, Quebec gets crumbs, while the other provinces get most of the contracts and that in Montreal alone, Quebec is still waiting for its money to develop the old port, while all the other municipalities got theirs? Could he ask Premier Getty to keep his statements to himself?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I just quoted what the Premier said about this Government in terms of its support for the West. I think all Hon. Members would agree, if they were just to be a little bit objective, that this Government has been fair for the East, for the West, for Central Canada, for the North—

Mr. Nystrom: Big business.

Mr. Mazankowski: —and for the average Canadian because we have provided jobs like no other Government has in the history of this country.

Some Hon. Members: Hear, hear!

* * *

• (1500)

UNEMPLOYMENT INSURANCE

PAYMENT OF BENEFITS TO PARENTS CARING FOR TERMINALLY ILL CHILDREN

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, I have a question for the Deputy Prime Minister, or whomever might be answering for the Minister of Employment and Immigration. It has to do with cases that I am sure all Members of Parliament are aware of and have had brought to their attention, but which have arisen particularly of late in Winnipeg. I refer to the question of unemployment insurance benefits for women who cannot work because they have to take time out to care for their terminally-ill children.

A number of cases have come up in this regard and people have been denied benefits. Has the Government had an opportunity to consider this matter? It has had a profile recently. Is the Government prepared to say today that the regulations will be changed so that mothers or parents who are put in this very difficult situation will not be penalized by the current regulations?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, the Minister of Employment and Immigration and the Minister of State for Employment and Immigration not being in the House at this time I will be happy to take the question as notice and relay it to them.

There are already some cases that are under judicial review and some decisions have been rendered. I know that the Department is looking at some of those cases now. Perhaps that is the case with regard to the subject that the Hon. Member is bringing up today.

GOVERNMENT POLICY

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, this is not a case of anything that is before any judicial process. This is a matter of policy that the Government has the freedom to adopt. This is not something new. This issue has been around. I am sure that there are Members of Parliament in the Minister's own caucus who have run into these kinds of situations.

Frankly, I am a bit surprised that the Government is not more forthcoming at this point. What could possibly be wrong with the Government getting up and announcing an intention to change the regulations so that parents who are put in this very difficult situation are not penalized in the way they are now? It has to do with the whole question of parental leave.

In that respect I ask the Minister whether or not the Government is prepared to say today that it is not going to appeal the decision with respect to Shalom Shacter. These are issues that the Government needs to come clean on now before the election so that Canadians can know whether the Government is prepared to act compassionately in this regard.

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I will be happy to take the Member's statements as representations, of course. I am sure that the Minister of Employment and Immigration will respond as rapidly as she can.

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[*Translation*]

LINGUISTIC MINORITIES

REQUEST THAT FRANCOPHONES OUTSIDE QUÉBEC RECEIVE TV5 TELEVISION CHANNEL ACCESS

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is directed to the Minister of Communications, but in her absence I will direct it to the Deputy Prime Minister.

My question concerns the TV5 network and the "Francophonie" outside Quebec which has yet to receive this signal. We know that TV5 is the brain child of the Francophonie Summit and is supported by five francophone entities: Canada and Quebec, France, Belgium, Switzerland and francophone Africa.

This week, from what was said by the Minister of Communications, I understood that action will be taken and a decision made with respect to this network. We know that at the present time, Francophones outside Quebec cannot receive the signal, except for a few small groups.

Has the Government finally decided to give francophones across Canada access to this important network and thus achieve a long-awaited goal?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, first I would like to thank the Hon. Member for his question. I think he realizes this is a crucial matter and that we are very aware of the need for a solution.

Mr. Speaker, I am informed that discussions are under way at the present time which should lead to positive results. I am also informed, Mr. Speaker, that if there is no positive outcome of these discussions, the Government would certainly consider some kind of solution.

ACCESS TO TV5 PROGRAMS—GOVERNMENT POSITION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): The Minister will remember the problems we had a few years ago with the broadcasting of the Olympic Games in Calgary. It took a year and a half for the Government to take action on this matter. We don't want to wait a year and a half, to be told that the TV5 network is not available.

Could the Minister tell Canadians today that the $1.8 million invested in this project will not be wasted, that TV5 will soon be available, if not tomorrow, at least soon, in other words, next week, so that we in the Canadian Diaspora will have access to an international francophone network?

Hon. Pierre H. Cadieux (Minister of Labour): Mr. Speaker, I think that again, there is at least one point on which the Hon. Member and the Government are agreed: Our investment should provide the expected return. I am convinced, Mr. Speaker, that a solution will be found and implemented in less than a year and a half.

[*English*]

Mr. Speaker: The Hon. Member for Western Arctic. This will be the last question.

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AIR SAFETY

CANADIAN AIRLINES INTERNATIONAL—FLIGHT'S WRONG COURSE, WRONG DESTINATION

Mr. Dave Nickerson (Western Arctic): My question is addressed to whomever is answering for the Minister of Transport.

Last week, a Canadian Airlines International Boeing 737 left Yellowknife on a routine flight to Cambridge Bay, but somehow ended up at Churchill, Manitoba, 1,000 miles and 90 degrees off course. In the process it violated the airspace of many major routes.

I would like to know how did this happen, and what will happen in future to prevent a recurrence of this dangerous type of incident.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, obviously this is a matter that would be referred to the Canadian Aviation Safety Board. Indeed, I would assume that it would be a matter that would be—

Ms. McDonald: It's the new continental policy.

Mr. Mazankowski: Perhaps if you want the NDP to answer the question you may not get the answer you like, Mr. Speaker.

Obviously, the company will want to assess this particular incident in terms of its safety standards as well.

I can assure the Hon. Member that one of the advantages of the new changes to the Aeronautics Act and the Canadian Aviation Safety Board is that they can involve themselves in the investigation of these kinds of incidents, and have a thorough and objective analysis and report on a subject of this nature. I am sure that the Hon. Member, as well other Hon. Members, would want to be as assured that this process would indeed take place.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, pursuant to Standing Order 106(8), I have the honour to table, in both official languages, the Government's response to Petition No. 332-5405.

[*Editor's Note: See today's Votes and Proceedings.*]

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[*Translation*]

PRIVATE MEMBERS' BUSINESS

PRESENTATION OF EIGHTEENTH REPORT OF STANDING COMMITTEE

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, I have the honour of tabling, in both official languages, the Eighteenth Report of the Standing Committee on Private Members' Business.

Pursuant to Standing Order 36(1)(a), your Committee recommends that the following items be designated as "votable items": Motion No. 216, in the name of the Hon. Member for Burlington (Mr. Kempling); Bill C-266, in the name of the Hon. Member for Scarborough West (Mr. Stackhouse); and Motion No. 186, in the name of the Hon. Member for Windsor—Walkerville (Mr. McCurdy).

[*English*]

I note that pursuant to Standing Order 36(1)(b) this eighteenth report is deemed to have been adopted when laid upon the table.

[*Editor's Note: See today's Votes and Proceedings.*]

• (1510)

PETITIONS

SOUTH MORESBY PARK—HYDROCARBON EXPLORATION

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, I have the honour to present a number of petitions from residents of Delta, Surrey, particularly Crescent Beach, and Tsawwassen, British Columbia.

The petitioners state that when the South Moresby Park Agreement was signed the federal Government committed itself to spending $20 million or more to explore for minerals and hydrocarbons in this First National Marine Park. They point out, however, that exploring for hydrocarbons in these waters is dangerous.

The West Coast of British Columbia is Canada's most earthquake-prone region, and the Queen Charlotte area has an even higher earthquake activity than the San Andreas Fault.

Therefore, the petitioners do not want any more hydrocarbon exploration activities to take place in their coastal waters, be they initiated by the public or private sector, nor do they want government to pay for any such activities.

As in duty bound, the petitioners pray.

Mr. Vic Althouse (Humboldt—Lake Centre): Mr. Speaker, I, too, have a petition to present from people in Port Coquitlam, Port Moody, Tsawwassen, and other points along the lower mainland of British Columbia. They are petitioning the House and asking that all exploration activities agreed to in the South Moresby Park Agreement be discontinued and that the Government not pay for any such activities, a commitment of $20 million having been made in the South Moresby Park Agreement.

They also point out that the earthquake danger is higher than the San Andreas Fault in California, that the sea in that area is among the roughest and most unpredictable in the world, and that it could be a potential ecological disaster to open up a hole into an oil well in that area.

BILL C-55—REFUGEE DETERMINATION

Mr. Dan Heap (Spadina): Mr. Speaker, I have several different petitions to present, all of them approved according to the rules, Standing Order 106.

One of them is from citizens of several places in Ontario who are very concerned that Bill C-55 threatens Canada's traditional commitment to assisting refugees. They are afraid that most refugees who reach our borders will be turned away without having the merits of their case heard, because there is no sufficient appeal except on points of law, because the safe third country notion has no foundation in law, no definition, and because the standing committee of Parliament produced three years ago a far better, fairer and quicker system for dealing with refugee claims within Canada.

Therefore, they request that Parliament ensure that the Government withdraw Bill C-55, substitute legislation embodying the principles of fair and quick oral hearings of claims of refugee claimants, and that there be universal access to such hearings for every applicant in Canada.

SOUTH MORESBY PARK—HYDROCARBON EXPLORATION

Mr. Dan Heap (Spadina): Mr. Speaker, I also have a petition from a number of residents of Canada who are concerned that the South Moresby Park Agreement, which was signed in June, means that the federal Government is committing itself to spending $20 million or more to explore for minerals and hydrocarbons in what it is calling the First National Marine Park.

They point out that mining or drilling will render the whole concept of park creation meaningless. They also point out that the West Coast is Canada's most earthquake-prone zone and that the Hecate Strait is among the roughest and most unpredictable seas in the world.

Therefore, they request that Parliament understand that they do not want any more hydrocarbon exploration to take place in the coastal waters, and that they do not want the Government to be paying for it.

IMMIGRATION—SPONSORING OF PARENTS

Mr. Dan Heap (Spadina): Mr. Speaker, I also have petitions from a number of residents of the City of Toronto who are concerned with the promise that the Government made nearly three years ago that Canadian permanent residents should have the same right as Canadian citizens to sponsor parents of any age.

They are asking the Government to have that promise fulfilled now.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Dan Heap (Spadina): Finally, Mr. Speaker, I have a petition from a number of residents of Toronto who point out that the Mulroney-Reagan trade deal threatens the very fabric of Canadian sovereignty, has no mandate from the Canadian people, would reduce Canada's ability to plan the economic, social, and cultural programs that we need, and would integrate Canada further into the North American defence industrial base.

Therefore, the undersigned ask Parliament to ensure that the national debate takes place on the Mulroney-Reagan trade deal and that this debate results in a national general election before any agreement is finalized.

UNEMPLOYMENT INSURANCE QUALIFYING PERIOD

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, it is also my duty to present to this House a number of petitions coming from residents of southeast New Brunswick, more particularly from the communities of Albert, West

River, Hopewell Cape, Riverside, Pennfield, and many other communities in Albert County.

These petitioners feel that they are not being treated fairly in that the Government has changed the admissibility period for UIC from 10 weeks to 16 weeks. In their case, the Government is not taking any action to change the regulations so that the admissibility period is brought back to 10 weeks, and this action was taken by this Government in other parts of Canada.

SOUTH MORESBY PARK—HYDROCARBON EXPLORATION

Mr. Ian Waddell (Vancouver—Kingsway): Mr. Speaker, I have a petition from a number of people in Port Coquitlam, Coquitlam, and in Port Moody, British Columbia, who say that on July 12, 1988, when the South Moresby Park Agreement was signed, the federal Government committed itself to spending $20 million or more to explore for hydrocarbons in the South Moresby marine park.

Whereas the Queen Charlotte region has higher earthquake activity than the San Andreas Fault in California, whereas Hecate Strait has the roughest, most unpredictable sea in the world, the undersigned do not want any more hydrocarbon exploration activities to take place in their coastal waters, nor do they want this Government to pay for such activities.

I may say, having visited all those areas, that I agree with the petitioners and that I am proud to present these petitions.

* * *

QUESTION ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the following question will be answered today: No. 289.

[*Text*]

MR. JEAN SIROIS

Question No. 289—**Mr. Boudria:**

Since September 17, 1984, has any government department, agency or Crown corporation made payments of any kind to Mr. Jean Sirois of Quebec and, if so, in each case, what was (*a*) the name of the (i) department, agency or Crown corporation (ii) Minister responsible at the time for the payment (*b*) the (i) amount (ii) purpose of the payment?

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): The following government institutions have made payments to Mr. Jean Sirois:

Employment and Immigration Canada. (a) (ii) The Hon. Flora MacDonald (b) (i) $1,590. (ii) To act as a legal representative of the Crown with regard to lawsuits against unemployment insurance claimants filed by the Investigation and Control Directorate.

Motions for Papers

National Film Board of Canada. (From September 25, 1985 to October 1986)

(a) (ii) The Hon. Benoît Bouchard

(b) (i)	$ 475.00	(ii)	Honoraria and fees
	1,013.13		Travel and hospitality expenses

(a) (ii) The Hon. Marcel Masse

(b) (i)	$12,125.00	(ii)	Honoraria and fees
	19,341.80		Travel and hospitality expenses
	1,658.92		Telephones, photocopies and courier

(a) (ii) The Hon. Flora MacDonald

(b) (i)	$7,350.00	(ii)	Honoraria and fees
	2,598.08		Travel and hospitality expenses
	124.31		Telephones, photocopies and courier

Telefilm Canada

(a) (ii) The Hon. Flora MacDonald

(b) (i)	$53,500.00	(ii)	Honorarium for 1986/87 (1986.07.17 to 1987.03.31)
	$70,000.00	(ii)	Honorarium for 1987/88 (1987.04.01 to 1988.01.31)
	$42,727.62	(ii)	Travel and hospitality expenses (1986.07.17 to 1987.03.31)
	$48,938.38	(ii)	Travel and hospitality expenses (1987.04.01 to 1988.01.31)

Other departments, agencies and Crown corporations have made no payments to Mr. Jean Sirois.

[*English*]

Mr. Hawkes: I would ask that the remaining questions be allowed to stand.

Mr. Deputy Speaker: The question as enumerated by the Parliamentary Secretary has been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

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MOTIONS FOR PAPERS

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I would ask that all Notices of Motions for the Production of Papers be allowed to stand.

Mr. Deputy Speaker: Is it agreed?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

BROADCASTING ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Miss MacDonald that Bill C-136, an Act respecting broadcasting and to amend certain Acts in relation thereto, be read the third time and passed, and the amendment of Mrs. Finestone (p. 19682).

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I speak on third reading of this Bill, because I consider it important. It is important because it will change the ground rules for a highly useful service, namely broadcasting and television, which has an increasing impact on the lives of Canadians.

I speak because I believe that the debate has shown that this Bill has several shortcomings, that it needs to be strengthened, that we in the Official Opposition have sought to propose many amendments. Besides, the Government, to the Minister's credit, has accepted amendments to the Bill. I speak because television is very important in our house, as it is in other homes. Watching television may be Canadians' favourite pastime.

[*English*]

Watching television is the number one leisure activity of Canadians. It does not say much for keeping in shape, but it says an awful lot for that medium. I think that Marshall McLuhan, when he said the medium was indeed a warm medium, was completely right. It does appeal to people and it does have a very strong impact on our day-to-day lives. We inform ourselves through it and we are subjected to its publicity, spending most of our time watching what a third party prepared, either a sports program or a scenario of some type which is attempting to occupy our intellect for the period.

• (1520)

Each year Canadian children watch approximately 1,000 hours of television, compared to 800 hours in school; 95 per cent of Canadians are radio listeners spending eight hours per week at that activity; two-thirds of Canadians say that watching sports, theatre or concerts on television is their favourite pastime; more than 50 per cent of Canadians say that broadcasting is their principal source of news and information.

In 1988 Canada is culturally an occupied country because a lot of television we watch is not made in Canada for Canadians. The content of our system has been and remains a major problem. That is why it is appropriate that we give serious consideration to the Bill before us.

While it is true that our society relies heavily on the recorded media, it is important to remember that most Canadians watch, hear, and believe what they hear and see on that television set. It reflects the thoughts, the attitudes, the world views, and the feelings of other nations, and in Canada primarily that of our neighbour and friend, the United States of America. With Bill C-136 we are trying to push and encourage change and make Canadians a little more aware of the importance of and need for Canadian cultural products.

I want to give the House a few facts on foreign domination of our culture. Some 80 per cent of our publishing industry is in foreign hands, 97 per cent of the films shown in Canada are foreign, 85 per cent of records and tapes are based on imported master tapes, and 71 per cent of all programs viewed by English-speaking Canadians on television are American.

The same cannot be said for the French network because there is *une difference*. Today I rose and asked the Minister if indeed he could expand *la difference,* if he would look into the possibility of giving French-speaking Canadians access to a second French-speaking network. We have access to CBC because of a policy adopted in 1973 by the previous Liberal Government giving access to television and radio to all communities, French or English, in Canada where there were 500 people or more. That was a good policy we put into effect, and today Canadians have access to a national network of radio and television. Therefore, they can hear and see their preferred programs in the language of their choice.

Whereas most English-speaking Canadians take it for granted that the cable service to the television set they have before them will give them the programs they want to watch in their language, in most provinces outside Québec Francophones do not have that choice. I am asking the Government to lead on this issue, to show political will, and political courage, and to do something to give greater access to the 1.5 million Canadians of French expression living outside Québec who have access but to one station. Give them a choice. Give them TV5.

[*Translation*]

Mr. Speaker, TV5 was the brainchild of the first Francophonie Summit in 1986 in Paris. It was designed and set up by a number of European countries, together with Canada and Quebec, and also Francophone Africa, to give this community its first international network that would reflect various cultural expressions and where one would be able to get information from Canada and Quebec, from Europe—France, Switzerland and Belgium—and from Africa. This means that people who have access to the TV5 network will receive a kind of television that would be different but would give them access to international programming, which I think is very worth while.

Canada has invested $1.8 million in this experiment. So far, only Quebec has had general access to the TV5 signal. In my riding, in Ottawa—Vanier, we have one cable tv distributor, Skyline, that provides the signal or, I should say, sells the signal to its subscribers, because it costs more here in Ontario than it costs Quebecers to get services in French. In my riding, for instance, Skyline will charge $6 per month more than it does subscribers who do not have access to TV5 and Canal Famille. In Quebec, however, the same service costs only $1.68. In fact, it is more than the same service because in Quebec people get five signals for $1.68. How come? We are told the signal is available to cable TV distributors in Quebec at a minimum rate of, I believe, 27 cents per subscriber, with administration and depreciation costs, which I think is very reasonable.

Until five o'clock yesterday afternoon, Mr. Speaker, I thought that with the help of the Minister of Communications (Miss MacDonald), we had succeeded in getting this signal extended to the rest of Canada, but meanwhile, I was told, and this was not official, that negotiations fell through at five o'clock yesterday afternoon. Why? I don't know. I was told that negotiations had been resumed and of course it wasn't perfect, but Ottawa Cablevision, which serves the western part of Ottawa, had agreed to buy the signal at a very low rate, so that the entire National Capital would now be able to receive TV5. However, we saw today, Mr. Speaker, that apparently it fell through yesterday afternoon, because of some disagreement between the cable TV distributors and the consortium.

I hope the matter will be settled. I hope they will soon reach a decision, because it is important for us to get the same service. To me, it is elementary that Canadians who have invested in a network like this one through their taxes should have access to this programming. So I would not want us to waffle and negotiate again for months and months, but that a decision be made to make this programming available to francophones. It is one example that I give, among others, to show that there are really two main networks in Canada. There is the English television and radio service and the French television and radio service. The English-language service is of course always threatened by Americanization. And that is why I believe that Bill C-136 must be strengthened, to try to convince the Government and the CRTC, the agency responsible for all the regulations, to be extremely sensitive to Canadian content. And of course, at the same time I raise the problem of the French network, which has a great need for more diverse programming.

Today may be the time, at the end of a Parliament, to make a decision, but I hope that it will not be done in haste. I hope that Members will want to debate this whole question, so that they can understand what we in the Opposition are striving for, that is, to encourage the Government to shoulder its responsibilities, to give a voice to this political will, to really put decision-making powers into law, with increased accountability to the people, that is, to Parliament, via the Cabinet, but also with powers to make decisions and to give directions. Now, that is not quite what we have before us, Mr. Speaker! This Bill leaves much to be desired.

I want to touch on two points—I know that my time is not unlimited, on the contrary—two points that are important in my riding. The first is television receivers for residents or owners of condominium buildings or apartments.

• (1530)

[*English*]

What is called the condominium question. That has been the object of an amendment by the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy), and the object of great debate here in which I participated.

I wanted to make sure people understood that resident owners of condominiums with a master antenna television system are really concerned. They came before the committee and told the Government and the Minister that they were concerned about Bill C-136 because of the definition of distribution undertaking in the Bill. Their concerns were that it would bring these master antennae under the Act to the extent that they receive and distribute broadcasting.

In debate I quoted the Canadian Bar Association and made the point that some of us were concerned that condominium owners would be treated differently than single dwelling owners, could be subjected to some discrimination, and under a CRTC ruling would possibly be subject to undue measures and more expensive undertakings.

Our position has been consistent and it was put very forcefully by the Hon. Member for Mount Royal (Mrs. Finestone). We believe, and argued this all through the debate, that condominium owners have the right to know where they stand. The Minister answered a few questions but she was very vague and, I thought, wishy-washy and not too forthcoming with clear and definite undertakings. We believed and still believe that an amendment to the Bill would have been appropriate because it would have provided an assurance allowing the CRTC to place terms and conditions to ensure fairness. I hoped the Government would understand that all we were asking for was equity.

We did not and do not understand why the Government resisted, why the Minister continued to tell us not to worry. In committee the Minister said this:

> I would like to address an issue raised recently by people living in apartments and condominiums who use satellite dishes to receive broadcasting signals. There is concern that the broadcasting Bill will in some way impose restrictive regulations or limit their viewing choices. This fear is simply unfounded.

Many witnesses, including the Canadian Bar Association, said that they did not think the Minister understood what we were trying to tell her. Indeed, they fear condominium owners will be treated unjustly, and they are asking the Minister to make sure the Bill is amended. We proposed amendments but they were rejected. Given that, condominium owners will now probably be caught by the law and subject to what I would call unfair and possibly unjust regulations.

I want to end my comments on a more positive note. The Bill before us is very important. It is not a very strong Bill in the eyes of our critic. I want to pay a tribute to her as well. She has worked very hard in putting forward our point of view forcefully and with conviction.

We are sorry that the Minister had to fight, and this is not revealing secrets, her fellow cabinet Members to get this Bill. It is not a perfect Bill, far from it. We are told by some opponents of the Bill that we should adopt it, because if we do not, what we get come the next Parliament could be, if, God forbid, the Government were re-elected, a worse Bill than we have now. Those are the words of a man by the name of Gerald Caplan.

Mr. Turner (Ottawa—Carleton): That is not true.

Mr. Gauthier: I refer the Hon. Member to the record. I think he will find that it is true. Mr. Gerald Caplan was a member of the commission and co-authored the Caplan-Sauvageau report, and he said this week that he feared that if the Bill were not passed, we could face a worse Bill, that is, if we have bad luck in this country and the Government is re-elected.

Mr. Turner (Ottawa—Carleton): Be nice.

Mr. Gauthier: This bunch of Tories over here.

Mr. Turner (Ottawa—Carleton): Tell the truth, good government.

Mr. Gauthier: I will pass on that remark because it does not convince me that we should pass a bad Bill just because we fear that we will get a worse Bill from the Government down the pike sometime. I am convinced we will defeat the Government. We will improve the legislation. We will do it with generosity, understanding, and we will do it for sure come this fall.

Mr. Turner (Ottawa—Carleton): Tell Bourassa that.

Mr. Deputy Speaker: Questions and comments.

Mrs. Finestone: Mr. Speaker, first, I was going to take this opportunity to indicate my appreciation for the support given to me by the Hon. Member for Ottawa—Vanier (Mr. Gauthier). Second, I want to ask the Member a couple of questions, however, my colleague, the Hon. Member for Broadview—Greenwood (Ms. McDonald) who sat for two years with us on this committee, has another commitment and I would like to respect her time. I would like my colleague from Ottawa—Vanier to understand that I cannot ask him the question for which I know he would have a most enlightened answer, but I will leave the time for my colleague from Broadview—Greenwood.

• (1540)

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, I appreciate the remarks of the Hon. Member for Mount Royal (Mrs. Finestone).

It seems that Bill C-136 has been a very long haul. At the time of the Caplan-Sauvageau report I was communications and culture critic for my caucus and I gave a brief to that task force. I then sat on a committee that studied the task force report. It was an excellent task force led by Florian Sauvageau and Gerald Caplan. It did superb work and held hearings across the country. Then our own Standing Committee on Communications and Culture came up with a unanimous report which largely endorsed the strongly pro-Canadian, unashamedly pro-Canadian, nationalistic, "let's promote Canadian culture. Let's have a strong Canadian broadcasting thrust", Caplan-Sauvageau report.

Now we see that the Government has reneged. It has refused and rejected some of the most important recommendations from the task force and from the Standing Committee. There are major flaws left in this Bill before us now.

Some improvements have been made, Mr. Speaker. Some amendments were accepted at committee. I would like to cite them briefly to show that some sanity has prevailed and these improvements have been made. For example, equal rights have been inserted into the broadcast policy for Canada in famous Clause 3 of the Broadcasting Bill. This has been long a demand of Canadian women who have been left out of Canadian broadcasting, yet we define the radio waves as public property and women were very much second-class citizens on that public resource, the airwaves.

The Government, incredibly enough, had not included a decent section although the standing committee had recommended a decent section on the subject. The Government had ignored it but now we at least have some recognition of that through amendment. We also see some improvement concerning regions, that they would reflect regions to the rest of Canada while serving the special needs of those regions. We also see a better statement of predominant use of Canadian creative and other resources in the creation and presentation of programming. This is in Clause 3. Here is one of the places where the Government's original draft gave way to Americanization. The wording in the 1968 Act had been stronger than what the Government wanted in 1988. Despite all the PR about promoting Canadian programming, the Government was not going to do that. Fortunately there is now a rather convoluted clause, Clause 3(e), but it does state very clearly that there will have to be maximum use:

> —and in no case less than predominant use, of Canadian creative and other resources . . . unless the nature of the service provided by the undertaking, such specialized content or format or use of languages other than French and English, renders that use impracticable, in which case the undertaking shall make the greatest practicable use of those resources.

That is a reasonable statement to make. I am glad to see that enlightenment for the CBC's role got back into the Bill, one of these curious anomalies, and the Government, fortunately, backtracked on that. It was a curious anomaly but it would have been very bad if the CBC had been left without that as its mandate and left only to inform and entertain, not to provide that enormously important role of enlightening Canadians through documentaries and very thoughtful shows which the CBC puts on.

Now we have a Bill that we cannot support, but there are still major flaws in it.

[*Translation*]

This would be the first time in Canada that a Bill would be passed without unanimity, without the consent of all political parties in Canada. In the past, a consensus was reached on the provisions of the Broadcasting Act and for 60 years, the parties have worked together to reach consensus on it. So this would be the first time that the Conservative Government would not seek to promote culture in Canadian broadcasting. The Conservative Government gave in to the principle of free trade, the Government gave in to the Americans and we will see how the strength of American programming will increase in Canada!

[*English*]

Great opportunities have been lost, Mr. Speaker. Two very major flaws remain in the Bill before us today. I want to explain the problem. The Association of Canadian Film and Television Producers explains it very well. That Association points out that to have a strong Canadian system—it endorses the standing committee's recommendations to this effect—two things are necessary. First, all networks doing business in Canada must be required to hold a licence. Second, that the CRTC must have regulatory authority over any service earning revenues in Canada and Canadian markets, including specialty services, so that as they expand Canadian content requirements can be included. This is absolutely essential. The Canadian Cable Television Association endorsed this recommendation. It has strong support throughout the broadcasting community, strong support among writers, directors, and people who work in the industry. However, the Government rejected that, and it has given a number of phoney excuses in rejecting these major recommendations.

What is the impact of the Government's approach? It says that no foreign service should be denied the opportunity to operate in Canada. If there are 50 specialty services in the United States, there ought to be 50 in Canada. If the Americans move to 60, we ought to have 60 here. At no time should we say that no Canadians should have service from Canadian programmers. We should have what the standing committee recommended.

Certainly we accept off air broadcasters, the three-plus-one, the three major American regular broadcasters and public service, PBS, in Canada. Once we get the specialty services there ought to be complementary services. We should not be licensing every service, but we should be licensing services that can make a distinctive contribution that will be complementary to what we already have in Canada. That is how the standing committee and the task force saw it. That is how the industry thinks it should be and what would be workable.

What we have is a provision from the Conservative Government that any and every American broadcaster who wants to extend service into Canada, money making opportunities into Canada, will be free to do so with one possible exception. The CRTC acts where the Government refuses to act in legislation. We cannot be terrifically optimistic that this will happen. The recommendations were very clear that it be right in the Bill. My colleague, the Hon. Member for Vancouver—Kingsway (Mr. Waddell), introduced an amendment to this effect. He moved Motion No. 36 which said that only duly licensed services should be permitted. The amendment was turned down by the Conservatives. This approach had been accepted unanimously by the standing committee which studied the matter and heard people from across the country. Conservative members of the committee unanimously agreed that to have a strong Canadian system we would require this approach to promoting Canadian services, that we would allow Americans in up to a point where they would be complementary, but that if there were a Canadian to take over, a Canadian would take over.

The Americanized Conservative Government wants continentalization. This will undermine the ability of Canadian broadcasters to produce more Canadian programming when we look at how the industry actually functions. What Canadian broadcasters do is purchase American programs. They make money in advertising, in selling them. If they do not get exclusive rights for these programs, their revenues will decline. By allowing any American broadcaster in specialty services, which may be showing exactly the same material, into the same markets the Canadian broadcaster will be disadvantaged. They may not get the rights in the first place, or they will not have exclusive rights and they will get less revenue for it. This is wrong, very wrong.

• (1550)

The standing committee recognized the economic reality of the industry. In our sixth report, it was stated very clearly that even in large American markets there was only one available service in most programming categories. The report says that in Canada it is beyond question that a Canadian service could not co-exist with a non-Canadian service, especially if a Canadian service is expected to provide a meaningful contribution to Canadian programming.

The Conservative Government is prepared to have two classes of broadcasters in Canada, Canadian broadcasters like we had under the old rules who are required to make a contribution to Canadian broadcasting with Canadian programming, and another category of broadcasters who are free to make money in Canada without making any contribution to Canadian content. That is wrong.

Just as bad money drives out good, this kind of provision will make it harder and harder to have good Canadian programming. People will be able to make money without it. The ability of Canadian broadcasters to use their American purchases to generate revenue which then goes into more Canadian work will be lost. That circulation within the industry that everyone who knows the industry knows about has to be respected, but the Government did not want to do that.

The Canadian Association of Broadcasters says that the proposed Act fails to establish clearly the structure of the Canadian broadcasting system and principles that will keep it Canadian. Why is that? The structure will have these Canadian broadcasters who are producing Canadian programs and then these other guys who are making money but are not producing. It has not been made very clear that if a broadcaster wants to get a licence, and he must have a licence to operate, he has to produce.

"A post-free trade environment", says the Canadian Association of Broadcasters, "will undoubtedly generate increased pressure for access to the Canadian market for a wide variety of United States broadcasting and programming services". It suggests that there will be no adequate defence against that pressure, and I think it is right. Now, more than ever, we need this kind of protection.

What is the Government doing? It is reducing the protection that previously existed. If this approach had been taken from the beginning, we would not have a Canadian broadcasting system, or certainly not one apart from the CBC.

The Cultural Industries Alliance said, in its opposition to this decision, that the Government's approach, if implemented, would give U.S. broadcasters a growing share of the Canadian market and would do so without leaving us with any ability to ask them to contribute Canadian programming. It is simply unfair, and it will be destructive of the Canadian system in the long run.

Parallel to this question about who gets a licence and what they have to do for that licence, there is also the question of carriage requirements. The standing committee, a bunch of realists if there ever was one, understands very well that most Canadians do their television watching through cable, so it is not just a question of what is in the air but of what people get on their actual television screens.

Carriage regulations which fall under the CRTC are absolutely vital. It will not do us very much good if the Canadian content in the air is swamped by this importation of signals, perhaps by satellite, into the system, signals which go through on cable. Carriage regulations are absolutely vital, as is the question of licensing.

Carriage regulations seem crucial, and the standing committee certainly said this. The 1968 Act, however, an Act which was passed without reference to cable, did not deal with this question. The standing committee recognized that most Canadians got their services from cable so carriage regulations were as important in maintaining a reasonable balance between Canadian and foreign programming as any other element of the system. Indeed, if cable is not considered, then any other measures may be quite futile if we then allow this massive importation to get out into the system by satellite and cable.

The standing committee recommended that the Broadcasting Act should define the essential role of distribution undertakings, a fancy term for cable, as being the distribution of Canadian radio and television services, English and French, public and private, with priority given to public Canadian and then private Canadian, and made it very clear that this should be in the Bill. This should not be something discretionary that subsequent pressure might see changed.

Except for the three-plus-one, the three regular American broadcasters and PBS, the Bill should make provision for foreign programming only when it is complementary to what is available from licensed Canadian broadcasters. There is no more important recommendation than this in the work of the task force and the standing committee.

It is absolutely vital, if we are to have a decent system, that we understand the economics of the system, where to use the carrot and where to use the stick. This Government has not been prepared to do that. The Government has not been prepared to do it, I think for the very simple reason that the Americans, who already make an enormous amount of money in broadcasting in Canada, put pressure on the Minister to weaken this Act.

[*Translation*]

This Bill was weakened by the Government to please the Americans. This is because of the principle of free trade, which must be respected; that is, the Americans will have access to Canadian markets, including the field of culture.

[*English*]

The Government said that culture was not on the table, but I think that culture was indeed on the table. I think that has been amply demonstrated. An excellent analysis of this has been done in the statement on the implications of the Canada-U.S. trade agreement made by the Cultural Industries Alliance. This alliance includes the major cultural groups in broadcasting as well as writers, directors, and others. They point out that there are five prime examples of how the Government gave way because of the free trade agreement. They include the capital cost allowance, giving way on Canadian ownership rules in film distribution, requiring only Canadian markets rather than having a licensed import scheme that would promote Canadian ownership in film distribution. Of course, they include backing away on the Baie Comeau publishing policy, another very fundamental policy. As well, they include the rejection of key recommendations made by the Standing Committee on Communications and Culture regarding the broadcasting Bill. We can see the impact of the free trade Bill already. It is bad for the country.

In the very little time I have left, I would like to point out that other deficiencies exist in the Bill. The Bill does nothing to support the CBC adequately. Much of this deals with funding. The Government made the statement that it was injecting $35 million more into funding for the CBC. However, since the Conservatives came into power, they have taken away from the CBC budget $140 million. The $35 million will not make up for the $140 million that has been taken away, and it is not clear that that $35 million is on top of cost-of-living increases or in lieu of cost of living increases.

The Government is pushing this legislation through at the last minute. The Government will not get unanimous support for it because there are major flaws in the legislation. This would have been an opportunity for us to go forward with Canadian culture. As Canadians, we could be proud of our writers, directors, and performers.

After the next election, I hope we will have a different kind of Government, a Government that will see the promotion of Canadian culture as being very important. Indeed, it is economically important. This is a wonderful area for job creation and is absolutely vital to the soul of Canada. I am disappointed to see that the Government gave way to the Americans on this and, in so doing, gave up the opportunity to move ahead.

• (1600)

Broadcasting is an area in which we have a lot to look forward to if we do not bind our hands as the free trade agreement does. This is an opportunity that has been lost by this Government. The Government is going to push it through and push it through fast. I can only say that we have to look to the future. I hope this Government will be thrown out at the next election.

I hope the free trade deal, which is at the bottom of all that is wrong with this particular Bill, will be stopped. Then we will have the opportunity to look at what we want to do as Canadians in broadcasting. At that stage we can start to build on the traditions that have developed so much up to now. I look forward to a future of building a strong Canadian culture in Canadian broadcasting. In the meantime, I certainly will not support this Bill, and I look forward to it being upset and improved in the future.

Mrs. Finestone: Mr. Speaker, I would like to ask my colleague, who gave a very interesting and well founded analysis, how she feels about the Minister's speech which was given for her by the Minister of Labour (Mr. Cadieux) yesterday. He said, at page 19673 of *Hansard*, the following about the Bill:

> —if it is not passed and enacted very shortly, many Canadians, and I am thinking of ethnic and language minorities, native people, the disabled and many other groups, would lose this opportunity to take their rightful place in an area that is very important to them, the broadcasting sector.

He concluded by saying:

> —I would like to remind all Members in this House who may intend to oppose the passage of this Bill that they will have to justify their actions before the Canadian public which is in favour of this legislation.

Would the Hon. Member suggest that this is a fair assessment on the part of the Minister and a fair analysis by the Minister?

Ms. McDonald: No, Mr. Speaker, with respect to native people the Bill is not very good. I might point out that people in educational broadcasting are still very disappointed in the Bill. I belong to a group of women who has certainly been very critical of this Bill. It indicates that we now have equal rights there, so we do not have to worry about it. Improvements have been made, but I think people would really like to see a better Bill and I think people would be prepared to wait for a better Bill.

The Caplan-Sauvageau task force took a fair amount of time to study the situation. The standing committee spent some time and did good work. A broadcasting Act has a life span of roughly two decades. It seems to me that taking a few more months is not a bad idea when we can reasonably expect that it is going to be around for some time. I think an investment of a few months in a decent Bill would be well worth the wait. People would be quite reasonable about waiting just a little longer in order to get something they would really be pleased with.

Mrs. Finestone: Mr. Speaker, with respect to what the Hon. Member just said, I would like to ask her how she sees the concerns that I see. We have a regional cut of about 26 per cent by CBC in order to fulfil the totality of its mandate. As the Member and I know, CBC has a multiple mission, that of television in English and French, that of radio, AM and FM, English and French, Radio International, northern services, and the House of Commons service. I suggest that these are very important in the public interest.

The Minister now wishes to add money, even though there has been a significant cut to which the Member alluded earlier in her remarks. The Minister wants to put money into an alternative program. She has put money into . . .

[*Translation*]

. . . TV5, which does not go beyond the borders of Quebec, unfortunately.

[*English*]

To what extent does the Member think the public sector should be involved in funding national programs of national interest such as Radio Canada, CBC, Radio International Services, TV5, as well as alternative services, and perhaps All-News?

Ms. McDonald: Mr. Speaker, the reality is that the best way to have good Canadian programming in Canada is to have a very strong public sector in broadcasting. I do not give up on the public sector. I think we need stronger regulations. The standing committee was certainly very clear that private broadcasting had to do a better job. However, it was very clear that in some regions there simply would not be enough money, especially for very small Francophone communities in the West where there was simply not the advertising revenue to carry adequate services in a minority language.

Realistically, there are many areas in which it would be necessary to have strong public presence. For that we are simply going to need money. This Government has not been prepared to spend that money. It can find money for nuclear submarines and for all kinds of incredibly generous give-aways to sectors of the economy that probably do not need it, yet when it comes to building up our Canadian culture it has been very, very skimpy.

We do need a second channel. The alternative public service proposed in these guidelines set out by the Government is totally inadequate. It is very sketchy. It is very vague. We do not really know what the Government has in mind, whether there would be adequate funding or not. It seems very unlikely. Therefore, I would simply say that we are going to need adequate public funding in educational TV, a second channel, All-News, all these things. In some cases, the increases required are very modest indeed, but they would make a real difference.

I think we want to see this combined with a stronger requirement to the private sector to put back into programming some of the very high profits it makes, but realistically we are going to need that vital public presence. This Government is just not prepared to find the dollars to make it alive.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the amendment will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

Mr. Gauthier: On division.

Mr. Deputy Speaker: The amendment is lost on division.

Amendment (Mrs. Finestone) negatived.

Mr. Deputy Speaker: The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

And more than five Members having risen:

Mr. Deputy Speaker: Call in the Members.

The House divided on the motion (Miss MacDonald), which was agreed to on the following division:

(*Division No. 619*)

YEAS

Members

Belsher
Binns
Blais
Blouin
Bradley
Brightwell
Brisco
Browes
Cadieux
Caldwell
Cardiff
Clark
(Brandon—Souris)
Collins
Corbett
Crofton
Crosbie
(St. John's West)
Darling
Desjardins
Dorin
Duguay
Fennell
Ferland
Fraleigh
Fretz
Friesen
Gass
Gray
(Bonaventure—Îles-de-la-Madeleine)
Gurbin
Hamilton
Hawkes
Hicks
Holtmann
Horner
Jacques
Johnson
(Bonavista—Trinity—Conception)
Kempling
Kindy
King
Layton
Lewis
MacDonald
(Kingston and the Islands)
Mailly
Malone
Mayer
McCain
McCrossan
McDermid
McInnes
McKenzie
Merrithew
Moore
Nickerson
Peterson
Pietz
Reid
Schellenberg
(Nanaimo—Alberni)
Scott
(Victoria—Haliburton)
Scott
(Hamilton—Wentworth)
Scowen
Sparrow
Suluk
Towers
Tremblay
(Québec-Est)
Tupper
Turner
(Ottawa—Carleton)
Van De Walle
White
Winegard—68

NAYS

Members

Althouse
Baker
Benjamin
Blaikie
Boudria
Caccia
de Corneille
Dewar
Dingwall
Finestone
Gauthier
Heap
Keeper
MacLellan
Malépart
Marchi
McCurdy
McDonald
(Broadview—Greenwood)
Murphy
Nystrom
Orlikow
Ouellet
Prud'homme
Robichaud
Rodriguez
Tobin
Waddell—27

• (1640)

Mr. Deputy Speaker: I declare the motion carried.

Bill read the third time and passed.

Mr. Redway: Mr. Speaker, I rise on a point of order. I would like the record to show that I was present for the vote, but declined to vote because of the impact of this Bill on condominium owners.

* * *

• (1650)

BUSINESS OF THE HOUSE

Mr. Lewis: Point of order, Mr. Speaker. In view of the co-operation of the Opposition on this particular Bill, at this point anyway, we have agreed that rather than proceed with other business we will call it six o'clock.

While we will discuss this with the other Parties, it would be our intention tomorrow to call the unemployment insurance Bill dealing with variable entrance requirements and/or the heritage language Bill. Whichever we can complete first and get on with the other business, we will do it in that order.

Mr. Prud'homme: Mr. Speaker, the Hon. Minister has given us the order of business for tomorrow. May I ask him if he has any news as to when we will have second reading of Bill C-79, the Election Expenses Act? I had the honour of being appointed chairman of the committee by Mr. Speaker and I am still waiting to chair it.

Mr. Lewis: Mr. Speaker, I think we will possibly study that particular matter on a practical basis rather than an academic basis.

Mr. Nystrom: Mr. Speaker, I wonder if the Government House Leader can give us the projected business for Friday and Monday since we are all gathered here now?

Mr. Lewis: Mr. Speaker, on Friday we will do the bank credit Bill. If that is not finished, we will proceed on Monday with the same Bill and possibly follow it up with the postal services investigation board.

Mr. Nystrom: Ironclad guarantee?

Mr. Prud'homme: Mr. Speaker, just a suggestion, but I would recommend to the Hon. Minister to consider calling Bill C-79 so that we can start studying it. It is essential for the Chief Returning Officer to conduct a good election.

Mr. Deputy Speaker: Is there unanimous consent to call it six o'clock?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It being six o'clock, this House stands adjourned until 11 a.m. tomorrow, pursuant to Standing Order 3(1).

The House adjourned at 4.52 p.m.

HOUSE OF COMMONS

Thursday, September 29, 1988

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PUBLIC ACCOUNTS

GOVERNMENT RESPONSE TO TWELFTH REPORT OF STANDING COMMITTEE

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I have two items to deal with today. First, I am pleased to table the Government's response to the twelfth report of the Standing Committee on Public Accounts.

[*Editor's Note: See Today's Votes and Proceedings.*]

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WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Pursuant to the provisions of Standing Order 84(1), I have the honour to lay upon the Table copies of a Ways and Means Motion to amend the Income Tax Act.

Pursuant to the provisions of Standing Order 84(2), I ask that an Order of the Day be designated for the consideration of the said motion.

* * *

UNITED NATIONS PEACEKEEPING FORCES

SELECTION FOR NOBEL PEACE PRIZE

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, I rise to report to this House with a great deal of pride the selection of the United Nations Peacekeeping Forces as recipient of the 1988 Nobel Peace Prize.

Some Hon. Members: Hear, hear!

Mr. Beatty: I am sure that all Members of the House will join me in expressing their pleasure at this announcement.

This prize has particularly special meaning for Canada. For many years peacekeeping has been accorded a prominent place in Canadian foreign and defence policy.

This Government has made peace and security one of the basic objectives which have framed our approach to the formation of Canadian domestic and international policy over the last four years. Indeed, peacekeeping was one of the primary goals identified for the Canadian Forces in the 1987 White Paper on National Defence.

The effective participation of Canadians Forces in virtually every United Nations peacekeeping operation since the Second World War has contributed directly to the easing of tensions in trouble spots around the world. If there is one thing for which Canada is held in high regard it is our support for the United Nations and for its peacekeeping efforts.

Canada has served on 11 separate UN peacekeeping missions from Korea to the Middle East to the Belgian Congo. We have participated in eight different U.N. truce supervisory or observer missions from Kashmir to Yemen to Lebanon. Finally, we have not restricted ourselves to UN operations alone but have also contributed our expertise to four other non-UN multilateral peacekeeping operations.

Our record is a proud one. Today, almost 2,000 Canadian Forces personnel serve around the world in a score of countries furthering international peace and goodwill. I have in the past indicated in this House and elsewhere that these dedicated officers and enlisted personnel deserve the unqualified support of all Canadians. Polls have indicated that most Canadians do indeed share this point of view.

Peacekeeping has long deserved the type of international recognition and support which today's Nobel Peace Prize announcement embodies. The UN's peacekeeping efforts in the past 40 years have finally received their just recognition, as have those nations, such as Canada, which have actively supported and contributed to such efforts.

Peacekeeping has a special place in Canadian hearts. I think I can say that we invented peacekeeping. Or, rather, the late Prime Minister Pearson invented peacekeeping. For his pivotal role in seeking the peaceful resolution of the Arab-Israeli conflict of 1956 Mr. Pearson was justifiably awarded the Nobel Peace Prize.

Today's announcement is a second Nobel Prize involving Canada and its peacekeeping efforts. I join all Canadians in extending our congratulations and our best wishes to our peacekeeping forces around the world. Their job is difficult and dangerous. But their dedication over decades has done much to further the cause of peace in the world.

Hon. Herb Gray (Windsor West): Mr. Speaker, I rise on behalf of the Official Opposition to say how pleased we are to see that the Nobel Prize Committee has awarded this year's Peace Prize to UN peacekeepers.

• (1110)

Canada plays a special role when it comes to the concept of peacekeeping. I think it is clear—and history records this—that this very concept was something created by a Canadian. The late Right Hon. Lester Pearson, when he was Secretary of State for External Affairs in the Government of Louis St. Laurent, at that time convinced the United Nations to establish a force made up of troops of member countries, including Canada, in a way which resolved the Suez crisis of 1956. As a result, Mike Pearson received the Nobel Prize for Peace in 1957.

It occurred to me that it might be said that the awarding of this year's Nobel Prize for Peace to UN peacekeepers is almost like the award of a second Nobel Prize to Mike Pearson, because the award announced today is a confirmation of how important, how valid, and how successful the concept that Mike Pearson developed in 1956 has proven to be over the years.

This award is a tribute, certainly, to the troops of the member countries who have participated and are participating in UN peacekeeping operations around the world, and Canadians have proudly played a leading role in all such forces since their inception. They played an important role with the force created to resolve the Suez crisis, and they are playing an important role today in maintaining the truce which has ended the gulf war between Iran and Iraq.

This award is indirectly a tribute to the Secretary General of the United Nations, Javier Perez de Cuellar and his staff, for their work in bringing about the truce in the gulf war and generally in doing more than has been done for quite a few years in advancing the role of the United Nations in resolving conflicts and preventing them from breaking out into world wars of a scope which has caused such destruction all too often in the past hundred years.

If this award is a tribute to the Secretary General of the United Nations, it is also in recognition of the importance of the United Nations itself in helping to maintain an atmosphere of peace and security in the world. I know that all Canadians are very pleased to find that the peacekeepers of the United Nations have been awarded this year's Nobel Prize.

This is not the first time that UN agencies have been awarded the Nobel Prize, but certainly, because of the role of a Canadian, Mike Pearson, in creating the concept of peacekeeping by the UN, and also because of the role of Canadian troops in all United Nations peacekeeping operations, Canadians, I am sure take great satisfaction in this year's Nobel Prize for Peace.

I conclude by again stating how delighted we are in the Official Opposition that this award has been given to the Peacekeeping Forces of the United Nations, and I am sure that all Canadians are delighted in the same way and extend their warm congratulations to all those participating in United Nations peacekeeping operations, the forces of Canada and the forces of the many other member nations of the United Nations who are doing so much to justify this Nobel Prize for Peace.

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, on behalf of my colleagues in the New Democratic Party, I would like to join with the Minister and the spokesman for the Official Opposition in congratulating the United Nations Peacekeeping Forces on being recipients of this year's Nobel Peace Prize. I think it is particularly appropriate when we know that over the years this Nobel Peace Prize tends to go to individuals, which is understandable. But the fact remains that over those same years there have been many, many individuals unrecognized in this special way who have been keeping the peace on the ground, where it counts.

We know that over-all, between 1947 and 1988, more than 80,000 Canadian servicemen and servicewomen have participated in 15 peace-restoring, peacekeeping, and truce supervisory operations mounted by the United Nations, and in three truce supervisory or observer missions conducted outside the UN framework.

In 1988, this very year alone, over 1,400 Canadian Forces personnel participated in international peacekeeping forces and observer missions. I am also told that since Korea 79 Canadians have died while serving in peacekeeping forces, something which many Canadians may not know.

What we are recognizing or what has been recognized today in the awarding of this Nobel Peace Prize is the terribly significant and sometimes dangerous role that many Canadians have played, as I said before, on the ground or on the line, literally, in some cases.

I had the opportunity to visit the Green Line in Nicosia, as I am sure the Ministers have had the opportunity to do so, and on a day-to-day basis Canadians there are put in a position where they sometimes have to confront people who are threatening or actually moving into territory that they should not be moving into, and these Canadians put themselves in a very vulnerable position.

That is the kind of real peacekeeping we are recognizing here today. I can say, as has been indicated by previous comments, that the peacekeeping role that Canada has played all these years is something that all Canadians agree on and with. We may disagree with the Minister of National Defence (Mr. Beatty) on nuclear submarines and on first-use policy of NATO or Cruise missile testing, or whatever the case may be, but I think there is consensus on Canadian defence and foreign policy on the role of the Canadian Armed Forces and being available to the world for these kinds of peacekeeping operations.

We need to ask ourselves, I suppose, the larger question of how we keep the peace, not just between smaller countries who are fighting but between the superpowers, and that is where the debate enjoins with the Government.

For the moment, let us all come together and rejoice in the fact that the work that many Canadian men and women have done over the years in peacekeeping operations has been duly and honourably recognized.

Some Hon. Members: Hear, hear!

* * *

ACID RAIN

PRESENTATION OF FIRST REPORT OF SPECIAL COMMITTEE

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, I have the honour to present the first report of the Special Committee on Acid Rain to which, pursuant to Standing Order 99(2), the committee requests a comprehensive response.

I would like to point out to the House that the report that I am presenting this morning is the accumulation of work done by a group of Members from all three Parties. Acid rain is a killer, and we must all work together to prevent any further damage in order to give our children's children the Canada they deserve. This is a good step forward. Some hope has been restored.

I am sure, Mr. Speaker, that you as a former Minister of the Environment will be very, very interested in this report, because I am well aware of your grave concern as well.

Some Hon. Members: Hear, hear!

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

PETITIONS

CALL FOR RESEARCH INTO SCHIZOPHRENIA

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, I have the honour to present a petition signed by people in my riding, but also elsewhere in Winnipeg, who are concerned about the whole matter of schizophrenia as a major illness in Canada, affecting about 1 per cent of the population and causing severe mental anguish and suffering to the patients and their relatives, and costing Canadian society more than $3 billion annually in direct health care and other support costs.

• (1120)

The petitioners state that recent research findings, including those obtained in Canada, have shown the illness to be a biochemical brain disorder in part caused by genetic malfunction. Schizophrenic patients, their relatives and friends, desperately hope that a cure and method of prevention can be found as soon as possible through larger research efforts dedicated to schizophrenia.

The petitioners further state that the research effort in Canada dedicated to schizophrenia is extremely limited and not commensurate with the burden that the illness imposes upon Canadians.

Therefore, the petitioners call upon Parliament to ensure that research efforts related to schizophrenia will, in the future, be commensurate with the seriousness of this illness in Canada.

[*Translation*]

REQUEST FOR PROTECTION OF THE ENVIRONMENT

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, in my riding, there is a very active environmental group that wants to present a petition. This group is called *Les amis des arbres* or "Tree Lovers Coalition". These people ask us to fight pollution, to support local initiatives, to consult the population and to support them, even financially.

Mr. Speaker, what is interesting about this group led by Phillip Norton is that it deals with little things. By dealing with all these little things, we will fight pollution and this ties in very well with what my colleague just said.

So I am pleased, on behalf of the people of Valleyfield, Franklin, Beauharnois, etc., to present this petition.

[*English*]

SOUTH MORESBY PARK—HYDROCARBON EXPLORATION

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I have two petitions on what is probably the last full day of Parliament before we enter an election.

The first petition indicates that, on June 12, 1988, when the South Moresby Park Agreement was signed, the federal Government committed itself to spending $20 million or more to explore for hydrocarbons in the South Moresby Marine Park.

The Queen Charlotte region has higher earthquake activity than the San Andreas fault, and the Hecate Strait has among the roughest and most unpredictable seas in the world.

The undersigned petitioners state that they do not want any more hydrocarbon exploration activities to take place in their coastal waters, nor do the petitioners want the Government to pay for any such activities from this day on. This petition was circulated by the Greenpeace organization.

Questions on the Order Paper

DEPORTATION FROM CANADA OF SALLY ESPINELI

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, my second petition concerns Sally Espineli a Filipino woman from Winnipeg who was discriminated against on the basis of her marital status. The Human Rights Commission made a special appeal to the Minister of Immigration (Mrs. McDougall) to allow Miss Espineli to remain in Canada until her human rights complaint had been heard. Nonetheless, Espineli was deported on August 31, 1988.

The undersigned petitioners humbly pray and call upon Parliament to instruct the Government, through the Minister of Immigration, to bring Sally Espineli back to Canada in order that the Human Rights Commission can hear her case in person.

CANADA-U.S. FREE TRADE AGREEMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have the honour to present three petitions dealing with the question of free trade.

The first petition is signed by residents of Winnipeg, and towns in Manitoba such as Beauséjour, in which the petitioners state that the Conservative Government had no mandate from the Canadian people to conclude a free trade agreement with the United States.

The second petition is signed by residents of towns and cities in Ontario, including St. Catharines, Kingsville, Niagara Falls, Cambridge, and Leamington. In part it states that the Prime Minister (Mr. Mulroney), in the course of bilateral negotiations, promised that Canadian sovereignty would not be compromised.

The third petition is signed by residents of Nova Scotia from Dartmouth, Sackville, Halifax, Bedford, and Shad Bay in which the petitioners state that the proposed trade agreement would deny Canada policy freedom to determine its own economic future, and undermine our ability to build a society distinct from that of the United States.

Therefore, the petitioners humbly pray and call upon Parliament to dissolve and allow the people of Canada the opportunity to accept or reject the proposed free trade agreement during a national general election.

[*Translation*]

REQUEST FOR RETENTION OF 10 WEEK QUALIFYING PERIOD FOR UNEMPLOYMENT INSURANCE.

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, again today, I have the duty to present some petitions to you. The first one comes from people in my riding, from Saint-Louis and Richibouctou, and the second, from residents of Albert County in southeastern New Brunswick, from the communities of West River, Hopewell Cape, Hopewell Hill, Shepody and Riverside.

[*English*]

The petitioners deplore the action of the Minister of Employment and Immigration (Mrs. McDougall) changing the eligibility period for unemployment insurance from 10 to 16 weeks.

[*Translation*]

The petitioners demand that the qualifying period be 10 weeks, as it was before.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand.

The Deputy Speaker: Is it agreed?

Some Hon. Members: Agreed.

* * *

[*Translation*]

Mr. Deputy Speaker: I wish to inform the House that because of the Minister's statement, Government orders will be extended by 11 minutes, after one o'clock.

GOVERNMENT ORDERS

[*English*]

UNEMPLOYMENT INSURANCE ACT, 1971

MEASURE TO AMEND

Hon. Otto Jelinek (for Minister of Employment and Immigration) moved that Bill C-158, an Act to amend the Unemployment Insurance Act, 1971, be read the third time and passed.

Mr. Benno Friesen (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I rise with pleasure to speak on behalf of the Minister of Employment and Immigration (Mr. Jelinek) to address third reading of this Bill, which is important, and I believe all Members agree is important to the unemployed in the weeks and months ahead during the coming year.

During second reading debate and Committee of the Whole stage, Members expressed concern about some areas of unemployment insurance, and that has certainly been taken into consideration. It is for this reason that the Minister of State has asked for a comprehensive review of economic regions so that we can correct some of the things that are wrong with unemployment insurance with respect to the variable entrance requirement. This is the first time that it has been done in 12 years, and it is highly necessary to do so.

The unemployment insurance program plays an important role in our social security system. Unemployment insurance benefits replace lost income. They help maintain the stability of local economies, and also help to protect the jobs of people employed in most communities. Bill C-158 contains an extension to the variable entrance requirement from January 4, 1989, to January 6, 1990, to allow the unemployment insurance program to continue to respond to regional differences for the next 12 months. We do not want to create hardship. The extension of the VER will be tangible demonstration that Parliament recognizes the difficulties many Canadians face in finding work.

If the VER is not extended, up to 80,000 recipients in high unemployment regions could find themselves without work, without pay, and unable to meet the eligibility requirements for unemployment insurance benefits.

I am asking the House to approve this amendment to the Unemployment Insurance Act to maintain the *status quo* until we have the results of the comprehensive review of economic regions. We will not make changes to this important social program in a haphazard manner. If, when the review is completed, we will feel it is appropriate to make changes, we will come before the House with a detailed plan for the future. It may be that we find the VER, or some variant thereof, to be the best possible way to deal with regional differences, but let us await the evidence.

For the immediate future, unemployment insurance applicants must be assured of the situation regarding their admissibility. Through failure to extend the VER, we do not want anyone to find himself or herself in financial difficulty. Therefore, I ask for the support of all Members of the House that Bill C-158 may be passed with the minimum delay.

• (1130)

[*Translation*]

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, I welcome this opportunity today to speak to Bill C-158, which is an amendment to the Unemployment Insurance Act to extend the variable entrance requirement. As the Parliamentary Secretary said earlier, the VER has been used for a number of years to maintain the ten-week eligibility period.

Mr. Speaker, although the Bill will maintain the current system and will, in certain cases, be beneficial to Canadian workers, it will do nothing at all for the people of New Brunswick, especially those in the southeast and the entire southern part who are affected by the variable requirement.

In June, the eligibility period for our workers went up to sixteen weeks, in July it went back to ten weeks and then went back up to sixteen weeks in August, where it is now, in September.

What happened? When Statistics Canada does its surveys to determine the seasonally adjusted unemployment rate in southern New Brunswick, it does about 700 individual surveys, that is, 400 in the Moncton urban region and about 300 in the rural region.

According to these surveys, the unemployment rate in the city of Moncton is very low, and in rural areas it is very high. This means that when both rates are combined and seasonally adjusted, the average rate for the last three months drops below 11.5 per cent, which requires a change in the eligibility period.

The section we propose to change will do nothing for the people of New Brunswick. There are several sections in the Unemployment Insurance Act that have an impact on eligibility. These include Section 17(6), the section we are amending today, and also Section 17(5) and Section 35.

> Under these provisions eligibility for and entitlement to UI benefits are determined by three-month average of seasonally-adjusted unemployment rates for the UI economic region in which the UI claimant resides. These unemployment rate estimates are provided monthly by Statistics Canada as a by-product of the Labour Force Survey.

As I was saying, Mr. Speaker, we are changing only one part, one section, namely 17(6) and not Section 35, which is a shame for the people of New Brunswick.

When workers experienced the first change in July, many people were taken by surprise. They were relieved when in the following month, the 10 week period was reinstated. Subsequently, however, the eligibility period went back to 16 weeks.

Mr. Speaker, in June I received petitions, letters and any number of telephone calls. The same thing happened in July: telephone calls, petitions, letters and visits. The same thing in September: more calls, more petitions and even more visits and letters. In September however, I detected a note of aggressiveness among the workers affected by this measure.

Why? Mr. Speaker, you must realize that in our region, unemployment insurance represents a considerable adjunct to people's income. The workers felt aggressive towards the Department because it had failed to make certain changes. They felt this way because the Minister had made changes in the regulations to accommodate people in another region. These changes were to take effect as of September 11, 1988. According to the *Canada Gazette*: Her Excellency the Governor General in Council, on the recommendation of the Minister of Employment and Immigration, pursuant to paragraph 58(t) of the Unemployment Insurance Act, 1971, is pleased hereby to approve the amendment made by the Canada Employment and Immigration Commission to the Unemployment Insurance Regulations, C.R.C., c. 1576, in accordance with the schedule hereto, effective September 11, 1988.

The change was made in the Outaouais region:

> One of the regions is that of Outaouais (UI economic region 49) comprising the city of Hull and the rural areas in the Gatineau River valley northwest of Ottawa. Unemployment rates for Hull have tended to be substantially lower than those for the rural portion of the Outaouais economic region.
>
> Because of the preponderant influence of Hull in the production of these estimates those for Outaouais tend to understate the difficulty of finding employment in the rural part of the region, with the consequence that UI benefit conditions may be more stringent than economic circumstances warrant.

That is why the people in our region have started to show signs of aggressiveness. In their case, changes in the eligibility period are affecting them adversely, but the Government refuses to take any action. It did in the case of another region, as I just pointed out. People are starting to ask questions. Why weren't the same changes made for New Brunswick? What we have here, Mr. Speaker, is a case of gross injustice.

When we talk about the eligibility period and mention ten weeks, some people say 10 weeks isn't very long. Anybody should be able to find work for 10, 15 or even 20 weeks. Mr. Speaker, if enough work was available in my region or in every region in New Brunswick or every region in Canada, people would prefer to work 20, 25 or 30 weeks or even all year round.

The fact remains that for some workers in New Brunswick, 10 weeks of employment is hard to find. Some occupations and certain types of work are seasonal. Fishermen, for example, are guided by the fishing seasons. If we look at the lobster fishery, which provides employment for most of the people in my constituency and in some other New Brunswick ridings, the fishermen, their assistants and the factory workers are limited to 10 weeks for the simple reason that the fishing season is only 10 weeks. There is no question of extending the season. The resource is just not there to support more fishing.

Not only fishermen and those involved in the fishing industry have difficulty. Thare are also construction and forestry workers. Sixteen weeks of work is very hard, and in some cases impossible, to find. Ten weeks is hard enough.

So how does one explain to the people of New Brunswick that the Government really does not want to listen? It remains insensitive and reading the words of the Hon. Parliamentary Secretary raises some doubts about the Government's sincerity, because this Government has already disappointed New Brunswickers in the past and it is doing so again.

I refer to the words of the Hon. Parliamentary Secretary, who last Friday, when he introduced changes on second reading of Bill C-158, said, as reported on page 19558 of *Hansard*, which I quote:

> Unfortunately, in some regions, economic recovery is slower and the rate of unemployment remains higher than the national average. A failure to extend the variable entrance requirement at this time would have serious negative consequences for those regions.

He continues:

> One of the priorities of our Government is its desire to help those regions that are experiencing economic difficulty. The VER . . .

. . . variable entrance requirement . . .

> . . . recognizes that it is more difficult to find and keep a job in a region of high unemployment. This is, in fact, one of the most important aspects of the UI program, since it takes into account the labour market conditions in each region of the country.

And I could go on.

Mr. Speaker, this speech could be used to justify changes to the regulations under section 35. So why not make all the changes to ensure that all workers are treated the same way! How can one explain to the people of New Brunswick that this Government, on the one hand, says that it wants to treat them fairly and, on the other, just ignores them?

• (1140)

[*English*]

How can this Government explain to the people that it will not make the changes required to render justice to New Brunswick workers? The speech of the Hon. Parliamentary Secretary to the Minister of Employment and Immigration (Mr. Friesen), is meaningless. It did not accommodate all the workers. The speech is further rendered meaningless because government Members last Friday defeated a motion that would have established a fixed period of 10 weeks. The amendment was proposed by my colleague, the Hon. Member for Thunder Bay—Atikokan (Mr. Angus) and defeated by government Members who said they wanted to render justice to all the workers.

We have to question the sincerity of the Government and the Minister. We were assured last week that the Bill would not come before us last week, but that it would come this week instead so we would have enough time to propose amendments enabling us to make it fairer to all the workers of Canada. But, no, the Government last Friday wanted to push the Bill through. Two amendments were proposed and both were defeated. How can we not doubt the sincerity of the Government, Mr. Speaker?

[*Translation*]

Mr. Speaker, the Government's approach to this issue is totally unacceptable. The Minister is shirking her responsibility, which is to protect the workers. Her inertia is totally unacceptable.

What I find strange in this debate, Mr. Speaker, is that no other New Brunswicker rose to defend the interests of workers in the province. No Member and no Minister said a word, yet we do have two New Brunswick Conservative Cabinet Ministers in this House. The only Minister who did show some interest in this matter is New Brunswick Labour Minister Mike McKee who came here to Ottawa to confer with the Minister of Employment and Immigration (Mrs. McDougall). Her efforts—or mine, for that matter—were to no avail because the Minister simply said she would study the situation, even after the Forget Commission spent millions of dollars reviewing our unemployment insurance program and after a standing committee of this House produced a report on the same subject.

Mr. Speaker, this is a good opportunity to talk about the UIC program. It is very useful to some people because it provides additional income to make ends meet, stabilize the local economy, and ensure at least some standard of living. As I said in my opening remarks, our people would much rather work full time all year for the simple reason that they are hard-working men and women who do not like to remain idle. They would welcome year round employment which would bring in a lot more money than UIC benefits ever do.

Some people maintain that unemployment insurance payments make life too soft for our workers. Mr. Speaker, I object to such comments. Some working couples in New Brunswick are in a situation where the man or the woman earns $6 an hour, 40 hours a week. That brings in $240 a week or, over 50 weeks, an income of something like $12,000 a year. The partner also works 40 hours a week at $4.50 an hour, or $180 a week. If he or she is lucky enough to work for 10 weeks the take-home pay is $1,800. And if subsequently, he is eligible for unemployment insurance, he will get $108 per week for 40 weeks, which will give him another $4,300. This means the couple has to live on $18,100, which is less than our non-taxable allowance here in the House. However, when they buy groceries, they have to pay the same price we do for groceries or for other services.

I think a comparison would be useful. There are people who say we spend too much money on unemployment insurance and that some people take advantage of the system. Recently, I saw all kinds of press releases on my desk announcing grants to various businesses in my region and other regions. There was one grant for $160,000, and that isn't much as government grants go, when you consider that some are for millions of dollars. This was a grant for $160,000 to one individual, to help him set up some kind of building. If we look at the person who gets $4,000 a year, that person would have to be on unemployment insurance for 40 years to get the equivalent of the grant that this individual received in one lump sum. So we shouldn't say we are spoiling people with unemployment insurance. We are just giving them back a certain amount of income that gives them a measure of stability.

Besides, the money spent on the unemployment insurance program is subsequently spent by recipients on food, shelter and clothing. The purpose is to help them meet their basic needs, which in many cases cannot all be met.

What should we do, Mr. Speaker, with this program? Instead of making it more restrictive we should try and expand it. Recently, at the beginning of the academic year in community colleges in New Brunswick, many young people came to my office. They had trouble with unemployment insurance. They had worked and were eligible for unemployment insurance, and they decided that since they were no longer employed and had nothing to do, they would be better off going to college to take a course. However, a number of these young people were not lucky enough to be eligible for a regular manpower program. When they were not selected by the Department of Employment and Immigration and decided to continue their education anyway, they were told: Too bad, we are going to cut off your unemployment insurance. So the only option these young people had was to stay home in order to collect unemployment insurance, because if they left home to take a course, they were no longer eligible.

Changes should be made in the program to deal with this kind of situation and to unable young people to continue their education. People often say young people should go back to school to continue their education and learn a trade. In this case, however, when they were willing to do so, they were told: No, stay home and collect unemployment insurance. The program could be expanded and this would be entirely in line with the recommendations of the Standing Committee of the House on Labour, Employment and Immigration.

In the first part of their report, they said, first, that everyone should be treated the same, wherever they live.

• (1150)

[*English*]

Second, meeting the longer-term needs of employees for stable employment and financial security and of employers for an appropriately trained and educated workforce should be recognized as legitimate objectives for the use of the unemployment insurance program. Third, employers and employees need a simple, intelligible and easily administered program.

[*Translation*]

And I could go on.

Further on in the Committee's report, they said that the eligibility standard should not be tightened and the level and duration of benefits should not be reduced in regions of high unemployment. They also believe that beneficiaries in all regions should be treated the same way. It was a unanimous report of this Committee, where, of course, all Parties were represented.

We could have taken the opportunity given to us, when changes were proposed to the Unemployment Insurance Act in Bill C-158, to accommodate all workers. We could also have made the changes recommended by the Labour, Employment and Immigration Committee, whose first recommendation was to adopt 10 weeks of insurable employment as a common eligibility standard.

So why was this opportunity not taken? All the arguments are there, all the documentation is there. So why did the Minister choose to study this problem again when all the data to make the decisions are there and especially when we know that some changes have been made to the regulations to accommodate workers in some regions of Canada?

So why refuse to make the changes needed to accommodate New Brunswick workers? That is a question which the Minister and this Government will have to answer for New Brunswickers.

At the stage we are now, it is impossible or almost impossible to amend the Bill, for the simple reason that the only acceptable amendment would be to refer this Bill to a committee for further review, which would only delay the Bill more.

As I said right at the beginning, even though this Bill does not go far enough to accommodate the people of New Brunswick, it must still be passed because it will do some good for some people, some workers.

So, Mr. Speaker, although I support Bill C-158, I ask the House, all Hon. Members and the Minister of Employment and Immigration (Mrs. McDougall) to take immediate action to change the Unemployment Insurance Regulations so as to reinstate the 10-week qualifying period.

New Brunswickers demand this justice and they deserve to be treated the same way as all other working men and women, wherever they live in Canada.

[*English*]

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I have my back-up here, and I always like to have a back-up. Anyone who is Minister of State for Finance is a good back-up.

Mr. Gauthier: Is there a new buddy-buddy system here?

Mr. Rodriguez: He is preaching for a cause here today. He wants me to go easy on the next Bill which is about banks. He recognizes that there will be a new Government sitting on the other side after the election, and he is here preaching for a position. I have decided that he is a good candidate to be the ombudsman for the banking system.

• (1200)

I want to participate in this debate on third reading of Bill C-158, an Act to amend the Unemployment Insurance Act, 1971. This Bill is better known as the amendment to the Unemployment Insurance Act, amending the variable entrance requirement. People watching might want to know what the variable entrance requirement is. Back in 1977, under the previous Liberal Government, the variable entrance requirement was introduced into the Unemployment Insurance Act. What it did was to divide the country into 48 economic regions. In order to participate in the unemployment insurance program, an individual who is unemployed and eligible would require a certain number of weeks depending on the unemployment rate in that region. The higher the unemployment rate in the region, the lower the number of weeks required to participate.

For example, an individual living in a region that had 6 per cent unemployment or lower, would require 14 weeks for a renewal claim under the unemployment insurance program. An individual living in a region with between 6 per cent and 7 per cent unemployment, would need 13 weeks. An individual living in a region with between 7 per cent and 8 per cent unemployment, would need 12 weeks. An individual living in a region with 8 per cent to 9 per cent unemployment, would need 11 weeks, and for an individual living in an area of over 9 per cent unemployment, 10 weeks is required. Therefore, if one lives in a region that has a double digit unemployment rate, only 10 weeks of insurable earnings are required to participate in the unemployment insurance program.

That variable entrance requirement was introduced in 1977, and here we are 11 years later and we still have need for that clause in the Unemployment Insurance Act.

While the New Democratic Party will give quick passage to Bill C-158, I think it is important that we go on record that the solution to the problem is not this temporary clause that was put in the Act in 1977 to recognize regionally disadvantaged areas of the country. We do not see that as the solution. In fact, every single time we have to renew this variable entrance requirement, such as we are doing today in Bill C-158, which will take us to 1990, we are admitting that in this country we have not been able to resolve the problem of regional disparities.

After 11 years, seven of them Liberal and four of them Conservative, we are still unable to deal with the most serious economic problem of this country, regional disparities. We have been unable to spread out economic development in this nation. We are still saying that the solution to regional disparities is to make provisions in our social insurance programs so that areas that are condemned forever to be high unemployment areas will have easier access to our social programs such as unemployment insurance. This is an admission of failure on the part of this Conservative Government, and the Liberal Government also failed. Governments came up with DREE, DRIE, ERDA, IRDP, FEDNOR, the Atlantic Opportunities Agency, the Western Diversification Fund, a whole host of these things, and we still have need for the variable entrance requirement. In fact, of the 48 economic regions under the unemployment insurance program, 23 require only 10 weeks to be eligible for unemployment insurance benefits. Fifty per cent of the 48 regions still have double digit unemployment rates. I think that this is an indictment of failed policies over the last four years of this Conservative Government.

What has been the Government's principal underlying regional development? It is the jail-house principle. If we want to diversify regionally the economy of a community, we put a jail in the community. That is the Government's response. Manicouagan has high unemployment. Individuals there require 10 weeks to participate in the unemployment insurance program. So what the Government does is to put a jail in Manicouagan. We have a problem in Newfoundland with high unemployment. They build a jail there.

It is a sad commentary when we have replaced well thought out regional diversification programs with this jail house principle. It is a sad commentary when communities vie with each other and compete with each other for the sake of getting a jail because that is the way to get 60 more jobs and, with other spin-offs, 100 more jobs. That is a sad, sad commentary of this Government. On the eve of an election, to bring the variable entrance requirement for renewal before Parliament is a sad commentary.

What are the hopes for the future? This Government signed the Mulroney-Reagan trade deal and in fact condemned the regions to being forever hewers of wood and drawers of water. In fact, it prevents any direct intervention by a Government with respect to incentives or subsidies or in terms of helping regions to diversify their economies.

Mr. Scowen: That is not true and you know it.

Mr. Rodriguez: It is true, and the Tories are very sensitive about that. It is a clear surrender. The only part of this country that is going to have jobs is the Golden Horseshoe in Ontario. It is significant to note that while the Prime Minister (Mr. Mulroney) will get up and blow his horn over the 60 days of the next campaign, talking about how many hundreds of thousands of jobs he has created, the vast majority of those jobs are created within a 60 mile radius of Toronto. Everybody in Canada cannot live in the Metropolitan Toronto region. There are parts of this country, such as the region I come from, the Sudbury basin, which has a right and expectation to economic development.

We are a mining community and we are proud of that tradition. We believe that we have some expertise in hard rock mining. One would think there would be an economic strategy developed that would recognize that here is an area that ought to be a centre for mining technology. Its post-secondary institutions should be developing the kinds of research and development in mining that would allow this country to be in the forefront of such things as the detection of rock bursts. One would have thought the Sudbury basin, which is recognized all over the world as being a leader in the mining of nickel and copper, would be the centre for the development, production and manufacture of mining equipment. The scoop trams on the ground and the robotics that are now infiltrating the mines should be produced in the Sudbury basin. Yet, 70 per cent of the mining equipment used in the mines in the Sudbury basin are imported into this country from Sweden, Finland and West Germany.

• (1210)

After 11 years of attempting to diversify this country regionally we find that the only solution that the Tories have is the continuation of the Liberals' inability to do anything about the problem when they were the Government. Their only answer is to renew the variable entrance requirement, to recognize it, to enshrine it in legislation, and to tell the victims of the lack of the Government's ability to deal with regional disparities that at least things will be made easy for them to get on the unemployment insurance rolls. That is the answer from the Government and it is not good enough.

Is it because they lack the will? No sooner did they win the election in 1984 that in November of 1984 the Minister of Finance (Mr. Wilson) stood up and made an economic statement. In the economic statement he had something to say about the unemployment insurance program. He did not say that the Government was going to work to eliminate regional disparity so there will not be a need for the variable entrance requirement, so there will not be a need for regional extended benefits, because that is the other little part of this game. The little scam is that if we have a high unemployment, "rate we can extend your benefits beyond the 49 weeks in the Act".

What did they do in the economic statement in 1984? No sooner had they won the election that they said that the retirment benefits, the pensions of all those who take retirment, will be considered as earned income. That was a time when in many of the regions the resource companies were having a rough time and were encouraging workers to take early retirment to protect the employment of younger workers. They got caught. They got it coming and going. They were losing their jobs, they took the early retirement, the Government changed the rules, and they lost their UI benefits because the pension was then considered to be earned income.

We on this side of the House objected to that. We asked the Government why it would do that. The Government said that was only the first step, that it was going to hire 800 Keystone Cops that would go across the country and enforce the Unemployment Insurance Act. It was going to get tough with the cheaters. So while, on the one hand, it said it was saving some money by making pension income earned income, it was hiring 800 Keystone Cops to go across the country to get tougher with the unemployed. That is how the Government resolved the problem.

What about the real problems? The Government said it was also going to undertake a study. It set up Mr. Forget with a commission that spent $6 million to study the unemployment insurance program. He came back with such right-wing recommendations that not even this Casper Milquetoast Government could accept those recommendations. Therefore, the Forget Commission report, which cost the taxpayers $6 million, is sitting on a shelf gathering cobwebs.

A standing committee of this House made up of Members from all sides, with a majority of Conservatives, studied the Forget Commission report and came back and said that the variable entrance requirement is basically unfair, that the real problem is regional development. The variable entrance requirement simply institutionalizes the unfairness.

The committee dealt with the issue that if you were unemployed in Toronto, where the unemployment rate is very low, and you are 39 or 42 years of age, and if you are 40 years of age and living in St. John's, Newfoundland, the effect of unemployment is the same. The older worker in southern Ontario who cannot get a job and the worker in Newfoundland who cannot get a job are experiencing the same difficulty. No one is to say that just because he is living in an area where there is low unemployment he should be able to get a job and that the person in Newfoundland will have difficulty getting one because the unemployment rate is high. The effects of unemployment are the same. The feelings of frustration about not being able to get a job because you are an older worker are the same.

So the standing committee recommended that, instead of going to a variable entrance requirement, we go to 10 weeks no matter where you are in the country. That recommendation was unanimously approved by Conservative Members, Liberal Members, and the New Democratic Party Members on the committee. The thinking was that if we cannot light a stick of dynamite under the Government to come to grips with regional development and regional disparities as a result of lack of economic development, then maybe we could focus its attention because if the cost in the social insurance program were to be very high then it would have to pay attention to that particular problem.

Needless to say, Mr. Speaker, the standing committee's report is sitting on a shelf on the same level as the Forget Commission report gathering cobwebs and dust. So now, in the Government's dying days, the Minister of State for Employment and Immigration (Mrs. Vezina) said in a press release dated September 16 that she is going to set up a study of the variable entrance requirement. One more time we will go back to this business of studying the variable entrance requirement.

We have studied the unemployment insurance program to death. We have studied the variable entrance requirement and the regional extended benefits program to death. That is not where the problem lies. The problem lies with fulfilling what the Prime Minister promised, which he has not delivered, that is, jobs, jobs, jobs. We are talking about jobs in the regions of this country. When the election is on we are going to remind this Conservative Government that it has failed the people of Canada.

You cannot offer to the people of the regions of the country the sop of a variable entrance requirement. Although it may deal with the present, there is nothing in there that holds hope that things are going to change in the regions and that when we, at great expense, educate our children in those regions they can find jobs in those communities and take their place side by side and help to support the community which gave them their shelter and their education.

I want to say to you and to the people of Canada, Mr. Speaker, that there is hope because there is a Party here on this side of the House, the New Democratic Party, which recognizes the inherent and generic problem. It is not the VER but the question of regional development and of creating employment opportunities for regions in northern Ontario, eastern Canada, northern British Columbia, and right across the country so that when you grow up in a community you are able to take your place in that community when you reach manhood or womanhood.

• (1220)

Mr. Deputy Speaker: Are there questions or comments?

Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

* * *

BANK ACT

MEASURE TO AMEND

Hon. Tom Hockin (Minister of State (Finance)) moved that Bill C-140, an Act to amend the Bank Act, be read the second time and referred to a legislative committee.

He said: Mr. Speaker, on June 30, 1988, I had the honour to inform this House of the Government's policy regarding service charges as they apply to personal accounts in financial institutions. I am sure that many Members will recall the positive contribution to this policy development process made by the Standing Committee on Finance and Economic Affairs.

The committee helped to focus attention on a significant public issue which was created when services were unbundled by financial institutions. Unbundling these services made it possible for the financial community to better tailor and market retail services. It was perhaps fairer to unbundle them than to have the user pay. But I believe that same financial community failed to make it clear to customers that individual services would have charges attached to them.

You know, Mr. Speaker, as a result of this customers had insufficient warning, in my view, that service charges were being imposed. They also had insufficient warning that they were being increased. The public, accustomed to free retail services, was by turn puzzled, then annoyed, and then infuriated and outraged with what was happening.

I know that there are many in the financial community who think that the Government has no place telling business how to operate. However, in this instance there is clear evidence of the need for government action.

[*Translation*]

While wishing to avoid price regulation, it was the Government's view that this issue could best be resolved by ensuring that the essential conditions for real competition existed. First among these conditions is an informed consumer. To ensure this, the Government adopted notification and disclosure of service charges as the key components of its legislative initiative.

In doing so, we wanted to ensure that Canadians would be in a better position to make informed banking decisions and price comparisons. Moreover, we were convinced that free market competition, not government regulation, was the best way to bring about fair pricing practices.

To sustain such a system, it was necessary to require that institutions create and publicize mechanisms for handling consumers' complaints. Moreover, we felt that the Government had a role in monitoring and publishing information about the relative prices of financial services.

To this end, my colleague, the Minister of Consumer and Corporate Affairs (Mr. Andre), agreed to publish tables comparing the relative costs of such basic services.

This publication will ensure that financial institutions continue to comply with their voluntary undertakings. The first such publication was released on August 31, 1988.

[*English*]

The Superintendent of Financial Institutions has examined actions taken by financial institutions to remove various service charges. His report shows that in almost every case, compliance has been achieved or will be achieved in the very near future. I regret that I cannot use visual aids in the House. I went into my bank this morning where I saw a notice to revise fees, which I asked the bank manager if I could take home as a souvenir. He very kindly gave it to me to bring to the House today. I regret that I cannot table it and show it to the House this morning.

The Superintendent's report shows that in almost every case compliance has now been achieved or will be achieved in the very near future. Bill C-140 was one of two elements in the Government's response to the public's concern. The other elements of that response resulted from individual discussions I had with the major financial institutions in Canada.

The principal outcome of these discussions was the voluntary elimination of certain charges for personal account holders. Furthermore, the institutions acted voluntarily to ensure that basic personal banking services were available at little or no cost, as this display which I cannot show indicates.

As a result, six service charges, which most Canadians found to be objectionable, have been removed by various federal financial institutions. Specifically, recipients of NSF cheques are not charged for depositing such cheques in their personal accounts. There is no charge for closing personal accounts that have been opened for more than 90 days. For basic personal accounts no charges will be levied when the balance falls below a specified minimum. There are no charges now for transactions resulting from the institution's error as opposed to the customer's error. Administration and transfer fees on fixed term deposits, notes and GICs will not be increased during the term of these instruments. Finally, for dormant accounts with balances over $10, customers will be charged only if they have not responded to a letter advising them that a charge could occur.

These are substantive improvements. I am very proud that this Parliament, this Government, has had the influence to bring this about. Much has been achieved through voluntary action.

However, to complete this initiative legislative action is now required. There are those in the House who would like to legislate everything and have nothing done voluntarily, even though all three Parties, as I noted during the hearings of the committee, were willing to have a voluntary approach to this. We do believe that a great deal has been accomplished through voluntary compliance—as a matter of fact, everything that we wanted to have accomplished. But to complete this initiative some legislative action is now required. Let me briefly explain what is required and what the major provisions of this legislation are.

Bill C-140 is intended to improve the standards that banks must meet in notifying and disclosing service charges to their personal account holders in Canada. The Bill will also require for the first time ever that banks create and publicize procedures for handling consumer complaints. They are not required now by law to have a procedure. My hon. friend opposite mentioned to me a case this morning in which there is not a complaints procedure in a particular branch. This will be the law of Canada. They will have to have a complaints procedure in place. As a matter of fact, most banks and most branches as well as large trust companies have this procedure already up and running. It will now be required by law as a result of this Bill. These procedures will be submitted to the Office of the Superintendent of Financial Institutions.

When customers open a personal account they will be entitled to receive the following. First, they will receive a copy of the contract to which they have agreed. This was not necessarily the case before. They will receive a list of the service charges applied to the account. When you go in to open an account, Mr. Speaker, or when your son or daughter does, for the first time ever they must not only get a contract to take home but they must have a list of the service charges which will be applied to that account, which is disclosure, the heart of this Bill. Third, they will be given information on how they can expect to be notified of any modifications on the charges must be supplied. Fourth, they will receive information on the bank's procedures for handling complaints, this must be there when you open an account. Right now, this may or may not occur. This will be required as a result of this legislation.

• (1230)

The Bill also requires that banks provide ongoing disclosure of services charges on personal accounts. One cannot make our system work without notification. How can you decide whether you are going to change banks or not, because you do not like the level of service charges, if you do not have adequate notification that the services charges are going to change? We require adequate advance notification of changes. Not everybody gets a statement in the mail, but most personal account holders do. For those who receive statements, this notice must be included with their statement. It must be at least 30 days in advance, that is for all of us who receive statements in the mail, and that is most people.

Changes will also be posted at least 60 days in advance in the branches and at banking machines. So if you do not get a statement in the mail, there has to be a notice in the bank or at the banking machines. By the way, that is an improvement on what the committee recommended, that the banking machines as well have changes in fees.

I am very, very proud of this, because this notification will make the system work. This will allow the consumer to shop and to go to the bank manager and say, "I have had enough of these charges. I hear that the trust company or bank across the street does not charge nearly as much for service charges. I am going to change my account". You cannot make that decision if there is not adequate prenotification and adequate disclosure of what fees are.

I respect very much the Member for Ottawa—Vanier (Mr. Gauthier), but when this Bill came forward he said something which was patently untrue, and the Bill has made this clear. That is, in addition to these measures, significant penalties for breach of the disclosure and complaints provisions are also included. The penalties provide for a maximum fine of half a million dollars for a violation of these provisions. These are large fines, they are five, ten times more than what is presently in the Bank Act. The Member for Ottawa—Vanier said there were no penalties. There are penalties, and there are enormous penalties. I hope that he will acknowledge that.

Recently, I announced as well that the Government intends to bring forth some amendments to this Bill, to reach beyond helping personal account holders and to help the small business sector. Although the committee that looked at this piece of legislation did not look at small business, I was determined to get our response to the committee, which had to do with individual accounts, personal accounts, in order to get our response on the record. Therefore, we brought out our response.

I also wanted some time, a few months, to use that as a model for our response for small business. A great many of these principles are equally valid for small business.

Therefore, I notify the House today that the Government intends to bring forward amendments to Bill C-140 which will extend similar notification and disclosure methods to business account holders in Canada.

This package, complete with amendments, and the passage of this legislation will ensure that business has greatly enhanced information about the cost of financial services. Banks will be required to keep a list of all their standard charges for business services. Such lists must be made available to the public for examination, upon request, in bank branches doing commercial business.

If you are a very small business operator, you may not want a list to take home of every conceivable service charge. That could be a very long list for businesses. It should be available to you, either on a computer screen or in the branch in written form, and that is established in this legislation. Such lists must be made available to the public for examination, upon request, in the branches doing commercial business.

Among other things, this will include the standard charges applying to loans and the standard charges applying to mortgage renewals.

All Members of Parliament get complaints from time to time about charges connected with loans and charges connected with renewing mortgages. These must be spelled out in this list as well. The information will include the information on standard application and search fees and on the cost of wiring funds abroad.

From now on, all the core business account charges must be published in a brochure, which can be taken from the branch. Both corporations and unincorporated businesses, including farmers, will now be able to shop around for the best deal. This core list will be outlined in the regulation.

I have to tell you that these amendments on behalf of the small business community and farmers and unincorporated businesses are made in order to respond to our belief that proper notification and proper pre-notification is essential to making the system work. We are also responding to the Canadian Federation of Independent Business and other small business groups who have argued that this is essential. They are very, very pleased with these amendments that we are bringing into the Bill to cover and to help the small business community.

As a result of these changes, when making contractual arrangements, businesses will know the base against which they are negotiating. Those who do not want to negotiate a package will have better information about the cost of their banking services.

I would like to say a word about that. Most businesses actually have a customized arrangement with their banks. They go in and say, "Listen, I am going to be asking for all these bank services during the year. What are you going to charge me for them?" They will quote a number, $2,000 or $3,000, and you will want to compare that with what it would be without having a customized relationship or a contractual relationship that is customized for you in particular.

This will now be possible because all the fees must be made available for those who are not on a customized contract basis in the bank branch, and the small business operator can make that comparison and decide whether it is better to have a customized approach or to pay the standard fees as they occur.

[*Translation*]

Mr. Speaker, I believe that the package of initiatives, both voluntary and legislative, this Government has brought forward amply demonstrates our commitment to ensuring that there is real competition in financial services both at the retail and commercial level. Government monitoring will serve to underpin that competition.

Mr. Speaker, this Government believes that real competition, not regulation, is the best means of ensuring that Canadians have access to the broadest spectrum of financial services at the lowest cost. The informed consumer is the key element in real competition. Once the measures I have outlined are in place Canadians will be equipped to make better choices and the consequent competition will work to the benefit of all.

[*English*]

Let me conclude with this. I plead with Members on all sides of the House this morning to recognize that if we today can pass this in all stages and in committee stage, we can have a regime in place tomorrow, or close to tomorrow, for consumers, for individuals, and for small business in Canada. Those who hold up this particular Bill—the heart of which, by the way, was agreed to by all three Parties in the standing committee who looked at this question—may be making this impossible.

I plead with Members on all sides of the House—because all sides of the House participated in putting together this solution—to support this Bill. Let us have debate in the Committee of the Whole rather than sending it to a legislative committee. I can answer all the questions there. I can help with answers on regulations pursuant to the Bill. This Bill is one of the more important things that any Government can do for consumers and small business. Let us get it done, and let us get it done quickly.

• (1240)

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I know there are no questions at second reading, following the second speaker, but since the Minister did refer to some of the comments I made last June 30 I wonder whether the House would agree to let me clear up the situation with the Minister?

[*English*]

The Minister stated that, in my statement on June 30, I made certain allegations. I would like to clarify that statement, if the Minister will accept a question from me, in order to make sure the record is straight.

Mr. Deputy Speaker: Is there unanimous consent?

Some Hon Members: Agreed.

Mr. Gauthier: On June 30, 1988, when the Minister introduced the measure, in his statement to the House I did not see at the time he made the statement, any indication that there were to be penalties. It is true at the time that I stated, as reported at page 16962 of *Hansard,* June 30, 1988:

> Mr. Speaker, the Committee on Finance and Economic Affairs recommended fines or penalties of up to $10,000 for a first offence and up to $100,000 for each subsequent offence committed within a period of three years. There was no mention in the Minister's statement this morning of any serious measures or penalties to force the banks to act.

That is exactly the position in the morning. It is true that the Minister went to the press theatre on Wellington Street and made a statement and sent out documentation. In the documentation given to us at that time there were indeed penalties. At the time I made the statement, and the Minister must be honest—I know him to be an honest person—I had not heard any indication in his remarks that morning that he intended to proceed with penalties.

Mr. Hockin: I thank the Hon. Member for his intervention and that is accurate, as I remember it. I believe the Hon. Member is correct. I do not think I mentioned the provisions that were made for penalties in my speech in the House. However, I was able to elaborate on those details later when questioned about it in the press setting. The Hon. Member was made aware of those penalties then. I was curious this morning to know whether he approves of those penalties, and I gather he does.

Mr. Gauthier: Our critic, the Hon. Member for Trinity (Miss Nicholson), will be here after lunch. I wonder if the Government would be willing to suspend the sitting in order to give our critic an opportunity to make the appropriate comments on second reading of Bill C-140 at that time, that is, shortly after Question Period.

Mr. Hawkes: There have been some consultations, and I believe the Minister has indicated potential amendments to the Bill. The House might be well served with an opportunity for the Minister to meet with opposition Members of both Parties and explore the possibility somewhat, at some time later this day perhaps, to move on in terms of the Bank Act.

The business which will be called immediately after Question Period is Bill C-152, an Act to establish the Canadian Heritage Language Institute. I think there is a predisposition in the House to move that Bill through its final stages relatively expeditiously. If there is some kind of agreement coming out of the negotiation to come back to the Bank Act and perhaps put some of the amendments in place that the Minister has in mind, or others may have in mind, we would be able to come back to it as soon as we complete Bill C-152. That is the priority item for after lunch, and I think people are geared up for that immediately following Question Period.

Mr. Rodriguez: Mr. Speaker, I am prepared to debate second reading of this Bill. I recognize that the Liberal critic for this Bill will be not present until later. I would suggest as a compromise that I proceed with my speech on second reading and I will take my alloted 20 minutes. We can leave the 40 minutes allowed for the critic of the Official Opposition when she returns after three o'clock at some point if we get back to second reading of this Bill.

Mr. Gauthier: I am in the hands of the House. I recognize that we can do just about anything by unanimous consent. I certainly recognize that the Hon. Member for Nickel Belt (Mr. Rodriguez) has a point. He could make his speech and the House could suspend its sitting. I am in the hands of the House. I do not have any quarrels.

I could make my speech. I have it here. I just want to make sure that the amendments the Minister intends to propose are before us and that the Hon. Member for Trinity, who is our critic, has had the opportunity to look at them. That may have an influence on her remarks. I am trying to be as cautious as possible here. I certainly do not object to the Member having the floor at this time, if he wishes.

Mr. Hawkes: The Government very much appreciates the spirit, and we have no trouble with the idea. If, at a later point this afternoon, agreement cannot be reached on the amending and to move the Bill totally through the House we can find some time, after the heritage Bill has been dealt with, to allow, by unanimous consent, or whatever way is necessary, the critic for the Liberal Party to have the normal 40 minutes. The Government is quite prepared to support that all the way. I think we should come back to that later. That would be desirable. Even if we cannot do so, I think we should attempt to make time this day for the Liberal critic.

Mr. Gauthier: Perhaps I have not heard the words properly. I do not want this Bill to be held up in the House. If it can be passed today with the Minister's amendments, that is fine with us, and we could give expeditious passage to this Bill.

If I understood the Parliamentary Secretary correctly, he said that we can get back to this Bill after we have dealt with the Bill respecting the Heritage Languages Institute. I would hope that that would not be a condition of getting back to Bill C-140. In other words, I hope the Government has the intention of passing this Bill today in all stages, or at least getting it through the House before we adjourn at six o'clock.

I do not want to have a precondition put that the heritage Bill will be accepted before we go back to the bank Bill. Our critic on the heritage Bill is not here, as you know, and I would also like to consult with him.

Mr. Hawkes: Negotiations and discussions can proceed. It is my understanding, from earlier negotiations, that there is a clear predisposition among all Parties to pass Bill C-152 today. Since Members have not seen the amendments, we cannot have a final agreement in relationship to the Bank Act. So we are simply signalling that the thing we agreed to do, we would do first, and then we would do the other, as far as we can, and hopefully we can take it all the way.

Mr. Rodriguez: We in the New Democratic Party have very grave concerns about Bill C-140, which I will outline in my second reading speech. I cannot express any hope, and I cannot wish that the Government could have this Bill dealt with today. As a matter of fact, it has to be examined thoroughly because it is a powder-puff. It is a puff cream Bill and it is cosmetology. It is not an effective Bill, and I do not want to participate and to pontificate on something that is so ineffectual. It is like getting swatted over the back with 50 wet spaghettis, and I cannot accept it.

Mr. Deputy Speaker: We have to come to some decision at some time. There are two possibilities. One suggestion is that we adjourn until two o'clock. That suggestion can only be agreed upon by unanimous consent. Is there unanimous consent that we call it 1:11 p.m.?

Some Hon Members: No.

Mr. Deputy Speaker: Therefore, we will proceed on debate. I will recognize a Member from the Official Opposition. The Hon Member for Ottawa—Vanier.

• (1250)

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, given the comments made by the Hon. Member from the NDP, I think I should protect our position, and not getting any information from the Government as to whether it will proceed this day, I think I should make my remarks which are pertinent to Bill C-140.

The Hon. Member for Trinity (Miss Nicholson), our critic in this area, would have liked to be here this morning. Unfortunately, she cannot, but she will be here this afternoon and possibly will participate in the debate later on.

We now begin the second reading debate of Bill C-140, an Act to amend the Bank Act. As I said previously, it was introduced on June 30, 1988, in response to the report of the Standing Committee on Finance and Economic Affairs dated June 6, 1988, on personal financial service charges. I will provide briefly a background to this sensitive and important issue.

All Members of Parliament have heard from their constituents on the topic of financial service charges for consumers. Complaints and concerns were so omnipresent that the standing committee decided to look into it. On March 29, 1988, a background paper by the committee's research staff was released. It concluded that when financial institutions began to compete for business by paying higher interest rates and providing more services, they imposed fees too quickly and without much sensitivity.

The report stated that, on average, routine financial service charges per family cost about $100 a year. This is not excessive. However, the problems stem from lack of information about them. The committee held public hearings during April to hear from consumer groups, financial institutions, and Government. Our focus was the consumer's need for information and the recent changes in levels and structures of service charges.

On June 6, 1988, the committee tabled its report which called for regulations to provide better information on charges, provide certain basic services without charge, such as low balance accounts often held by children and low-income individuals, and prohibit certain charges altogether. For example, the committee recommended the following fees be prohibited: fees to close an account which has been open for more than one year; and fees levied when customers fail to make transactions on an account. The committee also proposed that penalties for banks that failed to do the above be stiffened, an that the office of the Superintendent of Financial Institutions create an internal office to deal with consumer complaints.

My Party wholeheartedly concurred in the recommendations of the report. The banks responded defensively. The Canadian Bankers' Association said that the committee's recommendations were "interventionist" and went against the stated free enterprise philosophy of the Government.

On June 23, 1988, the Hon. Member for Trinity spoke to an opposition motion put by the NDP. Strangely, after tabling a minority report, they then moved a motion to support the committee report. The Hon. Member said at the time that neither blatant bank bashing by the NDP, calling for regulation at any cost, nor a staunch Conservative anti-regulation policy were useful in this debate. More careful consideration is required in this matter. She concluded that regulation of financial service charges should be a last resort. Instead of responding defensively, the banks should have admitted they went too far and too fast with their user-pay notion, irritating, confusing and inconveniencing their customers. The whole fiasco was a botched public relations exercise on the part of the banks.

On June 30, 1988, the Government responded to the committee's report in the form of Bill C-140. Earlier that week, five of Canada's six major banks said they would voluntarily comply with the committee's recommendations. The main purpose of the legislation at the time was to assure Canadians that the Government would simply monitor the banks' voluntary compliance. I also expressed my dissatisfaction with the Bill in the House on the same day. I said that the Government caved in to the banks. I called for more specific measures, namely inclusion of time limits in the legislation so Canadian consumers would know when services would be provided that treated them with fairness.

What is the status of the banks' activity in this area? On August 17, 1988, the Minister of State for Finance (Mr. Hockin) tabled the report of the Office of the Superintendent of Financial Institutions regarding compliance by banks with the voluntary measures, and preparation for implementing future measures with respect to bank service charges. The conclusion? As of that date the survey done by the office indicated that four banks, the Royal Bank, the Canadian Imperial Bank of Commerce, Scotiabank, and the Bank of Montreal appeared to be complying with the letter and spirit of the voluntary measures agreed upon. One bank, the National Bank, reported it was in compliance except for the withdrawal of the NSF charge back fee. This was to be done by November, 1988. Another bank, the Toronto-Dominion, was in compliance except for the provision of a no-frills account.

As a result of this report, a member of the standing committee withdrew his Private Members' Bill that would have legislated the now voluntary measures. Therefore, it appears that voluntary compliance has occurred in large part. Consumers, aware of where it has not occurred, can take their business elsewhere. They can act. They have a choice.

I will now turn my attention to the issue of financial service fees for small businesses. That is an important matter which I do not think was addressed sufficiently. At the time of the tabling of the report on personal financial service charges, the Canadian Federation of Independent Business made its views known. It wanted equal time and fair treatment from the banks. The Minister responded that he wanted small businesses to be treated largely the same as consumers, and that he would change the legislation to ensure this. He announced his intention to do so on September 15, less than two weeks ago.

The CFIB understood that the committee focused on the consumer aspects of the service charge issue, and therefore could not represent the interests of small business at the time. However, as stated in its brief to the committee during the hearing, small business concerns in this area are at least as important for three basic reasons.

First, small businesses typically have less choice in their financial dealings than do customers, since their freedom to switch business relationships with bankers is more restricted than for consumers. Second, the magnitude of service charge costs to small business is proportionately greater, often totalling hundreds of dollars.

Third, unpredictable and sizeable changes in bank service charges can have a dramatic negative impact on the ability of small businesses to plan their operations and cash flow, and could in turn affect the viability of the businesses themselves.

The CFIB asked the Government for something it usually does not ask for, government intervention, so that the Government would uphold for small businesses the measures taken voluntarily by the banks for consumers. The Minister of State for Finance said in his statement on September 15 that he expects increased competition in the financial sector to play a key role in ensuring reasonable service charge practices. Yet the CFIB also argued that any positive benefits from deregulation of financial services have yet to be seen for small businesses. It claims that the most apparent effect of deregulation to date is that the profit margins on big business lending have been narrowed, causing banks to resort to the imposition of larger and more numerous service charges on small businesses. Also, small businesses are captive customers who suffer greatly as a result of such cost saving actions as closing unprofitable bank branches in small towns on which small businesses often depend.

• (1300)

They felt that the effectiveness of voluntary compliance is suspect "in such an unbalanced market context". Their recommendations were as follows. One, complete information regarding current levels of and changes to service charges must be available to small businesses. Two, charge-back fees for NSF cheques must be eliminated for small businesses. Three, annual monitoring of bank practices in the area of small businesses ought to be put in place.

The CFIB tried to negotiate better treatment on service charges with the Canadian Bankers' Association but made no headway on the NSF charge-back issue. The Government gave no quarter here either or anywhere else on that issue in its announcement to extend similar disclosure and complaint resolution benefits to businesses.

In summary, Mr. Speaker, here are the Government's measures for small businesses. Consistent with what is now proposed for personal accounts, the amendments to Bill C-140 and the draft regulations will, first, entitle businesses when they open accounts to receive an enhanced disclosure of charges applying and information on the institution's procedures for handling complaints. Second, they will ensure that banks make available to the public for examination, on request, a list of all charges for business services in their branches doing commercial business. Third, they will provide for ongoing disclosure of core account-related business charges through a brochure available to the public. Fourth, they will provide thirty-day pre-notification, through statements, of changes in account-related charges. The Office of the Superintendent of Financial Institutions will also mediate complaints on behalf of small business account holders.

While all of the recommendations of the CFIB were not accepted, the organization is said to be pleased that most of their issues were dealt with. The main concession that small businesses did not achieve is the cancellation of the fee banks charge for depositing an NSF cheque, and God knows they do get them. The Government has promised to monitor the situation. If it does not improve, tougher action supposedly will be taken. We will see.

I and my Party will be watching closely to see if the disclosure of information on financial service charges continues. We will also carefully monitor whether consumers and small businesses are treated with fairness and consideration in the weeks to come. We are dealing here with a very important issue. We are dealing with small businesses which create a very large number of jobs in Canada. It is an appeal to Canadians by the small business community to be sensitive to their needs. I recommend that the Minister be very open and fair in dealing with this problem.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I was just having an interesting discussion with the Minister of State for Finance (Mr. Hockin). He was pleading with me to let this wet spaghetti Bill, Bill C-140, pass. He was pleading with me. He was crying. He was saying "Please". This is the man who called me a Johnny-come-lately. I called him a Tommy-come-never.

Some Hon. Members: Oh, oh!

Mr. Rodriguez: Here he was sitting on my left trying to outflank me on the left and he was appealing. I knew I was on my left because that is where my heart is. The Minister was pleading with me. I could see the tears rolling down his cheeks. He was saying: "Please, please—

Mr. Hockin: Mr. Speaker, I rise on a point of order. I do want people to look closely at me. I am certainly not crying. I am not a very emotional person. I was trying to argue with the Hon. Member that it would be very much in his interests to see this Bill passed today. He disagrees with me, so he does not have to go on with any further theatrics.

Mr. Rodriguez: Mr. Speaker, folks watching on TV may have seen the Minister on my left and they might have wondered what was happening. Was I surrendering silently to the Tory Juggernaut? The Minister says he is not a very emotional person. But he was crying inside and laughing on the outside.

Some Hon. Members: Oh, oh!

Mr. Rodriguez: On the tenet of the proposition that he made, he was propositioning me. He was saying to me that half a loaf is better than no loaf. I know that anybody who lays that argument on me has surrendered the basic argument. He said: "Please, half a loaf is better than no loaf. Isn't it better that they get Bill C-140 than nothing at all?"

Let us just see what Bill C-140 says. It reads:

> —immediately after Section 202 thereof, the following Sections:
>
> "202.1 A bank shall not open an account in the name of a customer unless, at the time the account is opened, the bank provides the individual who requests the opening of the account with
>
> (a) a copy of the account agreement signed by that individual;
>
> (b) information in writing—
>
> (c) information in writing—

Then it goes on:

> (i) any increase to the charges referred to—

Shall be in writing, Mr. Speaker, in subparagraph (d) we find:

> (d) information in writing—
>
> (e) such other information in writing as is prescribed.
>
> 202.2 A bank shall disclose, in the prescribed manner, to its customers and to the public, the charges applicable with respect—

It is more in writing, Mr. Speaker. In writing, in the prescribed form. Then it goes on:

> A bank shall not increase any charge applicable to an account with the bank or introduce any new charge applicable to an account with the bank unless the bank discloses such charges in the prescribed manner . . .

Obviously in writing, Mr. Speaker, in triplicate, with the appropriate colours going to the bureaucrats in the Bank of Canada, to the Minister and every other minion around. That is what it says. Then here is the classic in clause 202.4:

> A bank shall establish procedures for dealing with complaints made by customers of the bank . . .

The bank will start watching itself. It is like putting Count Dracula in charge of the Red Cross blood bank. You put the banks in charge of hearing complaints. It says in here that there will be a local banker who will hear your complaint, and if you are not satisfied the local banker will funnel that up to a regional banker, who will then, if you are not satisfied, funnel it up to a national banker. That is supposed to be an effective system of redress for consumers. Then it goes on to say:

> A bank shall file with the Superintendent a copy of its procedures established pursuant to subsection (1).

In the appropriate form, Mr. Speaker. That means in writing, with the appropriate copies to the appropriate minions. Then it says:

> A bank shall, in the prescribed manner, provide customers of the bank who have complaints with respect to their accounts with prescribed information on how they may contact the Office of the Superintendent of Financial Institutions.

So it will be informing them, in the prescribed form, in writing, of course, with the appropriate number of copies to the appropriate minions and on and on. Then you start looking for the meat among all of the potatoes. You cannot find one morsel of meat, not one morsel. This is a deliberate attempt to denude the forests of this country. I can imagine the number of trees it will take to pass all this information in the prescribed form, in writing, with the appropriate copies to the appropriate minions. Give me a break, Mr. Speaker.

The Minister comes over here with his crocodile tears and suggests that I should accept this half a loaf. I would not even call it bread, Mr. Speaker. Man does not live by bread alone. He has to live by some substantive amendments to the Bank Act that give customers of the bank some security with respect to their dealings with the bank. That is what we need, not this Casper Milquetoast Bill. I see it is one o'clock, Mr. Speaker.

Mr. Deputy Speaker: It being 10 minutes past one o'clock, I do now leave the Chair until 2 p.m.

At 1.10 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

ENERGY

MEGAPROJECTS—ENVIRONMENTAL CONSIDERATIONS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Government's spending spree on energy megaprojects once again shows the Tories talking one way and acting another. Despite the Prime Minister's (Mr. Mulroney) words on the environment, echoed by the Energy and Environment Ministers, it is clear that Tories do not understand that an energy policy is an environmental policy. Look at the record.

In November, 1984, they cut the energy division of the National Research Council, wiping out research on renewable energy, energy conservation and energy alternatives. While billions are committed now to oil megaprojects, to sweeten the pill a feeble commitment is made to research on energy alternatives and conservation. Clearly the Tories prefer to buy votes through megaprojects. That is their energy policy.

For us, an energy policy is an environmental policy. We are committed to shifting our dependence from non-renewable to renewable energy sources. We must work hard on energy efficiency, aim at a sustainable energy policy, and look beyond the next 40 years instead of the next four.

* * *

NOBEL PEACE PRIZE

ANNOUNCEMENT OF AWARD TO UNITED NATIONS FOR PEACEKEEPING

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, the announcement that this year's Nobel Peace Prize has been awarded to the United Nations for its peacekeeping efforts makes this day a special one for Canada and the Canadian Armed Forces. Our contribution to international peacekeeping is well known.

While former Prime Minister Pearson raised the profile of this important aspect of the UN's work when he accepted the 1957 Nobel Peace Prize, Canadian participation dates back as far as 1947. We have contributed to 23 different United Nations and non-UN multinational peacekeeping and truce supervisory missions in the last four decades. No other nation has such an enviable record.

Over 80,000 Canadian Forces personnel have participated in international peacekeeping efforts over the years, from Korea to Kashmir, from the Congo to Cypress, and from Lebanon to Viet Nam.

Canadian soldiers have given their lives in distant lands while wearing the blue beret of the United Nations. These dedicated people have worn that beret with pride, knowing that they were contributing to world peace and international security.

I join with other Canadians in saluting the peacekeeping forces serving abroad and in congratulating them on a job well done.

S. O. 21

IMMIGRATION

DELAY IN GRANTING WORK PERMITS

Mr. Dan Heap (Spadina): Mr. Speaker, the Minister of Employment and Immigration Mrs. McDougall) is squandering $9 million per month to stop employable people from working. Today, the Metro Toronto Community Services and Housing Committee is examining a report that about 9,000 refugee claimants in Metropolitan Toronto are waiting for their immigration inquiry and examination under oath without which this Minister will not let them have a work permit. Therefore, Metro's Community Services Department must give these refugee claimants over $4 million per month, although three-quarters of these people are employable and willing to work.

According to Immigration Canada, over 25,000 refugee claimants in Canada were denied job permits as of August 12, with more claimants coming in at about a couple of thousand per month. In September, the Minister cancelled all inquiries and examinations under oath till further notice. Therefore, likely more than 20,000 or 25,000 refugee claimants in Canada have been refused work permits by the Minister's policy and will be refused for many months to come. The total cost to taxpayers must be well over $9 million monthly, or $100 million annually.

Shame on this wasteful, anti-refugee Government.

* * *

ATOMIC ENERGY OF CANADA LIMITED

ROLE IN SUCCESSFUL LAUNCHING OF SPACE SHUTTLE

Mrs. Barbara Sparrow (Calgary South): Mr. Speaker, all Canadians can take pride in the successful launch today of the U.S. space shuttle *Discovery*. Full marks go to Atomic Energy of Canada Limited, a federal Crown corporation responsible for developing the peaceful application of nuclear energy.

AECL was instrumental in testing and verifying the shuttle's O-rings. Those rings are synthetic rubber seals which prevent the escape of hot rocket gases through the joints that connect the three main segments of the shuttle booster rocket.

In contracts totaling nearly $3 million with Morton Thiokol of Utah, AECL developed test procedures, quality control requirements, and inspection methods to ensure the performance and the integrity of the redesigned O-ring. Indeed, Canadians can be proud of our contribution to today's successful launching.

ENVIRONMENTAL AFFAIRS

NEW BRUNSWICK—SPRAYING OF HERBICIDE 2,4-D

Mr. Fernand Robichaud (Westmorland—Kent): Mr. Speaker, once again we have proof that the Government is only a recent convert to the cause of the environment. This summer, from June 29 to July 17, plants, crops, and people along the Saint John River were subjected to an aerial spraying of the herbicide 2,4-D.

I and all the people of New Brunswick were shocked to learn that the Armed Forces, who contracted the spraying program near CFB Gagetown, did not bother to give advance warning to land-owners living adjacent to the area. Furthermore, the 2,4-D was sprayed under unsuitable wind conditions that ensured that even more land would be contaminated. To top it it all off, the Forces refused after the fact to accept any responsibility for this contamination.

The Government's negligence in this spraying has not only severely inconvenienced the people living in the area, but it has also taken a severe toll on farmers' crops and their livelihoods. The Armed Forces and the Government have to accept responsibility for what has happened. The people who have been affected must be compensated for crop losses, and measures have to be taken to make sure that this never happens again.

Every day the Government tells us that it is here to help people. A mistake has been made. People have been wronged. The Government must not pretend that nothing has happened.

* * *

[*Translation*]

RAILWAYS

REQUEST FOR SUSPENSION OF ABANDONMENT OF FRANQUET-CHAPAIS RAIL LINE

Mr. Guy St-Julien (Abitibi): Mr. Speaker, today in Halifax there is a meeting of provincial Ministers of Transport with the Minister of Transport of Canada (Mr. Bouchard).

Marc-Yvan Côté, the Quebec Minister of Transport, will be asking for a delay in the abandonment of the Franquet-Chapais rail section in Abitibi.

I appreciate Mr. Côté's excellent work, having myself been working for more than two years on this very difficult matter. This is the only line providing a direct rail link between the Abitibi area and the Chapais-Chibougamau resource area.

I ask the Minister of Transport to correct CN's decisions in this regard as soon as possible, and I urge him to support the rehabilitation of the Franquet-Chapais rail line.

Mr. Speaker, with men like Marc-Yvan Côté, Denis Lamarche and the members of the Senneterre unions and the CRDAT Committee, we may feel sure that this fight is not over in Abitibi.

[*English*]

HUMAN RIGHTS

INDIA—DETENTION OF CANADIAN CITIZEN

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, the Government of Canada continues in its unacceptable oversensitivity to the views and perceived needs of the Indian Government when it comes to matters dealing with Canadian Sikhs. The case of Balkar Singh is an example.

Mr. Singh, a Canadian, has been held for almost a year now without any charges being laid, and the Canadian Government has been very short on efforts to ensure due process for him, to explain its inaction on his behalf, or to explain what else it may be doing with respect to the case of Mr. Singh.

Instead of being an uncritical ally of the Indian Government, the Canadian Government, at the same time as it takes an understandably hard line against terrorism of any kind in Canada or in India, should vigorously encourage the Government of India to respect and protect the human rights of Sikhs in India and elsewhere, should recognize the seriousness with which Sikhs regard the assault on the Golden Temple, and should press India to bring to justice those guilty of attacks on Sikhs during the days following Indira Gandhi's assassination. Uncritical acceptance of the views, the interests, or the perceptions of the Indian Government is not in anyone's interest.

* * *

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—POSITION OF LEADER OF THE OPPOSITION

Mr. A. H. Harry Brightwell (Perth): Mr. Speaker, last week in an interview the Leader of the Opposition (Mr. Turner) again repeated the claim that free trade will destroy our unique system of supply management in farm products. This statement has no basis in fact. It has been repeated in a partisan fashion without any supporting evidence in the hope that Canadians will eventually believe it. Other statements like those dealing with complete access to our resources and the sale of water are equally in error.

Our supply-management schemes work because we close our borders to imports of poultry and dairy products beyond a historical level of imports, and these arrangements are established under the GATT agreement. Our ability to control our borders continues under the Free Trade Agreement. We have agreed to protect that part of the industry that might be hurt as tariffs are removed. That has already been done in dairy products.

The supply-management schemes in Canada are secure. Any statements contrary to this are inaccurate and are made only for partisan purposes.

* * *

ATOMIC ENERGY OF CANADA LIMITED

GOVERNMENT FUNDING

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I just want to say how gratified I was to learn today that the Conservative Party has finally found a spot for Atomic Energy of Canada Limited. Conservatives are very quick to praise AECL for its successes. I have done so in the House over the past four years. However, I would remind Hon. Members that it was this same Government that cut $100 million out of research and development in Atomic Energy of Canada Limited's budget and then went on to cut $70 million out of its reserve fund.

If the Tory Government wants to use AECL and to praise it, it ought to open up the wallet of the Government and give it the money to do the job. The Government has robbed it blind. The Government should get back into research and development and mean what it says.

• (1410)

AECL has done a tremendous job over the years. It is part of the great success of the Shuttle takeoff today. So get with it and give AECL the money to do the job.

* * *

[*Translation*]

REGIONAL ECONOMIC DEVELOPMENT

PARTICIPATION OF PEOPLE OF TÉMISCAMINGUE

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, in the last days before the coming election campaign, let me Thank all those men and women municipalities and socio-economic groups in my constituency that supported me in obtaining results on major issues.

The establishment of a water treatment plant in Rouyn-Noranda, the location of a regional office of the Department of the Secretary of State, the Témiscamingue Airport, a full-fledged employment centre in La Sarre, flow-through shares, the establishment of a Department of Senior Citizens, all these are examples of projects that are important for my community and that were accomplished because of the involvement of people in my area.

S. O. 21

Mr. Speaker, I am certain my fellow citizens' satisfaction with this Government's accomplishments will be reflected in widespread support for the Progressive Conservative Party during the coming federal election, because ours is the only party that is really committed to regional interests.

* * *

[*English*]

POLITICAL PARTIES

LIBERAL PARTY ELECTION PLATFORM

Mr. Rod Murphy (Churchill): Mr. Speaker, yesterday I read with astonishment the 40-point program of the Leader of the Liberal Party (Mr. Turner). I had to wonder whose document I was reading. It started off with a mortgage assistance plan through the tax system, but I read in *Hansard* the Liberals saying: "It is simply not equitable. It simply does not serve the people who need help". That was said by the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). He went on to say we shouldn't try to bribe Canadians with their own money.

In 1984 it was the Conservative Prime Minister (Mr. Mulroney) when he was in Opposition who said exactly the same thing. He said: "We will stop the tax grab on the middle-income earner". But was it not the Liberal Leader, when he was Minister of Finance, who created tax unfairness through tax dodges for the rich and famous?

The document continues: "equal pay for work of equal value is a basic right", but it was this same Liberal Leader in 1984 who said that we should not force this on the banks, that it was premature to do that, even though it had been the law since 1978.

There was a promise of $5 billion for municipal water and sewage. Was it not the same Liberal Leader when he was Prime Minister in 1984 who said he could not make that commitment?

The document talks about eliminating the substandard housing on reserves, but the backlog grew during Liberal years.

Surely, they jest!

* * *

[*Translation*]

POLITICAL PARTIES

LIBERAL PROGRAM

Mr. Gabriel Fontaine (Lévis): Yesterday, Mr. Speaker, with great pomp and ceremony, the Liberal Leader made public his party platform which would mean more debts for us as Canadians, for our children and grandchildren.

Lavoisier once stated that nothing is gained or lost when chemical substances combine or separate. In the area of economics, nothing is lost, nothing is gained. The Liberal Party's policy has always been to spend without creating anything. Mr. Turner's election platform would put an end to our economic recovery, exert enormous pressure on our interest rates and bring about inflation rates similar to those Canada experienced in 1980-81.

His election platform is inconsistent. Canadians no longer want periods of borrowing and inflation. They want the Progressive Conservative Party to administer Canada in the 1990's.

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SOCIAL JUSTICE

QUEBEC'S SHARE

Mr. Jean-Claude Malépart (Montréal—Sainte-Marie): Mr. Speaker, Premier Getty of Alberta stated in his own province that Quebec has received everything the Bourassa Government has asked for.

I can prove him wrong, because this Tory Government has failed to fulfill its promise of a true banking centre in Montreal. This Tory Government has failed to establish in Montreal a space agency with at least 50 per cent of the space research contracts. This Tory Government has failed to award $130 million to develop Montreal's *Vieux-port*. This Tory Government has managed to close the shipyard in Sorel and the Vickers shipyard in Montreal by refusing to grant them part of the contracts for the new frigates. Moreover, this Tory Government has allowed the demise of all the industries involved in railway transportation, including Bombardier, Canadian Steel Wheel, Angus Factories, and the CN maintenance workshops.

Mr. Speaker, the Quebec Government is not getting everything Quebecers are seeking from this Tory Government.

* * *

SCIENCE AND TECHNOLOGY

AMERICAN SPACE STATION—SIGNING OF INTERNATIONAL AGREEMENTS BY CANADA

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Mr. Speaker, today is an important day in the history of Canada's space program. At around five o'clock this afternoon, the Canadian Ministers responsible for Science and Technology will sign, for Canada, the agreements governing our participation in the space station. The Canadian Ministers will sign the inter-governmental agreement with their partners from the United States, Europe and Japan, and the memorandum of agreement with NASA.

For Canadians this project will create spin-offs totalling $5 billion, create 80,000 person-years and provide a unique opportunity to participate in a project with some of the most daring technology in the world.

Mr. Speaker, I want to join Canadians in congratulating the Americans on the launch of their space shuttle this morning.

* * *

[*English*]

CANADA POST CORPORATION

SAANICH, B.C.—SUPERMAILBOXES

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I have a story here from the Victoria *Times* of September 21. Carol Pickup of Saanich, British Columbia, made public an internal post office memo she said was designed to teach Saanich a lesson for refusing to co-operate with Canada Post with respect to the installation of supermailboxes. The memo states:

> Please be advised that any new customer for supermailbox delivery will not be issued a compartment, even if the (green) box has spare compartments.
>
> The reason for the above is, Saanich council has refused to co-operate with Canada Post.
>
> Please ensure you follow the above.

* * *

SOCIAL AFFAIRS

METROPOLITAN TORONTO FOOD BANKS

Hon. Bob Kaplan (York Centre): Mr. Speaker, the Government likes to talk about the growth which has occurred in the last four years in Canada.

Some Hon. Members: Hear, hear!

Mr. Kaplan: One of the growth statistics not mentioned is food banks. If indeed these have been good times, why have we seen an estimated increase in food banks in Metro Toronto from 40 in 1984 to 160 today? This is private charity used by poor people, over half of whom are children. They are lining up in prosperous Tory Canada to get food.

Food banks have a valid role when someone's house burns down, when a traveller is robbed, or a battered wife leaves home, but the new role for privately sponsored food banks is to fill the gap in social programs, to keep poor people and their children alive until the end of each month.

Under the Conservatives, holes in the safety net are growing, and this is the proof. The Canada Assistance Plan which was introduced by a former Liberal Government was a commitment by this Parliament to a minimum standard of decency for all who live in this prosperous land. It has been betrayed. Millions of Canadians who enjoy a pretty good life in this country must feel ashamed when they see where the Mulroney Government has led them.

Mr. Beatty: Is there a time limit, Mr. Speaker?

Mr. Kaplan: And you may not like to hear this.

* * *

TELEVISION

BROADCASTING OF PARLIAMENTARY CHANNEL

Mr. Barry Turner (Ottawa—Carleton): Mr. Speaker, a couple of weeks ago our local cable companies moved the House of Commons channel from No. 16 to No. 50. Anyone who did not have a super converter in order to get channel 50 was simply out of luck. A lot of people were very unhappy about this, especially a lot of seniors. Many of them called my office to say so. In fact, my constituency office at Bank and Alta Vista lost access to the House of Commons broadcast.

There was a loud outcry. In fact you, yourself, Mr. Speaker, expressed some concern. I called, and they listened.

I want to congratulate Vic Reed who is the general manager of Skyline on St. Laurent Boulevard, and Bill Kincaid of Ottawa Cable on Richmond Road. They have set an example for other cable networks across the country.

In spite of what everyone says about us here in this House, they do like to watch us on TV.

ORAL QUESTION PERIOD

[*English*]

SPORTS

OLYMPIC GAMES—DISQUALIFIED ATHLETE—SUSPENSION FROM NATIONAL TEAM

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Minister for Fitness and Amateur Sports. For several days Canadians have watched with increasing incredulity as the Minister displayed incredible incompetence in deciding to hang Ben Johnson before he even had the opportunity of a fair hearing. This morning at a press conference we heard the Minister time and again insist that the reason he had to suspend Ben Johnson for life was because he was acting on a regulation. The Minister should know that in fact no regulations exist governing the suspension of athletes. Why does he continue to repeat that he had no discretion in this matter, hiding behind regulations, when he ought to know that no regulations exist governing the suspension of athletes?

• (1420)

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker I can only refer to a document called Canada Drug Use and Doping Control in Sport, a Sport Canada policy update which reads as follows:

Violations and Sanctions

1 (a) Any athlete who has been proven through appropriate due process to have used banned drugs in contravention of the rules of his/her respective national and/or international sport federation will be suspended forthwith from eligibility for Sport Canada's Athlete Assistance Program and any other financial or program support provided directly to athletes or indirectly by Sport Canada via national sport organizations (i.e., national championship funding, national team program support, etc.)

The policy that we applied is exactly that. Furthermore, I can point out that on the same page, on the use of steroids, it says:

Individuals proven to have violated antidoping rules involving anabolic steroids and related compounds will be subject automatically . . .

. . . I stress "automatically"...

. . . to a lifetime withdrawal of eligibility for all federal government sport programs or benefits.

That is what the Sport Canada policy is. Those are the rules that I follow for any athlete in Canada, including four weightlifters who never reached the Games.

[*Translation*]

DISQUALIFICATION OF BEN JOHNSON—GOVERNMENT POSITION

Mrs. Sheila Copps (Hamilton East): Mr. Speaker, since his initial decision to jump on Ben Johnson, the Minister has referred to certain regulations. We know now there are no such regulations but only a policy that gives the Minister full discretion with respect to life suspensions. My question to the Minister is this: How can he claim that he gave . . .

[*English*]

. . . appropriate due process to Ben Johnson. If he reads his own policy statement, which is not a regulation, he will see that it says:

Any athlete who has been proven through appropriate due process . . .

What does he consider appropriate due process?

[*Translation*]

Hon. Jean Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I shall, if I may, read verbatim what the regulations prescribe:

Violations and sanctions:

1 (a) Any athlete who has been proven through appropriate due process to have used banned drugs in contravention of the rules of his/her respective national and/or international sport federation will be suspended forthwith from eligibility for sport Canada's Athlete Assistance Program and any other financial or program support provided directly to athletes or indirectly by Sport Canada via national sport organizations (i.e., national championship funding, national team program support, etc.)

And a little further Mr. Speaker:

Individuals proven to have violated antidoping rules involving anabolic steroids and related compounds will be subject automatically to a lifetime withdrawal of eligibility for all federal government sport programs or benefits.

Mr. Speaker, if the Hon. Member had taken the trouble to read through all the regulations, which were in fact distributed to members of the press, she would have noticed that after two years, these athletes may appeal their suspension to the Minister, and it will be up to the Minister who is the incumbent at that time to decide whether or not to maintain the suspension. That is exactly what the regulations provide, Mr. Speaker. We are treating Mr. Johnson exactly the same way we would treat any other athlete in Canada.

REQUEST FOR MINISTER'S RESIGNATION

Mrs. Sheila Copps (Hamilton East): Mr. Speaker, it is a disgrace the Minister doesn't know what a regulation is. This morning he claimed he was forced to act because of a regulation, a regulation that doesn't exist! I therefore would like to ask the Deputy Prime Minister or the acting Prime Minister the Minister responsible for Fitness and Amateur Sport has proven to be totally incompetent, doesn't even understand what a regulaiton is and doesn't realize that according to his own policy the Minister has full discretion I would like to ask the Acting Prime Minster whether he will relieve the Minister of this case and ask for the resignation of the Minister of State (Fitness and Amateur Sport), who has made a mess of the Ben Johnson case.

Hon. Jean Charest (Minister of State (Youth) and Minister of State Fitness and Amateur Sport)): Mr. Speaker, quite frankly I did not expect any better from the Hon. Member for Hamilton East. It was quite obvious that she and the federal Liberal Party of Canada intended to take this approach, which is certainly not helpful in clarifying the events around the suspension of Mr. Johnson.

Mr. Speaker, I would like to take this opportunity to say that the Government's policy, the Government's behaviour towards this athlete is no different from our attitude towards other athletes, including several weightlifters, and no one ever . . . Mr. Speaker, it's funny, but one wonders where the Hon. Member and her fellow members were when we were applying exactly the same sanction in exactly the same circumstances to other athletes. Her memory is rather selective. Personally, I don't think she is acting in good faith.

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PUBLIC WORKS

REQUEST FOR INDEPENDENT INQUIRY

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is again directed to the one who still claims that he is able to be Minister of Public Works. I shall ask him this. This morning, we had the opportunity as a group to hear the famous cassette that, again, casts doubt on the whole contracting procedure in

the Department of Public Works and on the Minister's judgement, diligence and competence, since he did not give the letter to the Royal Canadian Mounted Police in a timely fashion. But I want to ask the Minister, with all the facts that are known, with all the questions raised by this Moisie affair, which is starting to smell rotten, would it not be more honest for him to ask the Deputy Prime Minister, the Privy Council or the Treasury Board to conduct an independent investigation on the conduct of department officials, on the influence exerted in that affair and on the awarding of the contract, which in the end should probably have been cancelled because of extenuating circumstances?

[*English*]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, there is an appropriate committee of the House of Commons which can convene a meeting, if it is thought desirable by Members, to look into any question, including the one posed by the Hon. Member. The Hon. Member has referred to a cassette. If it gives all the messages that he indicates, I hope he has put it in the hands of the RCMP.

Mr. Boudria: They already had it. You said so in the House the day before yesterday.

Mr. Lapierre: I would like to direct my supplementary question to the same Minister. His colleague, the Minister of Transport, was accused one day and he was not afraid to table in the House all the pertinent documents, and he was available for any questions.

This Minister is trying to hide behind the RCMP. We are talking about ministerial responsibility. We are talking about negligence, competence, all kinds of qualities that that Minister does not have—competence for sure.

REQUEST FOR MINISTER'S RESIGNATION

Hon. Jean Lapierre (Shefford): Mr. Speaker, since this is not only a criminal matter but a question of ministerial responsibility, is the Minister ready to submit his resignation or his whole case to the Privy Council or the Treasury Board for an impartial inquiry?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the Hon. Member indicated that this was a criminal matter. It is in the hands of the RCMP. I think we had better await the outcome from them.

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ENVIRONMENTAL AFFAIRS

ENERGY CONSERVATION BUDGET

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources my question is directed to the Minister of the Environment. As you are aware, Mr. Speaker, the Prime Minister has recently discovered the importance of the environment in this country.

I have here some internal departmental documents from the Ministry of Energy. Why, in light of the so-called priority given to the environment, did the Cabinet decide in the month of August to cut back on the budget of the energy conservation part of the Department of Energy, Mines and Resources, from some $74 million in 1988-1989 to $40 million within 18 months?

Why that cut-back of major consequences for energy conservation in this country when the environment is supposed to be a major priority of the Government?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I can hardly comment on a document I have not seen and do not know about. The Member waves it in front of the House. It could be anything.

The premise of his question that the Government has only recently discovered the environment is fundamentally wrong. I remind him and all Members of the House that it was this Government that came into power at a time when, for example, motor vehicle exhaust emission controls were one-third as stringent here in Canada as those in the United States. Now we have the strongest such controls of any nation in the world.

When we came into office the controls on lead in gasoline were one-tenth as stringent as those in the United States, and now we have the strongest program on lead in gasoline in the industrialized world.

This is the Government, after all, that established five new national parks and has set the stage for two new national parks which we hope will be created before long. More national parks were created in three and a half years alone than were created in a decade and a half under the previous Liberal administration.

• (1430)

The premise of the question is wrong. I think the Hon. Member might like to do a little bit more homework on his questions before he comes into the House.

POSITION OF CABINET

Mr. Lorne Nystrom (Yorkton—Melville): Perhaps the Minister should answer the question and not the premise.

Some Hon. Members: Oh, oh!

Mr. Nystrom: I have here in my hand a copy of a document, Mr. Speaker, that states: "In August, the Cabinet made a decision to cut back on the budget for energy conservation in this country from $74 million a year in 1988-89 to some $40 million a year in 1990-91 and, in terms of person years in the next two years, from 303 people to 60 people". I want to ask the Minister why, in light of the so-called priority for the environment, did the Cabinet in August decide to make major cut-backs in the conservation of energy?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I think the premise of any question would be relevant to any answer to the same question.

In any event, if the Hon. Member wants to measure the commitment of the Government of Canada to the environment, perhaps he would like to look at the figures which indicate that five months into the current fiscal year the Government of Canada, through my Department, was already spending $20 million more than the previous Liberal Government did in the entire year when last it was in office.

If you add to the budget of my Department, Mr. Speaker, all the expenditures that have been drawn from other Departments for major environmental initiatives of the Government of Canada, you will see that we have far exceeded inflation in expenditures on the environment relative to that which was spent on the environment by the previous administration.

AMOUNT OF GOVERNMENT FUNDING

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, four years ago the federal Government spent some $525 million on the issue of energy conservation. Now it is down to $74 million, a cut-back of around $500 million in four years.

I also want to know—perhaps from the Acting Prime Minister—why a proposition made by the Minister of Energy last spring that the Government spend $525 million over five years in energy conservation was cut back by the Cabinet in August to some $253 million. Why was the proposition of the Minister of Energy turned down? Why was it cut back from $525 million to $253 million? Why was that done?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Hon. Member comes into the House and he picks one program and he says that because it is not exactly the same as it was when we took power in September of 1984 that there has been a cut-back, or an elimination, or some reduction in our commitment to the environment. I think he should judge us on our over-all record.

For example, this is the first Government to bring in a major environmental Bill, recently passed by the Parliament of Canada and proclaimed on June 30, since Environment Canada was established in 1971, that is, the Canadian Environmental Protection Act. This is the Government that overhauled the National Parks Act, for the first time in over half a century, in addition to all the new national parks we have created.

I advise the Hon. Member and his Party when he wants to compare our record with that of previous admistrations to look at the over-all record—

Mr. Speaker: The Hon. Member for York West.

SPORTS

OLYMPIC GAMES—DISQUALIFIED ATHLETE—PRIME MINISTER'S POSITION

Mr. Sergio Marchi (York West): Mr. Speaker, my question is directed to the Minster of State for Fitness and Amateur Sport.

After congratulating Ben Johnson last Friday the Prime Minister was quick to support the life suspension given by the Minister responsible for sports on Monday evening. Now the Prime Minister has not only reversed himself by ordering a full inquiry under the leadership of the Deputy Prime Minister, but in so doing he has completely undermined the integrity and credibility of his own Minister responsible for sports.

I would like to ask the Minister to confirm whether the Prime Minister or the Prime Minister's office was consulted about the life suspension handed down Monday evening. Second, how could the Minister justify the Prime Minister congratulating Ben Johnson Friday, condemning him Monday, and backtracking now in order to have a full inquiry to prove or confirm his innocence?

Can the Minister tell us where the Prime Minister stands and when he will stop running from one position to the next?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I can assure the Hon. Member that if he takes the time to read the statement the Prime Minister made on Monday night I think he would see that the first thing referred to was the personal tragedy that would afflict Ben Johnson in such circumstances. I think that is a feeling that is shared not only by him but by all Members of this House, and certainly by myself. For now, I do not think that anything that we can say—certainly not by the Liberals—will change the situation.

We have proposed an inquiry. I have stated that we are going to get on with it as rapidly as we can in a context in which we can gain and collect information in an organized way, certainly not through all sorts of scurrilous allegations coming from all sorts of sources.

HOLDING OF INQUIRY

Mr. Sergio Marchi (York West): Mr. Speaker, it is curious that the Minister skirted the question concerning whether the Prime Minister knew of the life suspension before it was announced by the Minister. What shocks Canadians is that the Prime Minister is bouncing around the issues rather than standing and taking a firm position and giving the benefit of the doubt to a Canadian champion and a Canadian's innocence, and then let the inquiry make that determination.

I ask the Minister responsible for sports this question. This morning he failed to confirm whether this inquiry would be fully open and public. Can the Minister confirm and give his undertaking to this House that the inquiry will be fully open and public? Can he also assure us that it will take place immediately after the end of the Olympics, and that it will not be delayed by any possible election campaign?

Hon. Jean J. Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I think that now we are really getting to the root of the matter. The Hon. Member from the Liberal Party is clearly on record as saying that he wants to have this during the election campaign. Now we know why. Members of that Party could not care less about Ben Johnson. They could not care less about the doping issue. The only thing that they—

Mr. Marchi: That is a lie.

Mr. Speaker: I would ask Hon. Members to refrain from using words across the aisle that I might have to comment upon later.

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HOUSING

TORONTO—DEVELOPMENT PROJECT AT DOWNSVIEW

Mr. Neil Young (Beaches): Mr. Speaker, in the absence of the Minister of State for Housing I want to direct my question to the Minister of Public Works. I want to ask the Minister about the Government's new-found interest in Toronto and in Canada's housing crisis. I specifically want to ask him about the housing site at the Toronto Downsview Airport.

Yesterday I met with a group of concerned people about housing at the Downsview Airport on a piece of property that the Government sold to a private developer two years ago for about $14 million. Today, houses are being built on that site for which the bottom asking price is $680,000 and the top price is $950,000.

I want to ask the Minister what strings is the Government going to attach to developers who are going to be involved in the newly released Downsview lands to make sure that the housing which is constructed there is affordable and not luxury housing.

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, in response to the pleas of a good number of Conservative Members from Toronto, the Government for the past year and a half has been reviewing what we might do to deal with Toronto housing problems. Just two weeks ago we made an announcement which is virtually going to create a new city in the middle of Toronto with the Downsview project. That will allow a great deal of affordable housing.

The amount that will be involved is consistent with the policy of the Province of Ontario. Those are the guidelines we follow. We are going to work closely with provincial and municipal Governments to establish the appropriate blend, the mixture that is good for the area. I would hope that the Hon. Member will respond to this kind of initiative that Toronto Members are requesting.

. CO-OPERATIVE HOUSING—GOVERNMENT POLICY

Mr. Neil Young (Beaches): Mr. Speaker, we have yet to find out the details of that initiative. The problem is not only in Toronto, it is right across Canada.

This group pointed out to us yesterday that since 1984 the Government has slashed funding for all kinds of housing across Canada, including in Halifax. I want to ask the Minister if the Government is so interested in making affordable housing a priority in Canada, why it is doing nothing about its policy of establishing unit prices for co-op housing that makes it impossible for many of those groups to build co-op housing on Downsview and elsewhere.

I want specifically to ask the Minister a question concerning a co-op housing group in Halifax called the Greenstem Housing Co-op which is about to go down the tubes because of the Government's policy on co-op housing units.

• (1440)

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I can advise the Hon. Member that the people involved in the co-operative housing movement in Halifax are very appreciative and fully applaud the initiatives that the Government has taken. More co-op housing has commenced in the last four years in Halifax than in the previous ten years.

I can also say that the amount of money that we make available to housing generally for co-ops and non-profits across Canada is adjusted in accordance with cost of living increases. It is reviewed at least twice a year to respond to various conditions.

We have delivered 40 per cent more to those most in need than any other Government has on any other program.

* * *

[*Translation*]

INDIAN AFFAIRS

THE OUJÉ-BOUGOUMOU CREES

Mr. Guy St-Julien (Abitibi): Mr. Speaker, my question is for the Minister of State for Indian Affairs and Northern Development.

For more than 13 years, the Oujé-Bougoumou Cree community has been asking for recognition under the James Bay Agreement. About two weeks ago, Quebec finally set aside land for this community. Newspaper articles show that intense negotiations are underway and that progress has been made.

Mr. Speaker, my question is as follows. In view of the positive developments on the question of land and the intense discussions between the Cree representatives and the federal negotiator, can the Minister tell the House what the federal Government intends to do now to see this matter through in the interest of all signatories of the Agreement and especially of the Oujé-Bougoumou Cree and their chief, Abel Bosum?

Hon. Bernard Valcourt (Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the federal Government is also eager to settle the matter of the Oujé-Bougoumou Cree. The first step was to select some land, and this was completed recently. The second is to create a new band.

Now, the Government of Quebec and the Grand Council of the Cree have taken 13 years to find a piece of land where the new band can settle and this land has just been found. Thirteen days later, you would like me to come up with an immediate answer.

I have said that we want to settle this matter and I have instructed our negotiator and asked him to proceed with an offer that will be put on the negotiating table next week so that the Oujé-Bougoumou Cree band can be created and the case finally resolved, which will allow us to bring in legislative amendments to the Agreement and the Act concerned as soon as possible.

* * *

[*English*]

PUBLIC WORKS

SALE OF MOISIE LANDS

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is directed to the Acting Prime Minister, and I am not sure if there is one in the House. It is a question that should not be answered by the Minister of Public Works because it touches upon his conduct.

I want to ask the Acting Prime Minister why the Government feels that the whole Moisie affair can be left to the police. Does this mean that the Government has abandoned its own conflict of interest guidelines of ethical standards for Ministers which are so clearly violated by this case?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, some people like to beat a dead horse to death.

Yesterday the Hon. Member's Party initiated a new 50-point platform—

Some Hon. Members: Forty.

Mr. McInnes: I would have thought that they would have been raising questions relative to the national interest as indicated in that particular platform, rather than perpetuating something that we have been over and over.

GOVERNMENT POSITION

Hon. Bob Kaplan (York Centre): Mr. Speaker, if there is an Acting Prime Minister in the House, I direct my question to him.

Is it the position of the Government then that as long as the criminal law is not violated, the Government is free to use its public trust to confer benefits on its friends, on its relatives, and on its cronies?

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, as a former Solicitor General the Hon. Member should know that the Government does not interfere with criminal investigations. However, the type of questions that have been raised by members of the Liberal Party today indicate why they have fallen to third place.

* * *

PUBLIC WORKS

TORONTO—HARBOURFRONT—REQUEST THAT CONSTRUCTION BE SUSPENDED

Mr. Dan Heap (Spadina): Mr. Speaker, my question is also directed to the Minister of Public Works responsible for Harbourfront in Toronto. The Minister knows that Harbourfront is already a mess, such as Downsview is shaping up to be.

As the Minister knows, eight years ago the federal Government agreed with Toronto City Council that Harbourfront was to include affordable housing, family housing, schools, local stores, public parkland, and waterfront access. Now it is becoming mainly housing for the rich.

In view of the unanimous Harbourfront Review Committee resolutions which I sent to the Minister this morning, will he assure the House that he will stop all further building in Harbourfront until the Royal Commission, headed by the Hon. David Crombie, has reported publicly?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, the Hon. Member did indicate that I received this advice this morning. We are not going to act too hastily. Of course there is the Royal Commission headed by the Hon. David Crombie. I will be consulting with all groups that have an appropriate influence and an opinion on this matter, before making any final decisions.

REQUEST THAT HARBOURFRONT RESIDENTS BE CONSULTED

Mr. Dan Heap (Spadina): Mr. Speaker, for the Minister's further help I will send him a copy of a petition I have just received from Toronto residents asking that there be no further building south of Queen's Quay.

Since the Hon. David Crombie has not answered any of the inquiries from Harbourfront residents, or their elected representatives on City Council, will the Minister direct him to place Harbourfront Residents' Association representatives, and the two Ward Six aldermen of City Council, on his commission and the committees thereof, or at least to confer and consult with them immediately and frequently?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, there are not many boundaries on the nature of the inquiry by the commission headed by the Hon. David Crombie. I know, and he has indicated to me, that he will be consulting with all groups that have an interest, and indeed I have confidence that he will follow that procedure.

Mr. Heap: He has ignored them and refused to answer.

* * *

[*Translation*]

DISASTERS

SAINT-BASILE-LE-GRAND TRAGEDY—COMPENSATION FOR VICTIMS—GOVERNMENT POSITION

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, my question is directed to the Minister of National Defence who is responsible as well for civil defence.

Last August 25, the Minister of Transport, in the presence of the Minister of the Environment, promised the Saint-Basile victims that the Conservative Government would contribute $1 for every dollar spent by the Government of Quebec.

Quebec now expects to pay almost $6 million to the residents of Saint-Basile.

Can the Minister assure us that the federal Government will spend half that amount, as Quebec Government Minister Rocheleau is requesting?

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, as the Hon. Member will know, there is an agreement between the federal Government and the provinces to cover federal contributions to emergencies. The news release that was issued at the time referred to that agreement.

It is done on a sliding scale, as the Hon. Member will likely know. Indeed, over a certain figure the contribution could go above 50 per cent. The manner in which it works is the following. After $1 per capita has been spent by the province, the federal Government starts to make a contribution; 50 per cent of the next $2 per capita of provincial expenditures are eligible for cost sharing; 75 per cent of the next $2 per capita, and 90 per cent of the remainder.

[*Translation*]

REQUEST THAT GOVERNMENT PAY $3 MILLION TO VICTIMS

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, the Minister responded as I expected. He has just admitted that the Minister of Transport and the Minister of the Environment misled the people of Saint-Basile.

The Minister of Transport did not make any restriction when, anxious to promote his own political career in front of the victims of Saint-Basile and the media—this is on tape—he stated unequivocally that his Government would give $1 for each dollar spent.

So here is my question to the Minister responsible for civil defence. Your Quebec counterpart with respect to civil defence sent you a letter asking that your Government live up to its commitments. Will the Minister find a way to hand over the money the Minister promised the people of Saint-Basile? Expenditures of $6 million! The Government is to pay half of that. Will the Minister honour that commitment?

• (1450)

[*English*]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, the Hon. Member accuses us of trying to make political capital out of a situation, and then engages in histrionics of this nature.

What was indicated at the time was that the federal Government would respond in accordance with the formula, and we will indeed do that. Depending on the contribution by the province, the federal contribution could go above 50 per cent. All this will depend upon the contribution made by the province.

* * *

[*Translation*]

FAUNA

TRAGIC DEATHS OF BELUGAS IN ST. LAWRENCE—GOVERNMENT POSITION

Mrs. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, it is a well-known fact that beluga whales are dying in the Saint-Lawrence River. The causes of the pollution which is killing them have been known for quite a while.

Why does the Government not put an end to this carnage by enforcing the Fisheries Act, an already existing and effective measure? Why is the Government not taking any action to stop the killing of beluga whales?

[*English*]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, scientific analysis of the blubber of Belugas indicates one of the offending pollutants, for example, is Myrex, which has never been manufactured or even marketed in Canada. Its origins are as far away as New York, into the Niagara River, which in turn empties into the Great Lakes and from there into the St. Lawrence River Basin. That is one of the reasons why this Government signed with the Governments of the United States, of New York and of Ontario, the first ever four jurisdiction agreement that will slash all toxic loadings into the Niagara River by 50 per cent by 1996. That is the kind of strong environmental action this Government has provided in this area as in others.

MINISTER'S POSITION

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, when I asked a question about this situation in April the Minister talked about the utmost priority in acting. He said that with Royal Assent to the Canadian Environmental Protection Act we would be in a position to act quickly. He now seems to be saying we are not going to be in a position to act at all.

Why not use the Fisheries Act? Why not use CEPA? Canadians do not care which Act is used, but they want to see an end to this killing of whales. What specific action can he promise to undertake, given the seriousness of this problem?

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, the Canadian Environmental Protection Act is one instrument and we are using it. Another instrument is the Canada-U.S. Great Lakes Water Quality Agreement which we completely overhauled in favour of cleaning up the Great Lakes by including all sources of pollution, not just toxic chemicals; by setting targets and schedules for the clean up of the Great Lakes; and by weaving into the fabric of this binational agreement mechanisms for accountability to ensure that not only this Government but future Governments live up to the targets and schedules I mentioned.

* * *

CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSIONS

PROPOSED TALK SHOW GUIDELINES

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, my question is directed to the Minister of Communications. Radio open-line talk show hosts are very concerned that the CRTC is planning to make some serious changes to the rules for talk shows which will curtail the host's ability to choose guests, and put in place prescreening procedures for callers. Could the Minister tell the House if these changes are indeed going to be put in place and, if so, how are we going to ensure freedom of speech is not threatened?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, I thank the Hon. Member for his question. As many people are aware, the CRTC has invited the public as well as broadcasters to react to the proposed guidelines regarding open-line shows. In fact the closing date for those submissions is today. Anyone wishing to comment on these proposals has been invited to submit their views on this issue.

I want to make it very clear, however, that these guidelines were never intended to interfere with freedom of expression. That is not their intent. The CRTC is trying to find methods to provide balanced and well informed programs.

TRADE

FOOTWEAR IMPORT QUOTAS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Minister for International Trade and concerns the beleaguered Canadian footwear industry.

In 1984, on July 26 to be exact, the Minister's boss, the Conservative Leader, promised the footwear and textile workers "stability through the rigorous enforcement of our existing international rights and obligations, including if necessary establishment of global quotas and a controlled increase of import volumes".

In 1986 the Government abolished quotas on imports of men's footwear. This resulted in the loss of 3,000 jobs in Canada. Import quotas on women's footwear are scheduled to end at the end of this November. This will likely result in the loss of thousands more jobs. Given that, will the Minister finally, at the eleventh hour of the Government's regime, honour his Leader's commitment to the footwear workers of Canada and extend quotas on women's footwear for at least two years? Or is he just simply going to sit by and allow more jobs to be lost because of his inaction?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I assume an election must be getting close because the hon. gentleman is worried about boots. He is certainly likely to get one when the election comes.

There is no emergency with respect to the question of footwear. The question of whether quotas should be continued or not will be dealt with in the normal course of events after a careful survey of the present situation in Canada. There is no chance that thousands of people are going to lose their jobs as a result of any change in quotas. That is simply the hon. gentleman using his usual scare tactics to attempt to stir up the electorate.

[*Translation*]

JOB PROTECTION—GOVERNMENT POSITION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the people in my riding who work in the shoe industry are not amused by the minister's answers. They want to keep their jobs. I therefore ask the Minister of Trade how he can explain the fact that, in 1984, when his government came to power, Canada was producing 45,000 pairs of shoes per year and that now, in 1988, after the 1987 elimination of quotas on men's shoes, that number is down to 38,000 pairs. Given the fact that 7,000 jobs have been lost in this sector, what does the Minister intend to do to protect the rest of the workers who will also lose their jobs if this Government persists in doing nothing? Will he immediately assure Canadians that he will protect jobs in the shoe manufacturing industry? This time, I would like to get more than platitudes for an answer.

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I would like to have something other than nonsense in the way of a question. The situation is that this country lives by its exports. One-third of our gross domestic product comes from exports. One of every three Canadian jobs comes from exports. Therefore, we have to be participants in the GATT system. We have to engage in fair trade. Therefore, we have to take great care with respect to import controls and quotas and so on with respect to some of our industries which may be vulnerable to foreign competition.

The footwear industry is one of those industries which has been protected and we will continue to protect it, always being very careful so that we observe the international conventions which apply and do not endanger our exports which are very important to Canadian workers.

* * *

AIR CANADA

MAINTENANCE CONTRACT AWARDED IN BRITAIN

Mr. Les Benjamin (Regina West): Mr. Speaker, last Monday my colleague from Thunder Bay—Atikokan got the following response from the Minister of Transport: "As soon as I have a good explanation, or any explanation, I will give it to my friend". I would like to ask about the benefits of deregulation and privatization and whether someone, anyone, on the government side could answer the question posed last Monday.

Air Canada has granted a maintenance contract outside this country for the first time, involving an L-1011 aircraft being serviced in Great Britain. Why is the Government allowing Air Canada to set this kind of precedent by exporting maintenance work outside its own facilities rather than blending specialized workers into crews doing routine maintenance, as is allowed under the present collective agreement with the machinists?

• (1500)

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, I am advised by Air Canada, and I am sure the Hon. Member will recognize that Air Canada makes its own decisions on a daily basis, that as the airline's own in-house maintenance capacity has been fully utilized it has subcontracted the special maintenance work for one L-1011 aircraft to a U.K. firm.

I may say that this is a single contract for a thirty-day basis only, and is for specialized maintenance work.

Mr. Benjamin: Mr. Speaker, there go another 250 Canadian jobs on one aircraft down the drain.

* * *

PUBLIC SERVICE

TRAINING OF AIR TRAFFIC CONTROLLERS

Mr. Les Benjamin (Regina West): I would like to ask the Minister a further question, Mr. Speaker. It has to do with a question which the Hon. Member for Gander—Twillingate (Mr. Baker) asked yesterday concerning the hiring of American air traffic controllers.

In 1983 the Liberal Government stopped training air traffic controllers and the Conservatives did not start again until four years later.

Mr. Crosbie: We did. You can thank me for that.

Mr. Benjamin: Why, as soon as the Government and the Deputy Prime Minister began dreaming about a brave new world of deregulation, was there no thought given or action taken to arrange the immediate resumption and expansion of training of air traffic controllers in Canada?

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, I thought that the Deputy Prime Minister had answered these questions very clearly yesterday.

Mr. Crosbie: Yes, he did.

Miss MacDonald: I might also say it is important that we realize that the issues we are dealing with require some urgency whether in the repair and maintenance of aircraft or in the usage of air traffic controllers. I would think even the Hon. Member would recognize that.

* * *

NATIONAL DEFENCE

NERVE GAS TESTS CONDUCTED DURING 1960S

Mrs. Barbara Sparrow (Calgary South): Mr. Speaker, my question is directed to the Minister of National Defence.

During the past few weeks the Opposition has made numerous accusations that a substantial number of people in western Canada were exposed to nerve gas testing in the 1960s at the Suffield Research Station in Alberta.

I do understand that a toll free number has been established for those wishing more information, and that is very good for individuals. Could the Minister tell this House, and indeed all the people in southern Alberta, just what exactly has been done? Does he have a list of people who are suffering long-term effects?

Hon. Perrin Beatty (Minister of National Defence): No, Mr. Speaker. We have opened up the telephone lines. We have started to receive some calls and we will follow up on each one of them. Mr. William Barton will continue with his inquiry.

As the House will know, on Friday the Hon. Member for New Westminster—Coquitlam (Ms. Jewett) demanded an emergency debate here so individuals could be encouraged to come forward and present themselves for medical tests. Since that time my office has been in touch with hers on three occasions. I have written three letters to her to ask that the names of the individuals who have made, in her words, these numerous calls, be made available to the Department of National Defence. To date, she has refused to produce them.

Mr. Speaker: This will be the last question for Question Period. The Hon. Member for Cape Breton—The Sydneys.

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TRANSPORT

TRANSPORT ROUTE CANADA—TRUCKERS' FUND

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is for the Acting Prime Minister. CN Route before being privatized deducted $1,000 per truck from each trucker as a security hold-back. When the Company was privatized this fund was turned over to Transport Route Canada. It was a fund amounting to about $200,000. This fund has completely disappeared along with other moneys that have been put into it.

Why would the Government, a Government headed by Canada's most famous ex-trucker, turn over the truckers' own money to somebody else without at least getting the proper security to make sure that that money would be there for the truckers?

Hon. Flora MacDonald (Acting Prime Minister): I always give great care to the questions put by the Hon. Member for Cape Breton—The Sydneys, Mr. Speaker. I will see that query is passed on immediately to the Minister of Transport.

INSURANCE FUND QUERY

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, this $200,000 is now lost to the truckers. It is their own money. Not only that, but the truckers have been paying 4.8 cents a mile toward an insurance fund. That insurance fund of hundreds of thousands of dollars is no longer there. Truckers with claims, some of them over $100,000, do not have the fund to draw from.

Why is this Government which created this mess refusing to help these truckers? They are innocent parties in the Government's messing of this whole situation.

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, I do understand the concerns that have been raised by the Hon. Member. As I said, I will see that these are relayed immediately to the Minister of Transport and the Minister of State for Finance.

Mr. Speaker: I will come to Hon. Members in just a moment for the usual Thursday afternoon question, but I have an announcement I must make first.

* * *

[*Translation*]

THE CONSTITUTION

TRANSMITTAL OF RESOLUTIONS OF ONTARIO LEGISLATURE

Mr. Speaker: I have the honour to inform the House that I received a communication from the Hon. Hugh Edighoffer, Speaker of the Legislative Assembly of Ontario, forwarding to this House resolutions adopted by the Legislative Assembly and concerning the Constitution.

Hon. Members may obtain copies of the resolutions from the Table, in both official languages.

* * *

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Deputy Government House Leader. This being Thursday afternoon, I am asking him the customary question about the business the Government intends to call over the next ensuing time period. I am sure that we are all very interested in his answer.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, I wish to advise the House that this afternoon we will commence, and hopefully complete, the report and third reading stages of Bill C-152, the Heritage Languages Institute Bill. If time permits following the deliberations on that Bill, we will then resume second reading debate on Bill C-140, the bank services charges Bill that was commenced during this morning's sitting. We would continue that tomorrow, perhaps. We hope there will be no further filibuster from the Opposition on this important Bill.

On Friday, we will go to second reading debate on Bill C-149, the postal services review board. On Monday, we will resume debate on Bill C-149, followed by second reading of Bill C-128, the Bill for the Department of Industry, Science and Technology. Perhaps Monday afternoon we will have a House Leaders' meeting to discuss the balance of the week.

Some Hon. Members: Oh, oh!

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, may I also ask the Hon. Minister when he is going to proceed with a Bill to amend the Canada Elections Act and other Acts in relation thereto.

This Bill was introduced and read a first time on June 30, 1987. It was debated only one day, March 16, 1988. It was sent to a committee and you, Sir, gave me the honour of being chairman of that committee, for which I thank you very much, but it so happens that I only thank you for being the chairman of a committee that does not sit because we have not yet finished studying that Bill in the House of Commons. It is a very important piece of legislation, Mr. Speaker.

[*Translation*]

I think it is one of the most important pieces of legislation which would update the Elections Act and which includes major amendments concerning the way we operate under the Elections Act.

[*English*]

May I therefore ask the Hon. Minister whether he has any good news for us on this very important matter. I am anxious to get working on the Bill.

Mr. Lewis: Mr. Speaker, as I indicated yesterday, I thought that we would be dealing with election expenses on a more practical basis next week. We would like to proceed with this Bill, but it is being held up by the proposed Liberal amendment which takes care of the pledges of campaign refunds to candidates and the ability to assign them to banks.

• (1510)

Mr. Rod Murphy (Churchill): Mr. Speaker, I notice that the Deputy Government House Leader did not answer any questions with regard to future House business. I was wondering if perhaps that question could be redirected to the Acting House Leader of the New Democratic Party who could explain what the House will be doing in December.

Mr. Speaker: That may have gone over some people's heads, but not everyone's.

GOVERNMENT ORDERS

[*English*]

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-152, An Act to establish the Canadian Heritage Languages Institute, as reported (with amendments) from a legislative committee.

Mr. Speaker: I have a ruling to render regarding Bill C-152, an Act to establish the Canadian Heritage Languages Institute. There are six notices of motion in amendment on the notice paper for the report stage of Bill C-152, an Act to establish the Canadian Heritage Languages Institute. I am prepared to rule on those motions.

[*Translation*]

Motions Nos. 1, 2, 3 and 4 are in order. They will be debated and voted on separately.

[*English*]

Motions Nos. 5 and 6 deal with reports by the Minister. They will be grouped for debate but voted on separately.

[*Translation*]

I will now call Motion No. 1 in the name of the Hon. Member for York West (Mr. Marchi).

[*English*]

The Hon. Member for Saint-Denis is moving the motion. I understand there is unanimous consent.

Some Hon. Members: Agreed.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis) (for Mr. Marchi) moved:

Motion no. 1

That Bill C-152 be amended in Clause 4 by striking out line 3 at page 2 and substituting the following therefor:

"retention and use of languages, including native and aboriginal languages, other than".

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I am extremely grateful to my colleague who, I think, will speak after me . . .

[*English*]

He will be following but will allow me to say a few words on this Motion No. 1.

It is a very plain, simple motion, and I would very much appreciate it if the Minister would reconsider and accept the amendment. We could do it here. The rules are flexible. After listening to the few remarks I would like to make and the remarks of my hon. colleague who put this amendment, if the Minister sees fit, perhaps we will not have to vote and the Minister would gladly accept this amendment.

Why do we ask to put in the purpose of Bill C-152, an Act to establish the Canadian Heritage Languages Institute, the words "native and aboriginal languages"? The Minister knows how strongly I feel about these matters. It all goes back to what Canada is all about. Long before my esteemed colleague from Toronto who put the motion came to this country, and this is the history of Canada, the ancestors of the Hon. Minister were probably in this country, and long before the Hon. Minister's ancestors were in this country, my ancestors were in this country, in the 1600s.

It is all very well to talk about the two founding races, the two official languages, but I have always made sure to remind Canadians that long before my French ancestors came to this land, there were people living in this land. These people were the native people. Why would it not be possible, I kindly ask the Minister, to make an addition to the Bill to recognize in concrete terms the contribution of these people, to make them a little different, to give them something more than all the rest? After all, as I said, this was the harmonious development of our country.

There were in Canada aboriginal people and natives. Then my ancestors came to this country in the 1600s. They did not discover this land. "Discover" is a word that I do not like very much. It is like discovering something. They happened to come to a place that was in existence where there was already an organized society. They took the land and later on, though we do not need to explain the history of Canada, the British came by and fought with the French in the St. Lawrence River and everywhere else in that part of Canada and they took the land. They made it a British colony and then gradually it became semi-autonomous and then autonomous.

Then we had the Canadian flag. On February 15, 1965, we proclaimed the flag. Then we had a national anthem. *O Canada* became the national anthem. I was a member of the committee which studied that. We told the House, under Mr. Pearson, that *O Canada* should be the national anthem and it was only proclaimed on July 1, 1980, event though *les Canadiens français*, which I say because there is no translation for that, had been singing it since July 1880. It took 100 years before we got together in Canada to proclaim it.

All that, in a nutshell, explains the harmonious development of our country, the harmonious constitutional development of our country with repatriation of the Constitution under Mr. Trudeau and with the Charter of Human Rights under Mr. Trudeau, incomplete as it may be, not to start a debate with Meech Lake.

I say to the Minister, why not? He is an honourable person. I have known him for quite some time now in Montreal. What would this amendment do? It would make people happy. It would make people feel that they are recognized.

We should never hesitate in this country. Every day, every week, every month, every year, we should not hesitate to recognize that long before all of us, you, Mr. Speaker, the Minister, I and my esteemed colleague from York West who put this motion, were here in Canada, there were some people here and they were the native people and the aboriginal people.

Will this motion be abusing anything? No. I checked very carefully to see if there was a good reason not to accept this. The Minister is now a full Minister. He does not need to consult with Cabinet. He is well respected. The Minister could say: "On second thought, it makes sense, it does not take anything away from the Bill". We are not trying to lower the standards of the Minister's Bill, we are just trying to add something. Is that not really the spirit of the McGrath reform? I have been here close to 25 years. I am not one who disagrees because we have to disagree. I have my own style, my own approach, to the political process. But if there is to be a true spirit of the McGrath report . . .

• (1520)

[*Translation*]

. . . if the parliamentary reform that was advocated by a highly esteemed Member of the House, Mr. McGrath . . .

[*English*]

. . . who is now the Lieutenant Governor. If the McGrath report on the reform of the parliamentary system is to mean something, would it not be a good example to accept this amendment?

[*Translation*]

Thank you, Mr. Speaker. For fear of being accused of saying somewhat surprising things only in English, I must also . . . for men and women of Canada, of Quebec . . . because I know Quebecers. I am one of them. I am a Quebecer. And I know that Quebecers who are, as we say, of old stock . . . right now, nobody knows what collective name to give us. The Minister is also a Quebecer, as the Speaker is.

I say Quebec men and women know very well the history of Canada. They know their ancestors came here, to a country already inhabited by people, Indians, Eskimos. There were people living on this land. The land was not created out of nothing, uninhabited. It had its first citizens. The best way to achieve what I call social peace, harmony in a good society is to make sure everyone feels comfortable in this country, in this province or part of the country, knowing he is recognized. People want their dignity. That is true everywhere, in all parts of the world. People want to have their dignity recognized.

Well, if the Minister accepted this well-thought-out amendment which is not a controversial one, we would not have to vote on it!

Thank you, Mr. Speaker. I leave the matter in the hands of the Minister.

[*English*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I and all members of the New Democratic Party support the idea and proposal that there be established a Canadian Heritage Languages Institute. It is not surprising we do that. I was born in Canada but both my parents came here as immigrants from eastern Europe. They came because they thought, and they were correct in their thinking, that Canada would be a good country for them, for their children and for their grandchildren. They realized that in the part of Canada to which they immigrated, English was the language of business and English was the language spoken in most homes. They accepted that and learned to speak the English language.

They believed, and I think history has proven them to be correct, that they could be better Canadians if they helped to maintain and foster the language they brought with them. I

have some knowledge of the culture and history of their ethnic group. They were right, as are all the one-third of Canadians who are neither of Anglosaxon or French origin who believe, and have believed, and have at least verbal acceptance of their belief, in the desirability of fostering and supporting the language, culture and history they brought with them. That was first accepted when the Bilingualism and Biculturalism Commission brought down its report and particularly when Dr. Rudnyckyj, of the City of Winnipeg, who was one of the members, added to that report his own recommendation that favourable consideration be given by Governments to support the language and culture of the one-third of Canadians who are neither Anglosaxon nor of French origin.

That concept was not always accepted by the majority of people in Canada. In my Province of Manitoba there came a time when a directive came down from the Government of Manitoba to the Department of Education that it was not only improper but illegal to conduct classes in our schools in the French language. There was a time when a similar dictate came down in reference to the teaching in the schools of the Ukrainian language. I am happy to say that that view has long ago disappeared in the Province of Manitoba.

In my city it is now possible, if parents wish, for students to have one-half of the curriculum taught in English and the other half taught in one of three different languages, German, Hebrew or Ukrainian. There is a very extensive program for fostering and supporting heritage languages after the regular school hours. Students have the opportunity to be educated in 12 or 14 different languages, depending on the ethnic group from which they come. I think that is a tremendous achievement and one which could be well matched by other provinces. We support in principle the establishment of this Heritage Languages Institute.

But I must say I am shocked and amazed that the Minister for Multiculturalism (Mr. Weiner) would not accept the amendment contained in Motion No. 1. Who has more right to have their language recognized and supported than the native people of this country? With the exception of one or two Members of Parliament and perhaps one or two Members of the Senate, the rest of us are either immigrants or the sons, daughters or grandsons or granddaughters of people who came here as immigrants. So while this institute will foster the knowledge of all the languages of people who have come to this country over the last 100 years or so, the Government is not prepared to accept an amendment which would include the languages spoken by our native communities.

I find that very strange. First, I think it is unfair. Second, I consider it to be completely unrealistic. Does the Government not know what is going on in many cities in this country? Does the Government not realize that in cities like Winnipeg, Regina, Calgary, probably Edmonton, and Vancouver, there is a flood of native people, including many young people, moving into the core areas of these cities? I have not been able to get a number which is accepted by Statistic Canada or by other federal or provincial government Departments, but it has been estimated that the native population in the City of Winnipeg is somewhere between 20,000 and 50,000 people. One need only drive around Winnipeg any day of the week to see how the areas in which they live in Winnipeg have gradually extended geographically. I am sure the same is true in the other cities I have mentioned, and maybe others as well.

• (1530)

One need only talk to teachers in the City of Winnipeg, or in some other towns in Manitoba, to get a horrifying picture of what is happening. There are native students who move in and out of the city and in and out of the schools. A native student in elementary grades can attend anywhere from eight to ten schools in one year.

The native people of this country need all the support they can get. They have been mistreated ever since the white man came to this country. It is going to take generations to right the wrongs which have been created. The problems are accelerating in our schools, in our welfare system, and in our jails and penitentiaries. The number of natives involved in all of these is growing at an increasingly escalating rate. We need to deal with these problems. One of the small ways in which we could deal with the problem is by including native people as one of the groups that can get direct help and benefit from this new institute.

I appeal to the Minister. Will he not be realistic? Will he not accept the fact that this Bill is not cast in stone the way it is at this time? It is not perfect. Will he not at least give serious consideration to a proposed amendment which makes sense and which would help improve the lot, not only of this institute but of the people who have been excluded from deriving benefits from this institute as the Bill is drafted at the present time?

[*Translation*]

Mr. Sergio Marchi (York West): Mr. Speaker, I would like to thank once again my colleague the Hon. Member for Saint-Denis (Mr. Prud'homme) who has a lot of experience in his riding, in the country, with minority and multicultural groups, and with this program. I am grateful to him for having started the report stage debate while I was busy on some other business.

[*English*]

It is with pleasure that I participate at report stage because it is important. It is important because it gives us an opportunity, as Members of Parliament in the House of Commons, at perhaps the eleventh hour, to ask the Government to consider a number of changes that would not diminish the Bill in stature, substance, delivery, or nuance, but would in fact strengthen, enrich, and improve a Bill which at some point in time will become the law of this country. While the principle of this legislation is certainly one that needs to be supported from all sides of this House, this piece of legislation has various gaps and holes that could be corrected in this place.

It is also important because of the way this Bill was treated. Notwithstanding the fact that there is, in principle, agreement from all sides on this Bill, at the first organizing meeting of the legislative committee, which is normally intended to sketch out the business agenda for the committee *vis-à-vis* the Bill, the Government tried to proceed into a clause by clause deliberation.

The Government wanted to get this Bill back in the House and approved without giving the public the assurance that the policy of multiculturalism that we embrace, federally speaking, as a Parliament, is going to be lived out on the streets of this country day in and day out. I find it offensive that the government Members pushed this Bill from start to finish during the course of that one day proceeding. I find it offensive that government Members embrace the theory that they know it all, that they know what changes should be made, that they do not have to go to the public or to another meeting. That is simply not good enough.

The fact is that at those very deliberations government Members said that the reason we could not go to the public to get their input is because we were going to run out of time because of the impending national election campaign. That may have more to do with this Bill than the words that have been uttered up to now. That is offensive because it speaks of doing the right thing for the wrong reason. I take offence to that kind of tactic.

The Minister is present and I commend him for that. He said at his appearance before the committee that he is prepared to consult and co-operate with Canadians. We then proceeded to the shambles that we witnessed. I am hopeful that the Minister will take under serious consideration the changes that we are asking him and his Government to make.

The first motion, as was elaborated on by a number of colleagues before me, is very straightforward and very simple. When we talk about the Heritage Languages Institute I want to be very precise and very open. Therefore, in Motion No. 1, I include the words "native and aboriginal languages" because nowhere in the Bill does it suggest or state that our aboriginal languages are going to be included as heritage languages for the purpose of this Bill.

The impression is left that the two official languages, which get support from other programs and other Departments, are not included but there is a grey area with respect to the aboriginal languages which belong to our aboriginal peoples. The aboriginal people wish to be reassured that their languages, too, may be considered as heritage languages for the purpose of this Bill, that those languages, too, may receive the support that we are prepared, through this Bill, through this institute, to grant to other languages.

The Minister might say that he does not have to put it in the Bill to support native languages. While that may be true, the other side of the argument can also be easily put forward, that is how do you hurt the Bill by being as specific as you can?

In various journals it is not clearly understood whether heritage languages does or does not include our aboriginal languages. For example, the Canadian Ethnocultural Council, the leading national umbrella group, if you will, of the various cultural communities across this country, put out a document in March of 1988 entitled "The Other Canadian Languages; A Report on the Status of Heritage Languages Across Canada". It was very interesting to note that on page 4 of this report submitted to Members of Parliament it said:

> Heritage Languages in Canada are generally considered to be those languages other than the Official Languages and Aboriginal Languages which have their origins the world over.

In the Canadian Ethnocultural Council's report of March, 1988, they are essentially concluding that when we speak of heritage languages in this country we are not referring to either English or French and the aboriginal languages. It was with this intention that I put forward Motion No. 1. It would amend Clause 4, which now states that the purpose of the institute is to facilitate throughout Canada the acquisition, retention and use of languages other than the official languages of Canada. My motion would change the clause to read: "—the acquisition, retention and use of languages, including native and aboriginal languages—".

• (1540)

I raised this issue in the little time that we had at the first and only meeting of the committee following the organizational meeting. There was then a subsequent meeting of the committee which studied the Bill clause by clause. I raised it at a time when the Minister was present. I believe he took in the various arguments that were put forward.

He informed the committee after other thoughts and testimony was outlined that he would somehow take the matter back to his government shop in order to take a serious look at it. I am hoping that the Minister will respond to this one amendment which would clearly not abrogate the intention of the Bill. It would not weaken it. I think it is a small and minimum price to pay to reassure our native communities that the languages which they speak other than our official languages will for the purpose of definition be included in the Bill which will set up the heritage languages institute.

Native groups did not have a chance to come before the committee, as would have been their legitimate right, to make the point themselves because the Government saw fit to rush the Bill back into the House in somewhat of an unprecedented move as far as other Bills are concerned. Because of those reasons and the arguments that we have put forward, I am hopeful that the Minister will see fit to make this very slight yet important amendment to the Bill. In this way it will be a much more healthy Bill. It will eliminate the questions with respect to whether or not aboriginal languages are in or outside the legislation. I look forward to a response by the Prime Minister (Mr. Mulroney).

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, I am very disappointed that the Minister did not stand up to respond to the very pointed and good questions of the Hon. Member as to why aboriginal and native languages are not included by way of direct reference in this legislation. I saw that the Minister was hinting that he might get up. I hope he intends to get up to say that he will include such a provision. I hope that that is his intention. I must say that while it is against the rules of the House to mention the presence or absence of particular Members, I am glad that the Minister is here in order to hear this debate today.

I think this is a matter upon which he can move to make changes now. I am sorry I do not have unlimited time in which to speak. If I did I would stay on my feet until the Minister made the change. It is a simple and ordinary change. It is abysmal, shameful and dreadful that this legislation on heritage languages should have been dealt with before the committee to the exclusion of aboriginal people. There was no opportunity for groups to say how they felt about it. I am sure that was as a result of inadvertence on the part of the Government. It was because of the headlong rush toward an election that this happened. However, the Minister can still correct the oversight.

I must say that I am glad as an aboriginal person, as a native person, that I have the opportunity to express my point of view with regard to this matter. It is shameful that the elected representatives of aboriginal people across the country did not have a chance to comment on the Bill. I want to comment briefly on it since I have but a little bit of time here.

The legislation simply states that the purpose of the institute is to facilitate throughout Canada the acquisition, retention and use of languages other than the official languages of Canada that contribute to the country's multicultural heritage.

I must say that we are all Canadians. There is only one Canada. It is because we are confident in our citizenship that we are able to tolerate the cultural differences that exist in our country and, in fact, that we are able to celebrate them. Therefore we are able to recognize as this Bill does that multicultural heritage. We can also recognize the official languages. But this Bill fails to recognize the existence of aboriginal people in Canada. That is what the amendment seeks to change. The amendment seeks to include in the wording of the clause the words "native and aboriginal languages".

The fundamental point is that the legislation here is going to create an institute that will make resources available for the preservation of languages. That is important. It is important that aboriginal people have a part of those resources. But it is not enough to be able to stand up and say: "Okay, under this legislation we could make the money available anyway".

Why do half a job? Why have half a loaf when a specific reference can be made? Aboriginal people do not fit under official languages. Cree is not an official language of Canada. It does not fit there. Aboriginal languages do not fit under multicultural heritage. Native people are aboriginal people. They are the first people of this land. They do not fit under an ethnic group. They do not fit under multicultural.

The Bill should be drafted so as to fit the social, the political and economic reality of the country. It can be done. It will not hurt to accept the amendment which my colleague has put before the House. The Government should agree to the amendment. The Bill will be the better for it. There may be other amendments on which the Minister might want to reflect more in depth before he accepts them, or perhaps he might feel that they would have to go to committee for study. Perhaps that will be the case. However, this amendment is a simple one. What it does is recognize the reality of Canada. It recognizes the fact that aboriginal people are a part of the country. At the same time that official languages are recognized multicultural heritage is recognized. What is unacceptable is recognizing the multicultural nature of the country and the official languages of the country while ignoring the aboriginal people.

Mr. Minister, the time for that is gone. The time in which aboriginal people will silently be ignored is passed. I must conclude that the Bill came before the House in this form out of a sense of haste because of the results of the polls that came out this morning. The Reid poll indicates that the Conservatives are ahead and that the NDP are hot on their tail with the Liberals lagging behind. Of course, the Reid poll tends to favour the Conservative Party I must say more than does the Gallup poll. Given the results of that poll, the Conservatives are in a big rush to go to an election and in so rushing forget to do a decent job on legislation.

Let us slow down. Let us take a deep breath. Read the amendment and accept it.

The Government should listen to groups and reflect upon the reality of the country. The time is long past when native people will accept half measures. It is time to recognize that aboriginal people and native people are a legitimate and fundamental part of the country. Just saying that they can be fitted in under the umbrella of multicultural heritage is not going to be well received in native communities across the country. Native people are aboriginal people. They certainly do not fit under official languages.

I ask the Minister to accept the amendment rather than trying to skate around with some sort of explanation.

Mr. Orlikow: He has no explanation.

Mr. Keeper: My colleague says that he has no explanation. I give the Minister the benefit of the doubt. I assume that he will get up and respond to the comments that have been made by Members on this side of the House. I hope his response will be adequate to the situation. I hope that he takes the initiative in his own hands and says: "Yes, this makes a great deal of sense". If we are going to preserve languages in this country, then we ought to preserve not only the languages of multicultural groups, Polish, Ukrainian, Portuguese, Filipino, et cetera. They are legitimate. Not only should we preserve the languages of the French and of the English but we ought to preserve and promote the languages of the aboriginal peoples of Canada. I ask the Minister to rise to the challenge, to indicate that he is accepting this amendment and that he is going to do a full job rather than half the job.

• (1550)

Mr. Weiner: Mr. Speaker, I find the motion unnecessary.

Mr. Keeper: Insensitive.

Mr. Weiner: The preamble does not exclude native and aboriginal languages.

Mr. Keeper: It does not include them either.

Mr. Weiner: Just to remind the Member, it reads:

> 4. The purpose of the Institute is to facilitate throughout Canada the acquisition, retention and use of languages, other than the official languages of Canada, . . .

The only languages, therefore, that are excluded are the official languages.

Some Members may have missed the point, but clearly, it is within the parameter of this very important heritage languages institute to make sure that there is a sharing of the knowledge and the expertise and the experience, and all that would take place under this Canadian Heritage Languages Institute.

Mr. Keeper: Why are you afraid to mention aboriginal people?

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it. The recorded division stands deferred.

Mr. Deputy Speaker: The next question is on Motion No. 2, which will be debated and voted on separately.

Mr. Sergio Marchi (York West) moved:

Motion No. 2

> That Bill C-152 be amended in Clause 4 by adding immediately after line 28 at page 2 the following:
>
> "(i) to encourage participation in the federal Public Service of Canada, embassies and trade missions abroad, of those possessing knowledge of heritage languages, in order that Canada may benefit socially, politically, and economically from this knowledge."

He said: Mr. Speaker, I feel somewhat surprised by the Minister's previous response, and I think that he, in a very fundamental way, brings almost shame to what is a Bill that is supported by all sides. The House was only asking for an insignificant change in terms of three words that would have a very symbolic impact on aboriginal communities. Rather than simply talking about the problem, we in one small way could have done something about solving that kind of perception that is out there and the attitudes that are fueled.

I move, with the same sense of hope and importance, Motion No. 2 to this Bill. It comes from a sense that I have that the Government is risking and is only satisfied in having one heritage language or one community speaking to another. That is to say, if the Greek Canadian community from Winnipeg, through this institute, can speak to the Greek Canadian community of Montreal, then that is beneficial, but the Government seems to be simply prepared to stop there.

I have a different view of heritage languages, one that goes beyond simply having one community speaking to another, that goes beyond simply having individual Canadians of various persuasion being fluent in more than simply our official languages as a benefit to them, not only culturally but as a benefit to them economically and socially. The dynamic view of our heritage languages lies not only in a heritage languages institute that promotes those languages, but in a government that is prepared to embrace heritage languages as a national vehicle and as a national tool.

That is why I proposed in Motion No. 2 to include in the purpose of the Bill, on page 2, to clearly delineate that as a Government and as a Parliament we are prepared to utilize heritage languages on behalf of Canada, not only in our federal civil service, so that we can communicate and link many communities that now feel somewhat alienated from the federal Government and from Ottawa, but that we also include those individuals who are competent, professional and knowledgeable in their areas of expertise, and also possess a second or third or sometimes fourth or fifth language. We should include those individuals on our trade missions and in our embassies abroad so that those Canadians, on behalf of Canada, can begin to open doors that thus far have remained locked because of cultural barriers or because of linguistic barriers.

I am not suggesting that if you happen to be unilingual English or French you should not be serving on our trade missions, or in our embassies abroad, and in our federal Government. I am not suggesting that at all, and I want to be very clear about that. At the same time, it seems to me that we are not embracing the richness that is part of our country, the richness in languages and cultures that is fairly unique compared to some other countries, that we are not embracing these resources, because that is what they are—they are linguistic resources—and put them to the use of Canada, not of one particular cultural community, but to the benefit of our country abroad, whether it is through trade missions or through its embassies abroad.

It would therefore seem to be logical that if we had a Canadian of Japanese ancestry who spoke and was fluent in Japanese, who obviously understood and was aware of the Japanese culture, then that person, given the competence, would be able to advance the cause of Canada in Japan probably more effectively.

Therefore, I ask the House, would not Canada be richer for that? Would not Canada be enhanced on the international stage? Would not Canada be able to go back to this richness like no other country can, or very few in fact can? Is that not an advantage in the international community, where the competition is fierce, where people are competing for the various ears of various foreign Governments, whether it is for trade for our Canadian firms, whether it is to get an advantage for our firms into that country, whether it is to link much better communication between one country and the next, to perhaps encourage those countries to invest their resources and their know-how in Canada?

It has to do, in large measure, with communicating. Go into the international community which has obviously become the global village that a famous Canadian spoke of. It is in communication, it is being able to communicate what Canada is, it is being able to communicate with those international partners abroad, to enhance whether it is trade or whether it is a certain policy or whether it is to enhance the investment in this country or the travel into this country.

That is why I am seeking the support of the Minister and of the Government to rise beyond simply having a number of heritage languages retained in Canada. As important as that option is, it is equally important, and certainly more in keeping with the dynamism that we have to come up with in the 1990s across the world, if we could harness that linguistic and cultural resource in Canada and put it to work for Canada, in our federal Government, in our federal trade missions, and in our federal embassies across the globe.

How many times have we run into individuals who have said: "I am surprised that you do not do that as much as you can and as much as you should"? How many times do we run into constituents, or even ambassadors at various functions who represent other countries in this capital, who tell us that we are missing a golden opportunity? We in fact are. The reasons are not to derail the purposes of this Bill, or to suggest that it is not important to have the retention of various cultural languages.

• (1600)

Languages open doors for everyone. A young person coming out of university possessing a second or third language, all things being equal in marks, will be further ahead than an individual who does not possess those languages. We have a tremendous hang-up with our language issue, not only official languages, but other languages. Sometimes when one runs into young children abroad who, in addition to studying the literature of their own language, are studying English, French, and German, it gives one an indication that those youngsters will possess skills that will make their candidacy for a job or a placement much more advantageous than an individual who learns only one language. There is nothing wrong with that. However, think of the potential for encouraging our youngsters to learn and be as fluent as possible in one or more languages.

We have that resource and we are not putting it to good enough use for Canada on the international stage. That is why I proposed Motion No. 2, which would simply add another paragraph to the purposes outlined at page 2, line 28, which are many, but which would include one section that reads:

> "(i) to encourage participation in the federal Public Service of Canada, embassies and trade missions abroad, of those possessing knowledge of heritage languages, in order that Canada may benefit socially, politically, and economically from this knowledge".

I believe that, and it is in keeping with the intent of the Bill. It is in keeping with the advantage that we can possess as a country. It would seem to me to be a logical course to follow to facilitate that communication and gain an advantage on a very competitive world stage for our country and for our people.

I look forward to receiving the support of my colleagues in the House, particularly those on the other side.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to say a few words about this amendment, which I support. While there is a growing understanding among more Canadians that there is a tremendous value to the country, and not only to the people who are able to speak more than one language, it is still not accepted by many people, and unfortunately by many people who are in a position to make decisions and implement policies, if they are accepted.

Recently I spoke with some people in my constituency. The husband is German and the wife is Ukrainian. Their very young children are growing up speaking three languages; the two languages that are spoken at home, and the language which is spoken on the street and in their schools. Those children will have a tremendous advantage over other Canadians, and will be able to make a very important contribution, if we only permit it.

My colleague from Thunder Bay, who has spent a great deal of time on this Bill and on all questions relating to multiculturalism, has pointed out to some of us that there are now 70 languages spoken in this country, not counting many of the dialects.

I am sure I am not alone in my experience that, when I am in my office on Saturday morning, it is usually the case that more than half of the people who come to me because they need some advice or assistance, come with immigration problems. They have relatives or friends in the country from which they came who they want to help and encourage to come to Canada.

If that is the situation I face, I ask Members and the Minister to think about the situation and problems faced every day, and perhaps many times a day, by people who work in the Department of Employment and Immigration, to mention only one Department. Many of the people who come for help either cannot speak or certainly are not fluent or comfortable in speaking either official language of Canada.

Would it not be helpful to them, to the Department, and to the country if we could encourage, to a much larger extent than we already have, the employment of people in those Departments who are able to talk to, understand, and communicate with people who come in because they have a problem and need assistance?

Of course, in any Department we cannot have people who are able to converse in all of the 70 languages. I have talked about the situation of government Departments, agencies, and Crown corporations in Canada. My friend, the spokesperson for the Liberal Party, made the same point in reference to our embassies, consulate offices, and trade offices in other countries, particularly in countries where the language spoken is not either English or French.

Would it not be helpful for us, and facilitate achieving the goals held by that particular office, whether it is to increase the flow of immigrants, or to increase trade between that country and Canada, if, on the staff of those offices, there were people who could speak one or more of the other languages which people in this country speak?

It seems to me that this is a very sensible amendment. I support it, and I urge the Minister to give some serious, non-partisan, non-political consideration to this proposal. If he does, I think he would agree that this amendment is one which could well become part of the Bill.

Hon. Gerry Weiner (Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, we find this motion unnecessary. The Minister is already authorized to do so in the Multiculturalism Act, Section 3(2)(e) and 4. To refresh the memories of Hon. Members who are rejoicing in the passage of this the first Multiculturalism Act of its kind in the world, it states:

> 3.(1) It is hereby declared to be the policy of the Government of Canada to
>
> (2)(e) make use, as appropriate, of the language skills and cultural understanding of individuals of all origins;

Under the section entitled "Implementation of the Multiculturalism Policy of Canada", Section 4 states:

> The Minister, in consultation with other Ministers of the Crown, shall encourage and promote a coordinated approach to the implementation of the multiculturalism policy of Canada and may provide advice and assistance in the development and implementation of programs and practices in support of the policy.

Therefore, we say no to this motion.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: A recorded division on the motion will stand deferred.

* * *

• (1610)

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Pursuant to Standing Order 66, it is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Davenport (Mr. Caccia)—Municipal Affairs—Ontario's Lifeline Program—Request for federal financial assistance/Minister's position; the Hon. Member for York West (Mr. Marchi)—Immigration—Location of office in Minister's riding/Cost of relocating office; and the Hon. Member for Lévis (Mr. Fontaine)—Financial Institutions—Bill C-81—Mouvement Desjardins.

* * *

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-152, an Act to establish the Canadian Heritage Languages Institute, as reported (with amendments) from a legislative committee.

Mr. Deputy Speaker: The next question is Motion No. 3 which will be debated and voted on separately.

Mr. Sergio Marchi (York West) moved:

Motion No. 3

That Bill C-152 be amended in Clause 15 by striking out line 35 at page 5 and substituting the following therefor:

"shall be in the City of Edmonton. The board may establish and maintain other offices in other centres as the need arises."

He said: Mr. Speaker, this is my third time at bat and hopefully we will get a hit, although it is a small hope.

This motion is intended to build upon establishment of the institute in Edmonton, Alberta. Let me say at the outset that I welcome the establishment of the institute in that city and province. We as a Parliament talk about a multicultural policy and here we have occasion to establish a heritage languages institute. We are placing it outside the perhaps typical Toronto-Montreal-Vancouver axis, an axis which exists not only because of the importance of those dynamic centres, but because of the number of people of different cultural heritages who reside there. However, I think it is a healthy and positive move to locate a centre of this magnitude in Edmonton.

The city of Edmonton and the province of Alberta have played a very strong leadership role in the promotion of heritage languages. Alberta was the first province to pass heritage language legislation as part and parcel of the school curriculum. It was not an after school or Saturday program, it was part of the curriculum and it involved a number of core subjects being taught in the various heritage languages. Therefore it is only fitting and appropriate that it be located there.

The NDP critic for multiculturalism was quick to question whether Edmonton would be able to fulfil the national task of instituting this policy across Canada. I was surprised to hear that because he is a fine gentleman and has been a fine supporter of multiculturalism over the last four years. I was somewhat surprised that he took an unfair shot at Edmonton and whether it can fulfil the obligations contained in this Bill.

The motion simply allows the board to establish and maintain other offices in other centres as the need arises. The reason I moved it is because the impetus for this Bill came from a study and report prepared by Professor Reisel and Professor Batts. In their study they envisaged a heritage language institute only for western Canada. While many of their recommendations were embodied in this legislation, the Government changed the mandate to include the entire country. Therefore, the feeling is that we should not restrict ourselves to only one location, the city of Edmonton, but that we be flexible. While Edmonton will be the major location, there may be secondary or satellite operations that are necessary to discharge the national function.

It is for that reason and that reason alone I thought it would be appropriate to move this amendment. I know the Minister might get up and say this Bill does not restrict us or the board from adding another centre. While that is true, I do not know why he is not prepared to allow this if the need arises. I am not saying open up an office when an office is not needed. I do not believe in that kind of symbolism without substance. I believe that if a need arises, there is a clear message from Parliament to the board that another office may be opened to facilitate delivery of the program entrusted to the institute.

It was with that in mind that I raised it at the very first and only committee meeting with the Minister and his officials. It is with that in mind I raise it again today in his presence. I hope he sees fit to add those words so that if the job becomes big enough that we need a regional component, and that will come no doubt, we will have a national structure led by Edmonton which is supportive of and responsive and sensitive to those regional needs.

This is a large country. It has been kept together notwithstanding the pressure from the south. We put together a broadcasting and transportation system running east to west in an attempt to keep this large and diverse nation together. It flows from that, that if we want to enhance the national treasure of heritage languages from one community to the next, one region to another, then it is appropriate that we make this legislation flexible enough so that we can accomplish that goal. That will indicate that we are prepared to recognize the diverse regional needs of our country by setting up other heritage language institute offices in other parts of the country.

That is the intention of this motion and I invite the Minister to seriously consider this amendment. For various reasons he has seen fit to not allow Motions No. 1 and N° 2, reasons which I do not share. I repeat, these are not controversial amendments. This Bill itself is not controversial. Other Bills have been controversial and have involved, rightfully so, a philosophical clash. This is the forum for debate. If we are simply going to agree to every fancy and whim of the Government, we might as well close up shop. It is healthy to have that clash of opinions. However, that does not exist here because there is all-Party support for the direction this Bill embarks upon.

Therefore, I invite the Minister to not reject these amendments as unneeded. I believe they are needed. I believe the Bill without them would not be as strong as a Bill that would emanate from this Chamber if we could agree in that spirit to adopt these amendments, particularly given the circumstance that this Bill did not go before the public for endorsation, recommendation, modification, input and vision as do other Bills. Let us pause for a moment and try to cross the t's and dot the i's as best as we possibly can so that we do not end up with a piece of legislation that, although is positive, is flawed in a number of different areas.

• (1620)

I end my observations on Motion No. 3. I am hopeful that the Minister and the Government will see to those regional tendencies and the uniqueness in our country so that Edmonton can and will do a number one job but that Edmonton, if the need arises, aided by other centres in other parts of the country, will augment, enhance and strengthen its work rather than weaken or detract from it.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise to support this amendment. Before dealing specifically with it, I want to say to the Minister and the Government that we in the New Democratic Party are appalled that despite all the protestations of the Prime Minister (Mr. Mulroney), the Minister and other Members of the Conservative Party, the report which recommended the establishment of this institute, submitted to the Government more than a year ago, has not been dealt with until now on the eve of an election.

Conservative Members of Parliament realized that they had to do something to try to counteract the mistrust that has developed from one end of Canada to the other among Canada's ethnic communities against the Conservative Party and Government. The Bill should have been brought forward much sooner. There was no reason for not bringing it forward.

When it was eventually sent to the legislative committee, we had another shameful set of experiences. Here the committee met in what was supposed to be the organizational meeting. Instead the Conservative majority on the committee rammed through decisions which meant that the organizational meeting became the meeting. The Conservative Members limited debate. They eliminated the possibility, desirability and the hope of a number of very important witnesses of appearing before the committee to make suggestions. There were experts from the Ontario Institute for Studies in Education, from the University of Laval and aboriginal groups who wanted to make suggestions.

I am certain, and I can only speak for my own city and province, that many of the ethnic groups and communities would have appreciated the opportunity of appearing before the committee either in Ottawa or in the city from which they operate. They did not get that opportunity, Mr. Speaker. Instead the Conservative Members imposed a deadline for amendments but required them to be in the hands of the clerk by six o'clock the same evening of the day that was supposed to be merely an organizational meeting of the committee. That is a shameful way to act in a parliament that is supposed to be democratic. It is shameful coming from a Government led by a Prime Minister who promised that it would be a Government willing and ready to listen to opinions.

With regard to Motion No. 3, we have no objection to Edmonton remaining the principal office of the institute. We accept that. It is a good choice. But we think—and the amendment tries to spell it out—there is no reason that the institute should not have the ability, and that ability, of course, would be limited by the funding which the institute will get from the Government, to develop and have offices in other centres in the future. We see no reason why the Government could not agree to that since this Government or any government in office can, in fact, control the number of offices which the institute can have because it is the Government that decides what the budget of the institute should be. There are—and I do not have to tell the Minister—even in his City of Montreal large ethnic groups who are neither Anglo-Saxon or Francophone. That is more true in cities like Toronto and Vancouver and it is true in many cities such as Winnipeg, Edmonton and Calgary. I cannot understand why the Minister is being so obstinate in not agreeing to the most non-partisan amendments which have been brought forward.

Hon. Gerry Weiner (Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I find the amendment unnecessary. If I refer the Member first to Clause 5(2), it reads:

> The Institute may carry on its activities throughout Canada.

That seems very clear. It will, indeed, have a board of directors who will be chosen to represent the regional interests and needs of all Canadians from coast to coast.

In addition, if I am looking at the specific article that my hon. friend would like to amend, it states:

> The principal office of the Institute shall be in the City of Edmonton.

This will be a separate corporation. It will have the ability to make all of the decisions it feels are appropriate in keeping with the needs of this great country. Nothing precludes the corporation from opening any other office which it may feel necessary. It is for that reason it states clearly:

> The principal office of the Institute shall be in the City of Edmonton.

Certainly the amendment is unnecessary.

Let me quietly comment, if I may, and say that I did not think in view of the very exciting initiatives of the last six months, which some have described as being more fruitful than anything that has taken place in the previous 15 years, that I would be accused of any kind of foot-dragging. That is what the Hon. Member seemed to say. The Hon. David Crombie went west to Edmonton last summer from what I remember and made the first announcement dealing with an institute of heritage languages and the need to preserve heritage cultures and languages. It was then that the Drs. Kreisel and Batts were commissioned to carry on a very extensive and thorough consultation and provided us with a report back in the spring. Since then we have been privileged to put through a Multiculturalism Act, unanimously approved by the House. We have announced major new initiatives with new funding, one of which was for heritage cultures and languages. Now, today, we have a Bill. I do not see how anyone can say that is foot-dragging.

Mr. Deputy Speaker: Is the House ready for the question on Motion No. 3?

Some Hon. Members: Question.

• (1630)

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 114(11), the recorded division on the proposed motion stands deferred. The next motion to be debated is Motion No. 4.

Mr. Sergio Marchi (York West)moved:

Motion No. 4

That Bill C-152 be amended in Clause 24 by striking out line 35 at page 8 and substituting the following therefor:

"Canada and to governments of the provinces and territories".

He said: Mr. Speaker, this is my fourth turn at bat, but I will not give up. I will keep going, even though my motions were not agreed to on three previous occasions. I feel that the fourth motion will be the lucky one. I have a sense that the Minister will be prepared to pass the fourth amendment. I have not won a vote yet, but I am very much looking forward to winning many, many votes after the next election campaign.

The intention of the fourth amendment is, in a very non-partisan manner and in a way that will not detract from the Bill, to correct a piece of legislation that I think has omitted a very important facet of Canada; namely, our two Canadian territories. My fourth motion would amend Clause 24 by striking out line 35 at page 8 and simply substituting "Canada and to governments of the provinces and territories".

Clause 24 refers to the provinces in the disposition of the heritage languages institute but omits reference to our two territories. I think that is a very serious omission, just as I believe that the omission of aboriginal and native languages is a very serious omission. In my first amendment, I tried to have included in the purpose of the Bill aboriginal and native languages as heritage languages. As important as it was to include those languages in this Bill, I believe it is equally important to refer not only to provinces in the Bill but also to our two Canadian territories.

For the previous multiculturalism Bill that was adopted by the House, I made the same recommendation at committee. In a number of places, the multiculturalism Bill expressed itself as working with the provinces, but left out the territories. I met with a number of groups which came before the Standing Committee on Multiculturalism at various conferences at which I have had the opportunity and honour of representing our Party. I have shared with them the vision that we would bring to this dynamic policy. They have asked me, when we discuss multiculturalism programs in committee or in the House, why it is that so often the territories get left out of the picture. We stop at federal-provincial discussions.

Of course, during the Meech Lake discussion, the territories were again very much an integral part of the debate. Certainly our Party stood for that in that debate. In fact, one of our amendments recognized the aspirations of the territories. We have to realize that there are real, live Canadians who happen to reside in the territories. Those Canadians also have aspirations as do we in other regions of the country. Our legislation, coming from a federal House, must reflect that national diversity, that national interest.

This is not a provincial House that speaks only to one regional interest. We are the national Chamber. Therefore, I think any legislation that stops at talking about federal-provincial discussions and relationships is not only inaccurate but is incomplete. It is time that our legislation be reflective of and sensitive to the aspirations of the two Canadian territories, particularly when it comes to talking about heritage languages, and particularly in the face of a Government that refused to pass my first amendment that would have ensured that heritage languages would also include our first native and aboriginal languages.

This amendment is parallel to the previous one. The Government did not want to include aboriginal languages as heritage languages. Since it refused that amendment, and I do not know why it did, I hope it will not refuse this amendment which is more in keeping with defining in a fuller context what we mean by the word "Canada". It is more of a correction to the legislation.

I am asking the Minister to look at this as an important housekeeping amendment, but one that nonetheless is very symbolic. It is very important to include rather than exclude the territories. It is important to have a fuller and broader definition of Canada rather than a more restrictive one. Therefore, the amendment only serves to note that we must include the territories in Bill C-152. I hope, having refused the first three motions because he deemed them to be unnecessary, the Minister would see the merit in adopting the fourth amendment that I have proposed to my colleagues in this Chamber.

Hon. Gerry Weiner (Minister of State (Multiculturalism and Citizenship): Mr. Speaker, I do accept the suggestion and I am prepared to accept the amendment.

Mr. Deputy Speaker: Is the House ready for the question on Motion No. 4?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is on Motion No. 4 standing in the name of the Hon. Member for York West. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: I declare the motion carried.

Motion No. 4 (Mr. Marchi) agreed to.

Mr. Deputy Speaker: Motions Nos. 5 and 6 deal with reports by the Minister. They will be grouped for debate but voted on separately.

Mr. Sergio Marchi (York West) moved:

Motion No. 5

That Bill C-152 be amended in Clause 27 by striking out line 16 at page 9 and substituting the following therefor:

"third anniversary of the coming into force".

Motion No. 6

That Bill C-152 be amended in Clause 27 by striking out line 24 at page 9 and substituting the following therefor:

"before each House of Parliament and referred to such committee of the House, of the Senate, or of both Houses of Parliament as may be designated or established for the purpose, within the".

He said: Mr. Speaker, coming off the victory of the fourth amendment, I will see if it is possible to extend that victory to Motions Nos. 5 and 6.

Motion No. 5 would have the effect of committing the Government to taking another look at the heritage languages legislation after three years instead of after four. The Bill proposes that at the end of the fourth year, the Minister and the Government would take a close look to see how the heritage languages institute is functioning, how the directives are coming forward and how the results are being received by Canadians. That review is very valuable so that we as a Parliament may ensure that the legislation is being guided in a way that is legitimate and in keeping with the views of Canadians.

I propose, and I discussed this very briefly at our first organizational meeting, that we might want to do that review, particularly since it will be of a new institute, sooner rather than later. I think it might serve a very useful purpose if a new piece of legislation were to be reviewed in some detail and depth using some care after three years as opposed to four.

I think that a sooner review by the Minister, by committee and by Parliament would certainly be advantageous to the board of directors and the staff of the heritage languages institute. I am not sure how the Government devised the fourth year. Perhaps they envisaged four years in terms of the natural life span of a Government, or the four years was a compromise cut off between three years and five years. I am not sure whether there was any scientific equation to come up with year number four. However, having discussed this matter with a number of individuals since the Bill was introduced, I found it was their preference to go sooner rather than later in terms of a parliamentary review of the legislation. If in fact there were obstacles to overcome, barriers to be hurdled, we might be able to catch those kinds of problems earlier as opposed to allowing the institute to continue and then having to correct those mistakes later in the fourth year. That is in essence one of the amendments we are now debating in tandem, namely, amendment No. 5.

• (1640)

Amendment No. 6 speaks to the accountability of Parliament. When the Bill was first introduced, the Minister and the Government inserted a provision that the institute would have to make a yearly annual report directly to the Minister. While that reporting and accountability is useful, I believe the usefulness is short-lived if that reporting is only going to be done to the Minister.

If the report contains some non-productive results or perhaps some embarrassing information, it is very obvious that any Minister of any stripe will keep that information to himself or herself. Therefore, at the committee level I made the recommendation to the Minister that he do two things; first, make that report to Parliament so that the accountability serves not only the Minister but all Members of Parliament, and through them, all Canadians. The information in the yearly report will not then be for the sole information of one Minister and one Government, but will be shared.

The example I used at the committee hearing was the Official Languages Commission. It reports annually on the policy of bilingualism not to the Minister, not necessarily to the Government, but to this Chamber, to Parliament, and through Parliament to Canadians. Therefore, when the Commission speaks it speaks to the entire institution of Parliament. I believe that the heritage languages institute should borrow a page from the bilingualism book and report directly through Parliament to Canadians and to the country.

The Minister, I notice, has amended his earlier version of the Bill to endorse those thoughts that I made known to him some days ago. In addition, my original amendment suggests that we refer, as an automatic right, that report to the appropriate standing committee of either the House of Commons or the Senate, for its information. It is a slight nuance. Nonetheless, I recommended that it be reported to Parliament and, second, that it be referred to the various and appropriate committees of either the Senate or House of Commons. It is a good course of action because it ensures that the work done by the staff and board of directors is simply not going to be done in some kind of vacuum. Those results will in fact be meaningful and will be shared and built upon by members in this Chamber and members of the standing committee where the bulk of the legislative work and initiative gets done.

We have an institute that is working out there on behalf of our multiculturalism policy and the policy of a strong and vibrant program of heritage languages, and I think it is important that its work be rooted in this Chamber and perhaps, more importantly, through our committee system. I moved amendment No. 6 to ensure that those reports are made available to Parliament and to Members, and through Members to Canadians, rather than simply depositing the report with the Minister who will then decide whether to release it publicly or refer it to our standing committees. We in those committees should be aware of the work of that institute. Because of its findings we can invite those particular individuals to our committees, or perhaps institute some work that would augment, in partnership, the heritage languages Bill, and the spirit and work contained within this Bill.

That is essentially amendment No. 6. Again, amendment No. 5 is simply to have the threshold level for review to be the third year as opposed to the fourth year. I hope that in the spirit of the earlier amendments I proposed, perhaps in the spirit of the Minister's acceptance of Motion No. 4, he would acquiesce and accept that a review in the third year is much more valuable than a review in the fourth year. More important, perhaps, accountability should be done through Parliament and through our committee system as opposed to an individual Minister of the Government of the day. I look forward to hearing the Minister's comments on these two amendments.

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, I am pleased to take part in this debate on Motions Nos. 5 and 6. I am very pleased to see the Government did agree to accept Motion No. 4. It is a very important point, one which was too much overlooked. I am pleased to see the Government will benefit from the advice of Opposition critics. I hope it will see the light on these two motions as well.

Motion No. 5 is not an earth shattering kind of motion. It is a very modest one. For that reason I think the Government ought to accept it. It is simply very reasonable. What it would do is alter the timeframe, shorten by one year, the report by the Minister on the institute's activities and organization to three years after coming into force instead of four years. I feel that three years is a reasonable period of time to see how the institute is going, and I feel it would be more useful. We have two opposition Parties supporting this motion and I hope the Government will go along with it.

Motion No. 6 is, I think, a more important motion because it is one that will really have more of an impact. The idea is to get more public discussion and input. This is clearly a matter in which there is a great deal of public interest. Let us benefit from that public interest by ensuring that organizations and individuals concerned with the issue of heritage languages and the work of the institute are able to have input at the appropriate time.

Motion No. 6 would seek to extend the reporting processes of the Minister to include review by committee, hence increasing the likelihood of broader public input into the evaluation of the work and the organization of the institute. We have strong voluntary organizations in this area. We have experts. We have citizens who are concerned. It seems to me it would be very sensible to get their input into the Minister's report, that it just not be a report to the Minister and not just be something kept within the bureaucracy. We should have the kind of public input that is really suitable for this kind of issue because people really do want to be involved.

Hon. Gerry Weiner (Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I will be voting no on both Motions Nos. 5 and 6. With respect to Motion No. 5, the yearly report of the institute would provide the House with opportunities to assess the progress of the institute. With respect to Motion No. 6, I find it unnecessary because there already is an automatic reference. Therefore, we will vote no on both motions.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the amendments we have been considering which were moved by my colleague, who has been doing a terrific job on this particular Bill, basically asks for a review after the third year as opposed to the fourth anniversary. The reason for this is that we are hoping, of course, that the Prime Minister (Mr. Mulroney) will be calling an election this weekend. We in the Liberal Party hope that he has the guts to call an election because we believe that we are in a position to take over, to form a Government, and hopefully one that will last for a period of four years. Since we would like to be in that position for four years, we would like to see this particular legislation reviewed within that mandated period. If we stick to the Government's legislation, which basically says that it will be reviewed after four years, a whole Parliament will lose the opportunity to review how well the Bill is working.

• (1650)

We think that by accelerating, not very dramatically, but simply by one year, the timetable for a review, that is, from four to three years, we will confer upon the next Parliament the opportunity of reviewing this legislation. We think that is a reasonable position. We frankly cannot understand why the Minister wants to wait four years because he is basically telling the next Parliament that it will have no opportunity at all of reviewing to see where it can make improvements to make this legislation work more effectively.

In fact, if the institute is going to be able to assume the powers that have been described here in the course of the discussion this afternoon, if it is going to be able to have the impact on heritage language, education, promotion and development which I believe all three Parties have clearly stated that they would endorse, then why not give the opportunity for review to the next Parliament? Why block out a whole Parliament? Why block 290-odd Members from the opportunity of reviewing this legislation? I believe that the amendment that has been moved by my colleague, the Member for York West (Mr. Marchi), which is to cut down the period for review from four to three years, would in fact accomplish that purpose.

Motion No. 6 deals with the reporting mechanism. We believe that it is really important that the institute report, not only to the Minister, which is presumably the possibility under any piece of legislation, but in fact directly to Parliament. The reason we would like to see that direct reporting is that we have seen how effective the parliamentary committee can be in reviewing, for example, the Official Languages Act. The discussions that have taken place on all sides of the House with respect to the report by Mr. D'Iberville Fortier show that a parliamentary committee in fact sometimes has the opportunity to highlight an issue more effectively than by simply reporting to the Minister.

Certainly if you have a good Minister in place the Minister may in fact act upon reports from people and organizations representing the institute for heritage languages. This is a totally new concept, a totally new institute. By giving the institute the opportunity to report to a specific parliamentary committee and by mandating that in the legislation we will truly be turning power back into the hands of parliamentarians and not simply giving the power for review of the effectiveness and possible improvements for the Canadian heritage languages institute to a single Minister.

We think that the motion to report to Parliament through the committee democratizes the process. We think the decision to review the process after three years, as opposed to four years, is going to make a real opening for the next Parliament to examine the issue of heritage languages in greater detail. In fact we think that these are both extremely reasonable and supportable amendments. We know the Minister is reasonable and supportable in relation to this issue. I do not want to get too carried away, he might want to use that in his campaign brochure and I would not want to see that happen.

Nonetheless, we think these are reasonable and supportable amendments to which I am sure my colleague, the Member for Gander—Twillingate (Mr. Baker) would also like to speak.

Mr. Deputy Speaker: The Hon. Member for Winnipeg North Centre.

Mr. Cyril Keeper (Winnipeg North Centre): Thank you very much, Mr. Speaker. I know that I am maturing as I spend time in this place, but I am sure you would not confuse me with the Hon. Member for Winnipeg North (Mr. Orlikow). That reminds me of when I was in Winnipeg last week and was coming back to Ottawa. I stopped in at the airport and gave them my ticket. The clerk passed me my ticket and said, "Mr. Knowles", so I thanked him for the compliment. I hope that that is a good omen.

The legislation with which we are dealing to establish the Canadian heritage languages institute and the motions that are before us deserve the attention of this Parliament. It is too bad that more time was not spent at committee level in order to deal with this legislation. If that had been the case perhaps there would not have had to have been so many motions before us.

Motion No. 5, which in essence says that the Minister would report on the institute's activities after three years rather than after four years, makes a great deal of common sense. That certainly is not something that always characterizes this place or always characterizes amendments to legislation. This is a good amendment because, if we have the election, as I expect, called tomorrow morning . . .

Mr. Nystrom: What time?

Mr. Keeper: I think the Prime Minister (Mr. Mulroney) will call his press conference for ten o'clock and will put us on the road to a new Parliament. If we have the election call tomorrow and the election on November 21 we do not want the Minister reporting on these activities—even if it is a Minister of the New Democratic Party, only four years hence. The same applies to a Liberal or Conservative Minister. We want the report to come within three years so that the next Parliament will have a chance to consider the report.

Mr. Belsher: Keeper, you're smoking again.

Mr. Keeper: I've just been accused of something I am sure the Hon. Member does not mean. It is at least 12 years since I smoked a cigarette.

Ms. McDonald: Tobacco.

Mr. Keeper: I have my colleagues quickly giving me advice. They must think I am in quicksand here because they are telling me to make it clear that I meant Players and not some other brand.

Ms. McDonald: Much worse for your health.

Mr. Keeper: I have not smoked in 12 years, Mr. Speaker.

Mr. Hawkes: Mr. Speaker, I rise on a point of order. I am very conscious of the clock. Earlier this day there seemed to be a general predisposition that it would be a wise move on behalf of the House to get this Bill to the Senate. We do have amendments that require standing votes. On Friday this is not possible. The Senate seems to be moving rather expeditiously on certain things.

If Members would like to get this to the Senate with the possibility of Royal Assent before the week is out, government Members at least would be willing not to see the clock at this point and perhaps proceed a little longer in order to see if we could dispose of this Bill today. We could perhaps do Private Member's a little later or, alternatively, move to Private Member's Hour and come back and sit a little longer this evening.

I do not know what the will of the House is at this point, but certainly the government side of the House would be willing to make those kinds of accommodations which would enable Members to make the points they want to make and still possibly get the legislation to the Senate for Royal Assent.

Some Hon. Members: No.

Mr. Nystrom: Five o'clock.

• (1700)

Mr. Deputy Speaker: I gather that there is not unanimous consent.

Mr. Kaplan: Mr. Speaker, I rise on a point of order, and I do so as Chairman of the Standing Joint Committee for Regulatory Scrutiny.

I want to draw the attention of the House to the ninth report of the joint committee which I tabled on May 5, 1988. That report calls for the Government to table a comprehensive response by October 2. Since October 2 is a Sunday the interpretation of the rules, as I understand them, are that the response be tabled tomorrow.

I simply want to bring that to the attention of the Government and to say that the House, the country, and the Senate are looking forward to the Government's response tomorrow.

* * *

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-15, an Act to amend the Patent Act, to which the concurrence of this House is desired.

It being 5 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

CANADA POST CORPORATION

ADVISABILITY OF AMENDING ACT

Mr. Bill Attewell (Don Valley East) moved:

That, in the opinion of this House, the Government should consider the advisability of amending the *Canada Post Corporation Act* so as to make Canada Post an essential public service which would render illegal any strikes affecting postal delivery.

He said: Mr. Speaker, again I would like to pay a compliment to the whole process of parliamentary reform. It is through that process that individual Members such as myself can speak on some urgent and serious matters. This particular motion was drawn and was subsequently declared a votable motion.

The sending and receiving of mail over the years has played an important, sometimes critical, role in the lives of most Canadians. Prompt, reliable, low-cost service is essential to individuals, especially seniors, and to small and large companies.

As recently as yesterday I visited the Glynnwood Retirement Residence in Thornhill, as well as Thomson Court Apartments in Markham, which is also a retirement home. It was interesting to see how keen the residents were to check their mailboxes. It is not only a matter of anxiety over the timely receipt of pension cheques but also the receipt of much treasured letters from loved ones and friends.

Canada Post Corporation has the privilege of operating as a monopoly in providing mail service to all Canadians. With this privilege there is an obligation to meet the needs of its customers which comprise the entire population of Canada, including every business and institution in the country. As a result, every day the corporation faces the task of moving 30 million pieces of mail to more than 10 million addresses.

There is no room or time in an operation of this magnitude to cope with interruptions caused by strikes. It is the Canadian people who suffer, the people who must put up with inconveniences, higher costs, and even loss of business, the people who must also subsidize the corporation for its losses through their taxes.

We suffered through three postal strikes in the past year William Johnson stated in the August 25 edition of *The Gazette* of Montreal: "The third postal strike in 14 months should convince even the most timid: the right to strike is out".

The Canadian people are the ones who bear the heaviest burden and who are made most vulnerable. They must be protected. That is why I have proposed Motion No. 113 which states:

> That, in the opinion of this House, the Government should consider the advisability of amending the *Canada Post Corporation Act* so as to make Canada Post an essential public service which would render illegal any strikes affecting postal delivery.

Constant interruptions in mail service as we have witnessed over the past years can no longer be tolerated. The effects have been devastating. When I speak of devastation I am not simply referring to a case of a Christmas card arriving on the first day of spring, nor an invitation suddenly surfacing after the event in question has taken place. I am talking about the real hardship felt by many senior citizens dependent upon postal delivery for their pension cheques, cheques that provide money for their food, shelter—the necessities of life, not the frills. I am also talking about the ruin of many small businesses whose entire operations depend upon regular mail service. Businesses such as small insurance agencies, publishing houses, and companies engaged in direct marketing through the mails are particularly hard hit by strikes.

Just this afternoon I spoke with Barry Cosburn who is President of the Markham based insurance firm of Cosburn, Griffiths & Branham Insurance Brokers Limited. He said: "Being a business dependent on Canada Post, we view it to be in our best interest to have Canada Post declared an essential service and, as a matter of fact, I would go further and privatize it".

I spoke to another businessman today who shares my concern about Canada Post and who is totally supportive of the motion. Graydon Card is the owner of Card's Home Hardware and Appliances of Stouffville. His comments were as follows:

> Since over 50 per cent of our daily business volume is done on a credit system, it is mandatory that our receivables come in on a regular and reliable basis.
>
> Past strikes have been so detrimental and threatening to our business, that we had to resort to personally delivering our invoices to over 400 customers.

I talked to another very successful businessman in Markham. Mark Cullen is the General Manager and Vice-President of Weall and Cullen Nurseries Ltd. He expressed his frustrations with Canada Post with the following comments:

> We spend about $250,000 in business with Canada Post. I wish I could say it is worth it.
>
> The unions only have to threaten to strike and a lot of damage is done. If we had just mailed a direct response catalogue, the response rate drops drastically since customers are worried that our products, many of which are very seasonal, may not arrive in time.
>
> If they go on strike and we just happen to have 30,000 mailers ready to go, we must throw them out.
>
> The actual strike and threat of strikes can throw our budgets completely out of whack.
>
> Unlike any other supplier, Canada Post's rules are quite rigid. It is cash up front and you must comply with certain packaging and labelling conditions. That would be fine if we had confidence in their ability to deliver our mailings on time.

In closing, Mr. Cullen said:

> Canada Post for example had guaranteed a maximum five-day delivery on a mailing of 500,000 catalogues. When we found out that many were not delivered for two and three weeks, we gave the business to a private courier.

Mark Cullen is very supportive of my motion.

Canada Post Corporation has a responsibility to all users. Many businesses have been drawn into bankruptcy as a consequence of strikes. The country simply cannot tolerate the prolonged interruptions of what is in fact an essential service.

Some 80 per cent of the total mail volume handled by Canada Post is contributed by the business community. Is it fair to jeopardize the future of such good customers by disrupting service to them? Is this the way to treat and keep good customers?

Competition for Canada Post is increasing. Private couriers, telephone, telex, expanding communications technology, and facsimile transmissions are all seeking this business. It is more important than ever now that service is not disrupted for any reason.

Parcel mail decreased by 8 per cent in the past year. One must deduce that private couriers are, therefore, providing more reliable service.

The 1981 postal strike is estimated to have caused a loss of $3 billion to Canadian business. Can we allow these types of losses to continue to affect a sector that provides 92 per cent of the job creation in Canada?

Small business is particularly vulnerable to the effects of postal strikes. Many have not been able to survive them, but even for those who have managed to keep their heads above water there has been a high price paid with serious impacts upon their growth and potential future.

Disruption of collections has affected cash flows and delayed receivables have resulted in heavy interest payments. Additional costs to cover alternate services provided by private couriers have been incurred. Inevitable sales drops and staff reductions have frequently resulted in frustration and broken morale that has been difficult to rebuild. It is tough when one has to deal with the consequence of an action but cannot control the cause.

• (1710)

Canada Post was incorporated in the fall of 1981. Now 62,000 people are employed there. It was a series of strikes that denied postal service to Canadians which was a leading factor in Canada Post becoming a Crown corporation, but even this new status has not eliminated the problem of strikes.

Postal strikes provided an opportunity for competition to grow, taking over markets once dominated by Canada Post. Once again, who stands to lose the most? It is the taxpayer.

When Canada Post was incorporated, it faced a deficit of over $300 million and a monumental task to meet financial obligations, to gain operational control of the organization, and to establish a peaceful relationship with the labour force. Factors such as strikes that limit efficient use of the workforce have a significant impact on the cost of providing postal services.

The annual report of Canada Post for 1987-88 says:

> Only in an environment where there is a balance between service, efficiency and postal rates can business grow, compete, reach and maintain profitability.

There is no room in this plan for strikes. Moves to improve reliability within Canada Post include the establishment of the Marchment committee in 1985. The first nine recommendations deal with the need for reliable service. The report reads, and I quote:

> All Canadians require a postal service. In particular, they require a reliable first and second class mail system . . . consistent, dependable, regular, movement of mail.

We know from experience that "consistent, dependable and regular movement of mail" cannot be achieved while an organization is coping with internal management-labour problems that consistently lead to strikes.

Once again, who is the big loser? It is the taxpayer, but it seems that the corporation's future is also being held up for ransom by troubling strikes.

To the credit of Canada Post, it has, indeed, implemented many of the recommendations of the Marchment report. However, it has been an uphill battle that unquestionably has been hindered by continuing labour-management problems, problems that in most instances resulted in strikes for which the Canadian public has had to pay too large a price.

Over the years Canada Post has suffered severe criticism for continually operating with a deficit. Gradually, this deficit is being reduced, from $129 million in 1986-87 to $30 million this year; a significant reduction.

However, I believe that most of this progress has been made through increases in postal rates, not improved efficiency.

During the four-year period from 1979 to 1983, the first-class postage rate was increased by the Liberal Government from 17 cents to 32 cents, an 83.7 per cent increase. In the five-year period from 1984 to January of 1989, the Progressive Conservative Government will have increased the rate from 32 cents to 38 cents, which amounts to a 17.9 per cent increase.

In the coming year, Canada Post Corporation is expected to break even for the first time in 20 years. As the plans are implemented there will not only be improved standards of moving mail, but these steps will help to reduce mail handling costs.

We, the customers, stand to benefit from these improvements. Let us not let a labour strike destroy the chance of attaining these goals, for such improvements are not without cost.

We invested $190 million in 1987-88 to support fundamental changes to improve the postal system. During the same period, Canada Post had to cope with three postal strikes and the negative impact that these must have had.

Canadians have been receiving and sending mail since 1705, when Pedro da Silva, Canada's first recorded mail carrier, was commissioned to provide service for both official and private mail between Montreal, Three Rivers, and Québec City. He had a tough time of it, as the first road connecting these settlements was not opened until 1734, but the mail got through.

Can we allow this important service that has been such an essential part of our lives to be bogged down and rendered ineffective by a never-ending series of strikes?

Labour-management problems of Canada Post have a history of being resolved through strikes, at grievous expense to the Canadian public. The customer, you and I, are the real victims in labour-management feuds for we must pay ever escalating rates and endure poor service. This is a burden we can no longer expect Canadians as individuals or as members of the business community to bear.

It was in 1967 that the Pearson Government legislated employees of the Canada Post Corporation the right to strike. This move has obviously been a mistake.

The Standing Committee on Government Operations, chaired by the Hon. Member from Selkirk—Interlake (Mr. Holtmann), completed an examination of Canada Post's operational plans last year. On September 22, 1987, it submitted its report and its first recommendation read as follows:

> That the Government consider declaring Canada Post an essential service and invoking third party arbitration, if the approach to this year's labour-management negotiations does not reflect the Corporation's crucial importance.

May I stress that that was an all-Party committee that made that recommendation.

In closing, I must say that it is now time for this Government to react, I hope in a favourable way to my motion which in part reads as follows:

> —consider the advisability of amending the *Canada Post Corporation Act* so as to make Canada Post an essential public service which would render illegal any strikes affecting postal delivery.

I am sure, Mr. Speaker, that if you did a Canada-wide survey of Canadians, individuals, and businesses, you would find that a tremendously high rate of concerned Canadians would want to pass my motion if they were indeed here in the House of Commons.

Mr. George Baker (Gander—Twillingate): Mr. Speaker, I just have a couple of comments to make because I noticed that some Members want to put their feelings on the record about this particular motion. I suppose every word in the motion could be taken literally, such as the word "strike" and the words "any strikes affecting postal delivery". The biggest and most effective strikes affecting postal delivery were struck by the Government of Canada.

They were the ones who decided to close rural post offices. They were the ones who decided not to have weekend pick-ups at red mailboxes in the cities. They were the ones who decided to put in so-called supermailboxes and super-duper mailboxes from one end of Canada to the other, replacing the postmaster or the postmistress in those communities. They were the ones who decided that it was more important to make money in the Post Office than it was to have dependable delivery of mail services. They are the ones who, by their philosophy, would for the sake of breaking even or making money go back to the pony express. They would rather go back to the canoe on the St. Lawrence River. They would rather go back to the dog team up North. At least it would not then be a cost on the public purse.

The mail service is as important as medicare. It is as important as anything that one can think of. It is an essential service, but the Government of Canada does not believe it is an essential service.

The Government has brought in changes since it came into power that will radically change the postal service of Canada, so radically that we will no longer see a post office in a small community in Canada with a flag beside it. That is usually the one federal building in the community, and we are talking about 5,584 communities. There are 5,584 rural post offices, and those post offices are slated to close.

An Hon. Member: What does that have to do with postal delivery?

Mr. Baker: Every one of them is going to close. The Hon. Member over here is asking: "What does that have to do with postal delivery?" I thought that this motion was about postal delivery. He is asking: "What does that have to do with it when somebody can go to the next community, to some box out of doors and pick up their mail, when somebody can drive along the main street?" That is what the hon. gentleman says.

• (1720)

It is one thing for people to say: "Here I am in Ottawa, and this business of closing down the Post Office and going to the local drug store is a good idea. I get off work here in Ottawa at 4.30, 5, or 6 p.m., and I am sure of having the mailbox open. I can always go into the drug store and stand behind someone buying toothpaste or toilet tissue and be served by someone. I can get my mail then. This is as better service". That is what the people can say here in Ottawa.

Those post offices in rural areas serve the community. They are the place where residents do all their banking. They are the one federal establishment in those communities that has a federal presence and serves a purpose far beyond just picking up mail.

Another thing I do not like about the philosophy of the Government is that that service can be handed over to the local business person in the community. I have often thought about the closure of rural post offices. I know some Members of the House will not understand what I am talking about. I sometimes think that a lot of the time they do not understand what I am talking about.

However, someone goes into one of those new outfits arranged by the Government to be placed in rural areas and he is served by the local businessman. Perhaps he owes him money. Perhaps a person is picking up an unemployment insurance cheque, a Canada pension cheque, disability cheque, an old age pension cheque, or welfare cheque; sometimes he owes the businessman money. Some Members might say that there is nothing wrong with that because he is taking the cheque with the one hand and giving it back with the other.

However, I think there is something a little wrong with that; not only that, but if somebody in the community replaces that postmaster or postmistress, namely a local business person who perhaps may not be in that community but in another community. Granted, the mail box or the post office is a place of security, and people have trust in the person who is handling their cheques and their mail.

All I want to point out is that if in the interpretation of "strikes against postal delivery" Canada Post is an essential public service, it certainly is, and the first people who should recognize that are members of the Government of Canada. If they recognized that, they would not be putting in supermailboxes and establishments out of doors where someone who cannot get around very well has to go there in the middle of winter and pick through the snow to pick up his or her mail, compliments of politicians who believe that the Post Office should make money. Those politicians say that because they are drawing a comparison between the United States, Great Britain, and some other countries. This is not Great Britain. One could take Great Britain and put it in part of Canada and lose it. This is not any other country. This is Canada, spread out in large rural areas.

Mr. Belsher: Do you support the motion?

Mr. Baker: The Hon. Member asks if I support the motion. If the interpretation of "strikes against postal delivery" means the actions of the federal Government, I would agree with it.

[*Translation*]

Mr. Cyril Keeper (Winnipeg North Centre): Mr. Speaker, thank you for the opportunity given to me to make a few remarks on this subject. I think that the motion before us is very important and I would like to point out that motion M-113 submitted by Mr. Attewell, one of my colleagues, reads as follows:

> That, in the opinion of this House, the government should consider the advisability of amending the *Canada Post Corporation Act* so as to make Canada Post an essential public service which would render illegal any strikes affecting postal delivery.

Mr. Speaker, first, I would like to point out that Canada Post is already an essential service, an essential service for many people. Some people can use other services like Fax, which is a new technology. Some people can use either the postal service provided by Canada Post or the service offered by Purolator or other companies; these people can afford to pay more for this service and thus have other options. But for the elderly, for young people, for people on low incomes, postal service is already essential. It is not necessary to have an Act of Parliament; we do not need legislation establishing that postal service is essential. It is obvious that Canada Post is an essential service for almost everyone. But some people already have alternatives.

The other aspect of this motion is that it would make any strikes illegal . . . it is the idea behind this motion, the idea of making any strikes illegal. Just imagine! I think that we live in Canada, where people have human rights. I am quite surprised, but I would have thought I was in Poland. Am I in another country now? A country like Poland where the Communist government has already taken away the right to strike and made it illegal? Has such a law, such an approach, worked? Can a government take away people's human rights? Is it possible to make laws? Obviously. But is it possible for dictators to take away people's human rights, to take away their right to work? Mr. Speaker, I am impressed by the Poles, because they have a government that has all the powers, a government that says it represents all the people and that there is no other institution that can represent the people's interests. No church, no labour union, only the Communist Party can represent the people properly.

That is the approach of the Communist Party in Poland and these people have rejected the NDP. There really is a difference because the NDP is a democratic Party. We entertain socialist notions, notions to promote the interests of ordinary people, but in a democratic way, whereas a Communist party is a Party seeking to impose its views on people. They are determined to outlaw strikes and they have legislation which states that there shall be no strikes and no unions. But in the end, when people represent their own interests, they realize that joining forces can be an advantage. When they find out that working together and presenting a united front give them more power they form a union, but a union which the Government does not recognize as such. Still it does not make any difference. Solidarity is a Polish union representing workers, and their Government simply has to admit the fact and negotiate with these people in a country where dictature prevails.

As I see it, Mr. Speaker, the emphasis in this motion should be on the words "the Government should consider the advisability of amending the . . . Act". The key word here is "consider". We are simply asking that the proposition be studied.

I take this opportunity to deal with the motion by saying that some countries have tried to outlaw any attempt by people to be represented. It does not work out because people know that when a Government ignores their interests they have to get together and tell the Government that they expect their interests to be properly represented.

I would also point out that unions are legal in North America and that strikes were legalized in the 1930s after a number of violent strikes. At the time the American Government thought it would be well advised to acknowledge the existence of union activities through legislation to settle the issue rather than pretend they did not exist and choose to let them take place in illegality.

Mr. Speaker, I simply want to say that the motion must be seriously considered. I would be quite surprised if the Government were to let it come to a vote. I imagine that Government Members will want to talk it out. It is because the concept here . . .

An Hon. Member: . . . will you vote for the motion?

Mr. Keeper: The Hon. Member asks whether I intend to vote for this motion. Good question. Do you think I will have a chance to vote either way? I don't think so! I imagine there are government Members who have more sense than to let it come to a vote and who will say we should take the time to analyze the motion. It was a pleasure to be able to make my contribution to this debate.

• (1730)

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I would like to start by congratulating the Hon. Member who just spoke on his efforts to make an excellent speech in French. He is to be commended.

It is time we had an election, Mr. Speaker, because I am starting to realize I don't agree with anyone. I don't agree with the motion as proposed because, Mr. Speaker, I do not think we should take away a right of association or a democratic right or a right to strike. I don't agree with my Liberal friend who spoke earlier, trivializing postal services as they are today . . . It's not true that we always go and pick up our mail at a private post office and that we buy stamps next to the toilet paper display. They can go on all they like about the privatization of our postal services, but I suggest they look at the polls which clearly show that generally, people are very satisfied with the new system.

Of course, I do not agree with the Hon. Member across the way when he says that Canada Post is an essential service. To a certain extent, it may be essential, and the usual example is that of the elderly who get their pension cheques in the mail and people who get their unemployment insurance cheques. As far as that goes, I agree. But it seems to me that the federal Government, and we have been here for four years, should concentrate on introducing a direct deposit system so that in many cases we could avoid a system that may be disrupted as a result of people exercising their democratic rights.

Mr. Speaker, the Government remains entirely faithful, and I fully subscribe, to the principle of free collective bargaining and the rights it confers, including the right to strike and the right to lock out, throughout the system. Part V of the Canada Labour Code provides a framework of rights and responsibilities designed to promote stable industrial relations between employers and unions in federally-regulated industries, which includes the Canada Post Corporation. Although the responsibility for collective bargaining lies first and foremost with the parties themselves, the Canada Labour Code provides for the assistance of experts in conciliation and mediation cases, where assistance is made available to employees and management when the parties are unable to reach an agreement.

Mr. Speaker, we must not forget that collective bargaining in federally-regulated industries is usually a very peaceful process, since about 90 per cent of labour disputes at the federal level are resolved without strikes or lock-outs. Of course, the cases we hear about are the more spectacular ones, and we have two Crown Corporations where that is the case at the present time. Granted, all is not sweetness and light, but 90 per cent of the disputes are settled without strikes or lock-outs.

The right to strike or to impose a lock-out is fundamental to the collective bargaining process in Canada. The possibility of a work stoppage is the final test, and should always be seen as such, for the bargaining mechanism and the economic resources of unions and employers. The same applies to lock-outs and the right to lock out should also be considered in that light. Although in most cases, neither party resorts to these measures, without that possibility, serious negotiations would be impossible. In fact, there are labour relations experts who maintain that a work stoppage, in addition to settling a dispute in no uncertain terms, has the effect of clarifying the issues and re-establishing priorities. I must say I agree.

The motion before the House today, Mr. Speaker, is flawed in that it proposes to take away the right to strike from employees who lawfully acquired that right. It does not, however, provide any substitute procedures for resolving the dispute. Most of the time, proposals put forward in this House and elsewhere insist on permanent and general compulsory arbitration as the most efficient means to resolve conflicts arising from employment.

• (1740)

Mr. Speaker, arbitration plays indeed and important and legitimate role in the collective bargaining process in Canada. First of all, it is clearly mentioned in the Canada Labour Code in connection with the resolution of conflicts which occur during the life of a collective agreement concerning the approval and interpretation of the clauses of negotiated contracts. Moreover, under special circumstances, when every aspect of a situation requires it, Parliament will insist on compulsory arbitration to deal with unresolved issues. However, as a rule, compulsory arbitration has been turned down by the Canadian Government as a favoured model for dispute resolution.

The compulsory arbitration system has never been effective as a means to prevent strikes in countries which have implemented it. Australia is a case in point. In 1904, Mr. Speaker, this country adopted the *Commonwealth Conciliation and Arbitration Act* which absolutely forbade strikes and lock-outs. That was in 1904. Those who had drafted it felt that compulsory arbitration would replace the more violent process of strikes and lock-outs. Nevertheless, the labour movement in Australia has never really accepted to be deprived of its right to strike.

In 1979, 75 years later, the Australian Minister responsible for Labour Relations made the following comments concerning working relations in Australia during the 1920's:

> The experience of the decade would be useful even if showed only one thing, namely, that the Government cannot prevent strikes by legally banning them. In a democracy, people cannot be forced to work if they do not want to—until 1930, strikes were made absolutely illegal under the *Conciliation and Arbitration Act*. Well, there were more strikes during that period than at any other period in the history of Australia.

That is a glaring example. For that matter, I remember that in the 1960's, Premier Lesage of Quebec had said: "The Queen does not negotiate with her subjects". The funny thing is that not long after that, they all sat together at the same negotiating table. The world has changed, Mr. Speaker!

Under the same law, in the 1930s and subsequent years, Australia experienced over half a century of legislative amendments to recognize the fact that compulsory arbitration is no solution to a conflict on working conditions.

In 1930, barely 20 years later, the total ban on striking in the Australian civil service was cancelled. They then relied a lot more on the criminal provisions of the legislation, together with the required qualifications and enforcement conditions. In addition, strikes and lockouts likely to disrupt interstate trade could result in criminal proceedings. In the late 1960's, Mr. Speaker, since the unions refused to pay their fines, the penalty system collapsed. That led to a review of the procedures used in contempt of court cases. Now, whenever a contract clause is violated, the parties get a second chance. They can still resort to conciliation and arbitration procedures before the criminal provisions of the law are enforced.

I know, Mr. Speaker, that my time is very limited. But the Australian experience proves at least one thing: it is not by passing legislation forbidding strikes or lockouts or by imposing heavy penalties that we can solve the conflict. Since I was a personnel director for quite a while, I sat at a provincial negotiation table. I was totally against imposing penalties of $60,000 a day to a union leader. It just can't be done, it is not realistic, Mr. Speaker, and we must make changes to this Bill.

I congratulate my colleague for his courage in putting it forward but, Mr. Speaker, I think we can find another solution to the problem.

Mrs. Monique Tardif (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the motion before us today is of the utmost importance for the collective bargaining system. We must therefore ask ourselves which factors must be taken into account in relation to it.

Mr. Speaker, we have had several similar motions in the past. We have also had calls from various quarters for a complete overhaul of our collective bargaining system. We keep receiving recommendations from well-intentioned people asking us to change our industrial relations system and to eliminate strikes and lock-outs.

Mr. Speaker, I say these people are "well-intentioned" because they usually have in mind the impact work stoppages have on innocent people who can do nothing about labour conflicts which affect them. Although well-intentioned, these people generally ignore the complexity of labour conflicts and the importance of industrial relations practices, including to right to resort to economic sanctions which have been worked out through many decades of experience in Canada and in other large industrialized democracies.

We have, in Canada, one of the most refined systems which allows employers and unions to settle their differences, a system which is the envy of many countries in the world. Our collective bargaining system gives employers and unions complete freedom to settle their disputes through direct negotiations without government intervention. In some countries, the parties do not even have this fundamental freedom.

The conciliation and mediation provisions allow employers and unions subject to Part V of the Canada Labour Code to start direct negociations when a deadlock has been reached in the collective bargaining process. If the dispute is not settled by conciliation or mediation, the legislation allows the parties, under certain conditions, to go on strike or to declare a lock-out in order to convince the other party that they will not back down from their position in the collective bargaining process. In most cases, Mr. Speaker, the threat of economic sanctions in the final stages of the process is enough to bring about the necessary concessions for a peaceful settlement.

The system set up under Part V of the Canada Labour Code ensures the implementation of collective agreements and provides for comprehensive measures to facilitate the collective bargaining process. When I look at the dispute settlement provisions in the Code, I am surprised to see how flexible they are and how they apply to a variety of circumstances related to collective bargaining.

One cannot expect a single policy or procedure to solve all social conflicts, but the flexibility of the Canada Labour Code leads me to think very highly of the dispute settlement method established over the years. I believe that the code is flexible enough to make a good dispute settlement mechanism work.

In short, Mr. Speaker, the right to strike or to lock-out can only be acquired seven days after the Minister has exercised an option in the area of conciliation under the Canada Labour Code. Also, pursuant to section 195 of the Labour Code, the Minister can at any time appoint a mediator to help the parties settle their differences. Under section 171 of the code, before the conciliation commissioner or the conciliation office present their reports, the parties can at any time agree in writing that the recommendations are binding. Thus, under these provisions, employers and unions can have access to all conciliation and mediation services which can help them reach a settlement and have the freedom to voluntarily settle the dispute by agreeing in advance to the recommendations made by the conciliation commissioner or conciliation office.

Mr. Speaker, I have explained in general terms the main elements of the collective bargaining process as described in the Canada Labour Code.

In the case of organizations under federal jurisdiction, I should like to make two comments. First of all, under the Labour Code, both management and unions are free to negotiate collective contracts which, in their opinion, are best suited to the conditions of the business, to the priorities and economic constraints facing the industry. When a third party intervenes as a conciliator or mediator, the parties involved determine the rules within the framework of collective bargaining, and conduct their own negotiations, the third party remaining impartial and helping them define the parameters of the matters in dispute, identify areas where compromises are possible and find ways of getting out of a deadlock.

Mr. Speaker, this approach is quite similar to that which the Government has adopted in many other areas of our social and economic life. Much more than in the past, the Government has encouraged the private sector to show leadership and rely a lot less on the Government to widen its economic outlook. Workers and businessmen therefore must assume greater responsibilities and seize every opportunity for growth.

From the labour relations point of you, Mr. Speaker, this means that management and unions will have more and more to solve their differences without Government's intervention. The conciliation and mediation processes provided for under the Canada Labour Code are based on this approach by which the responsibility for negotiations and dispute settlements falls first and foremost on the interested parties. Part V of the Canada Labour Code defines the rights and responsibilities of both management and unions and clearly indicates that the parties involved in collective bargaining must find a way to settle their disputes.

Also, Mr. Speaker, I wish to emphasize the fact that the parties must deal dutifully with the collective bargaining process and understand that any reluctance on their part to reach a negotiated settlement, undermines a system aimed at encouraging constructive collective bargaining. We have witnessed before situations where both management and unions had relinquished their responsibilities for the settlement of a dispute to a third party, including public authorities.

Mr. Speaker, we must curb Governments overwelming tendency to interfere with our lives. The Government's reluctance to adopt a legislation to force workers back to work, except in cases where conflicts could jeopardize Canada's interests, clearly demonstrate its intention to encourage both management and unions to solve their own conflicts by themselves. That is why I fail to see the need for such a motion.

• (1750)

[*English*]

Mr. Felix Holtmann (Selkirk—Interlake): Mr. Speaker, I am honoured to participate in this debate this afternoon in the final leg of of the Thirty-third Parliament. It may be very historic. My colleague from Don Valley East and I will be back here for the Thirty-fourth Parliament to look at some other legislation. It has been a long four years, and we look forward to the fall and the pending election.

My colleague from Winnipeg North Centre spent some time on the committee reviewing some of the postal concerns. I want to say at this time that I would like to thank all the participants who looked into what were at times some very trying times for the postal corporation. I think we have drawn very positive conclusions and made changes that have really worked quite well.

Despite some of the strikes that have occurred, to which my colleague from Don Valley East referred, in fact the Canada Post Corporation, for the first time in many, many years, is showing a ledger that is more acceptable to Canadians. This is despite the fact that there have been some very difficult strikes. I, like the Hon. Member, have considered naming Canada Post Corporation an essential service. I think Canadians as a whole believe that this may be a route the Government should look at. However, we have to be cautious before we automatically consider making such a major move. We should consider especially the immediate impact it would have on the relationship between the—

Mr. Belsher: Your committee recommended it.

Mr. Holtmann: That's right, between the Crown corporation and the labour movement.

Let me mention something in defence of one of the unions, the rural postmasters' union. Its members have never been on strike and in fact, in most cases they have acted very congenially and have worked hard to find solutions, although we are now entering a phase of change in rural post offices.

The Hon. Member for Gander—Twillingate (Mr. Baker) thought that change was a negative idea. I suspect that the Hon. Member for Winnipeg North Centre (Mr. Keeper) did as well. The facts are starting to bear us out. Even with this change, we have made tremendous progress, despite the Rural Dignity organization preaching gloom and doom and saying that Canadians are getting less service. Over the countless months and days we have debated the postal changes, in fact they have have worked amazingly well with very little disruption in postal service.

In my own community, for example, a change that took place was reported by a local paper. A retail post office won unanimous consent. I along with the entire community looked at the change and the community in fact totally agreed to put the post office into a franchise store. In fact, today, the mail is available nine to ten hours a day, six days a week, and that is what the community wanted and agreed upon. The argument that change would affect us in such a negative way more than likely is proving to be false all over Canada.

I mentioned the fact that the Post Office is now in a very positive way in terms of balancing its budget. In fact, it is returning to Canadian users some of this funding by no longer charging for post boxes, something which was done on an *ad hoc* basis.

I think that my colleague for Winnipeg North Centre will agree that should the Post Office become a little more efficient, some of the lower costs to the Canadian taxpayers will in fact be turned back to the users. That is what I think is good management by the Post Office.

Should the time come that postal strikes become as violent and disruptive as they seem to tend to want to become, for no reason at all, we did make a recommendation. Just recently, we had the threat of a postal strike. There was a short strike. They were asking for payment for their lunch leave while most of these people are paid an average of $25 a hour. I think it was demonstrated that the Crown corporation would not tolerate that, and in fact there was a resolution to the strike.

I notice that my time is almost up. When the strikes were going on, the Post Office somehow managed to get most of the mail through. I think that is completely different from having a postal strike that totally disrupts services, as has happened in certain instances.

At this time I would also like to thank my colleague from Nanaimo—Alberni who yielded his position this evening to someone who knew better how to speak on this matter. As a result, I would like to commend him.

Mr. Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 36(2), the order is dropped to the bottom of the list of the order of precedence on the Order Paper.

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 66 deemed to have been moved.

MUNICIPAL AFFAIRS—ONTARIO'S LIFELINE PROGRAM—REQUEST FOR FEDERAL FINANCIAL ASSISTANCE/MINISTER'S POSITION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the topic tonight is again the environment and the question of whether or not Canadians are entitled to know about the quality of water they have to look forward to for this and future generations. Canadians would like to believe a Prime Minister no matter who that person happens to be because the environment is too important to be left to rhetoric. However, the gap between rhetoric and fact is so wide it now requires an explanation. There must be an explanation about an issue that has been raised in this House many, many times, most recently on September 16 of this year.

Canadians are entitled to have an explanation from the Prime Minister (Mr. Mulroney). They are entitled to know whether the Prime Minister's sudden interest in the environment is driven by polls or by a genuine interest and desire to change the alarming trends we are witnessing, particularly in relation to surface and ground water. Therefore, the issue is very simply whether or not Canadians will have clean water. It is a question of recreation and of general ecological well-being. It is an issue in which this federal Government has a role to play.

The history is very simple. It is important that we remind the Government that in the 1960s and 1970s some $2 billion was spent by Ottawa under the National Housing Act by way of loans and grants to some 1,500 municipalities to build, repair, and improve sewers or to build sewage treatment plants and the like. A further $400 million was spent in the early 1980s but not by this Government. We notice, particularly in the last few months running up to the election, that this Government has made major commitments to the tune of over $12 billion, without counting the nuclear submarines. It is a commitment which probably keeps the Minister of Finance (Mr. Wilson) awake at night wondering how he will ever pay for all these promises. Out of that $12 billion, not one penny is being committed in response to a request made frequently by the Federation of Canadian Municipalities which calls for a $15 billion joint program by all three levels of government to rebuild our sewers and protect water quality.

The Liberal Party, as you know, Mr. Speaker, in 1986 and again last year, committed itself to providing the federal share of almost $5 billion for this type of participation. We want to get some information from the Tories. Do they really believe in water quality and health and recreation along our rivers and lakes? We want to know what the Conservative's environmental vision is all about. Is the Tory environmental vision driven by their reading of public opinion polls? Is it driven by conviction? Is it driven by the inevitable realization that we have to change our ways, our trends, and even our values if we are to survive as a species on this planet? Or, is it because the backroom boys are saying it is good public relations because the polls seem to say there is a big environment vote out there that must be grabbed while it lasts in order to win the election?

• (1805)

Despite all this we want to take the Prime Minister seriously. This is why we in the Official Opposition are pressing him here again tonight, perhaps the last night before an election is called. We are pressing him to live up to his statement on the environment to show Canadians that he means what he says; that water will be protected, that rivers and lakes will be clean again; that beaches will be open to the public. That is what we expect the Parliamentary Secretary to confirm in the name of his Prime Minister if the Prime Minister of Canada wants to retain his credibility.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the Hon. Member has questioned the priority which the federal Government assigns to water quality and whether we will be participating in the Government of Ontario's Lifelines Program.

Let me deal with this latter aspect first. We have had the opportunity to review the details of the Lifelines Program which is to assist Ontario municipalities in the refurbishment of their water and sewage systems.

Municipal infrastructure is clearly an area of provincial and municipal responsibility. The federal Government cannot assist in programs such as these for reasons which have previously been made clear to this House. I am pleased that the Government of Ontario has designed a provincial program responsive to that province's needs and has taken this initiative without federal assistance.

This is not to say that the federal Government is not concerned about water quality or is not active in the area of water policy. In November, 1987, the Government announced its federal water policy. The over-all objective of the policy is to encourage the use of fresh water in an efficient and equitable manner consistent with the social, economic, and environmental needs of present and future generations.

The policy maps out five basic courses of action; fair and realistic water pricing based on consumption, federal leadership in water science, an integrated approach to water resource planning involving all sectors of society, a broad review of water legislation, and a public awareness program on water issues.

We already devote more than $300 million annually to encourage and improve the quality of water in Canada. In areas which are clearly a federal responsibility, such as the research, development, and transfer of new waste water technologies, the co-ordination of action among provinces, and dealing with international boundary issues, we have accepted our responsibilities and delivered on our commitments.

For example, we are already participating with Ontario to improve the quality of water in the Great Lakes. In 1987, we signed a protocol to the Canada-U.S. Great Lakes Water Quality Agreement committing both countries to clean up areas of environmental concern. In June, 1988, the Government announced its $110 million action plan to protect, conserve, and restore the St. Lawrence River.

In short, the federal Government clearly recognizes its responsibility in the area of water policy and continues to assign the highest priority to the protection of this most valuable of natural resources, water.

IMMIGRATION—LOCATION OF OFFICE IN MINISTER'S RIDING/COST OF RELOCATING OFFICE

Mr. Sergio Marchi (York West): Mr. Speaker, I have the pleasure of raising in this Chamber at this time a question that I posed to the Minister of Employment and Immigration (Mrs. McDougall) on September 21 of this year, concerning an issue that I thought was very embarrassing to the Minister personally and very embarrassing to the Government. I thought the Minister lacked any credibility whatsoever in terms of her response to my question.

Essentially the issue was the relocation of a new immigration office in the heart of her riding in St. Paul's, Toronto. By way of background, the Minister closed the immigration office at 230 Bloor Street in Toronto and relocated that office in the heart of her own community for obvious political gains. All through that the Minister said, "Well, I didn't know", which says one of two things: first, the Minister does not know about the operation of her own Department in relocating an office in her own backyard, or she was not exactly forthcoming with Members in this Chamber.

• (1810)

Because there were the long line-ups that we witness in centres right across Metropolitan Toronto and other centres as a result of the mismanagement of the Government *vis-à-vis* immigration and refugee policy, at the first sight of a problem what did the Minister do? She simply airlifted the office, removed the staff and materials again, and went to 4900 Yonge Street. All this cost the taxpayers of Canada $30,000 for moving from Bloor Street to her own office on Eglinton Avenue in her riding. Another $30,000 was spent moving from that office to the one at 4900 Yonge Street. More important, the lease for the office in her own riding was for $600,000 for five years which comes to a total cost of $3 million, plus the $60,000.

In order to save face the Minister created a need in order to keep that office running, not for immigration purposes but for training programs. I was somewhat offended, as were most other Canadians who are involved with this issue, because the office was moved for obvious politically appetizing reasons. Those reasons quickly went sour. At the first sight of them going sour the Minister did not delay and moved her offices yet again.

This is a colossal abuse of one's national responsibilities for a Department of Government and was carried out for purely personal, political, partisan gains that the Minister would make in her own riding. The Minister suggested in the House that the reason she moved the office—after saying she did not know it was going into her riding—was that the facilities were wrong, that they were located in the wrong building, that there were not enough waiting rooms, washrooms, and other facilities to handle that type of caseload. She happens to be the Minister of a Department. If in fact she says that it was the wrong place because there were not the proper facilities, then why as the Minister did she allow her Department to go through with the various relocations? It is very obvious that she wanted to display the ability to be able to move an office in her riding, went through with it despite the fact that the facilities were not right, only to have the community complain about it. She then reacted and moved it to 4900 Yonge Street.

I have been speaking to officers at 4900 Yonge Street. Not only do they not have the facilities there to handle the type of caseload that they expect, but the employment officers have been informed by their superiors that they will now have to relocate and move out of the location in order to satisfy the need that they anticipate for the immigration work.

Outside providing business and work for those in the moving industry, what is being accomplished by this Minister of Immigration? If she thought that it was not the proper place, then she could have stopped the move. If she thought that it was the wrong place but wanted to move for political reasons, then she should admit it. If she wants to solve the problems of line-ups, I suggest that she should look beyond her own riding and her own backyard. Not only should she try to solve the line-ups there, but she should try to solve them at the Bloor and Islington office where my constituents have to line up beginning at four and five in the morning.

If she were courageous and forthright enough to deal with the refugee backlog, then maybe those line-ups would be getting smaller. If we had on the job management those line-ups would not be there. Instead of dealing with immigrants by allowing them to line up at four and five in the morning like cattle, they should be given appropriate meeting times for scheduling appointments, as is done in every other office. I do not see why the immigration office operation should be an exception.

These are the questions which remain unanswered. Why did the Minister move the office into her riding in the first place if she knew that the facilities were wrong? Why does she continue to waste taxpayers' dollars for her own political benefit? Instead of only looking after her own political backyard, as Minister responsible for a national Department why does she not show some concern for the other line-ups that we see right across the country, not only across Metropolitan Toronto? If she has an answer to the refugee backlog and provides it before the election, as any courageous Minister of the Crown would do, then those line-ups might get smaller.

• (1815)

I look forward to the Parliamentary Secretary providing some of the answers that obviously the Minister, unfortunately, did not provide back on September 21.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I am pleased to take part in this debate and respond to the question. In a way it shows that I agree with my colleague opposite. One has to be on one's toes concerning the administrative decisions made at various government levels. I can tell you that it is not necessarily a soft job to be given a Department these days because, when you get a Department you become more visible, but to the detriment of your family, your friends, your riding. It would almost be better if nothing ever happened any more in your riding, no family problems, no arguments with your friends. A moment ago my colleague took us to task about the refugee backlog. We have nothing to learn from them. For months on end, in cahoots with the Liberal Senators in the other place, they did everything they could to thwart our attempts to find a fair and equitable solution to a problem which had lasted for much too long already.

Mr. Speaker, this gives me an opportunity to set the record straight and describe the series of events. We began to review the situation in early 1988. The Minister did not hold the employment and immigration portfolio at the time. We examined the situation and when we checked the location of the famous . . . on Yonge Street, it was inadequate. So we asked ourselves where was our clientele for this immigration service and we came to the conclusion that it was in two very specific regions of Toronto, namely Scarborough and North York. There it is, we said. So they made an offer to Treasury Board to go in the region of Scarborough and in the region of North York. So they commented on that and decided to locate in a commercial zone in those two areas. And accordingly the Treasury Board said yes, etc. So, away they go from Yonge Street and along their way. Except that, and this caused the problem, there was indeed an administrative error, not an error in . . . Instead of choosing North York, they went to North Toronto. Something quite different! They went to North Toronto, indeed in the constituency of the Minister who later became the Minister of Employment and Immigration, which she was not then, a residential area. It was quite out of place. There was no way they could remain there.

And they did not . . . they started all over again and will locate elsewhere—in fact one is in Scarborough, and the other will be in North Toronto. Now, my colleague opposite says there was an unneeded expenditure on relocation costs and the lease that will be needed in the North Toronto. No. Because that is a residential area that is entitled to some services, that centre becomes the training centre for all employees. So, it will be used. We will honour our lease and it will be more in line with the area's zoning. The one in Scarborough already is in a commercial area, the one in North York will also be in a commercial area.

And, Mr. Speaker, until the North York office opens, because there are waiting lists, indeed, because the refugee problem was not solved in time, the Hon. Minister gave instructions for the office to remain open 24 hours a day to give better service and eliminate the backlog. From 4 a.m. people wait at the door in order to be heard.

So, Mr. Speaker, there you have the answers to the question, and I am pleased I will probably be the last speaker to rise before elections are called, if only this can be done before 10 a.m. tomorrow!

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6.20 p.m.

HOUSE OF COMMONS

Friday, September 30, 1988

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

BANK ACT

MEASURE TO AMEND

The House resumed from Thursday, September 29, consideration of the motion of Mr. Hockin that Bill C-140, an Act to amend the Bank Act, be read the second time and referred to a legislative committee.

Mr. Deputy Speaker: Resuming debate with the Hon. Member for Trinity.

Miss Aideen Nicholson (Trinity): Mr. Speaker, today we are continuing second reading debate on Bill C-140, an Act to amend the Bank Act. I have said on two other occasions in this House that haste in presenting Bills, followed by a very perfunctory study of the legislation, has become the hallmark of this Government.

In dealing with this legislation, the Government has really outdone itself. The Government enjoyed a long delay between tabling the legislation on June 30 and beginning second reading debate yesterday.

In his speech yesterday the Minister commended the positive contribution of the Standing Committee on Finance and Economic Affairs, yet he chose to delay action, despite the contribution of the finance committee, despite considerable prodding by members of his own caucus, and despite the unease of banking customers who wanted more clarity. Now suddenly he decides to act with lightning speed.

Yesterday the Minister had the arrogance to suggest that the House debate and pass the Bill at all stages even though he said that he had amendments which he did not yet have ready. Without seeing amendments we were being asked to deal with the Bill in all stages. Further, no text of the Minister's statement was provided in advance to the opposition Parties.

When the previous Liberal Government was in power it was customary to provide opposition critics with the text of ministerial statements three hours in advance. That is a courtesy that this Government does not see fit to extend. Because the Government has such a large majority, it feels justified in steam rolling all its legislation through Parliament, so that the Opposition and Canadians barely know what has hit them. When Her Majesty's Loyal Opposition objects to these unparliamentary and undemocratic procedures it is accused of filibustering.

The disorganized conduct of the Government and its handling of the agenda without rhyme or reason has the effect of greatly disorganizing the House of Commons and has contributed to the bad feeling in the House of recent months. In contrast with that state of events, I would like to point out that the Standing Committee on Finance and Economic Affairs dealt with this whole matter of charges by financial institutions in a systematic, orderly, and careful way. In response to complaints by the public the committee responded sensitively and effectively.

First, a report was commissioned by the committee staff because the committee wanted to have a clear picture of the extent of the problem so that we knew how far it extended over and above the letters we ourselves were receiving. The conclusion of that report has now been confirmed, and essentially it was that due to the unbundling of services, fees were imposed too quickly without adequate notice and in a manner that customers found insensitive.

According to the report prepared by the committee staff, routine financial service charges per family were averaging approximately $100 a year or $2 a week. That in itself is not a large amount, but customer irritation arose from the fact that some of these fees were unexpected and that information on them was difficult to find.

The committee went on to hold public hearings so that we could receive first-hand evidence of the extent of the problems from consumers, and also so that we could hear the responses of the financial institutions. On June 6, the committee tabled its report. The committee called on financial institutions to provide better information on charges, to provide certain basic services without charge such as the low balance accounts often held by children, and to prohibit certain charges altogether.

To give some examples, the committee recommended that the following fees be prohibited: fees to close an account which had been open for more than a year and fees levied when customers failed to make transactions on an account. The latter fees were particularly a source of irritation to customers who could not understand why they were being charged a fee for maintaining an account in which there had been no activity

and therefore no work done by the financial institution on their behalf.

The committee also proposed that the penalties for banks which failed to provide full and clear information and notice to customers be stiffened, and that the Office of the Superintendent of Financial Institutions create an internal office to deal with consumer complaints.

The banks responded defensively. The Canadian Bankers' Association stated that the committee's recommendations were interventionist and that they went against the stated free enterprise philosophy of this Government.

On June 23, I spoke in this House to an opposition motion by the New Democratic Party. Strangely, after tabling a minority report, the New Democrats then moved a motion to support the main committee report. I said at that time that neither the blatant bank bashing done by the New Democratic Party calling for regulation at any cost, nor the staunch Conservative anti-regulation, anti-interventionist policy were useful in this debate. More careful consideration is required in order to be fair and reasonable to all parties.

My own bias is always in favour of negotiation and agreement. I said then that regulation of financial service charges should be a last resort. This matter did not proceed very well because unfortunately, instead of admitting that they went too far too fast with their user-pay notion thus irritating, confusing, and inconveniencing their customers, the banks chose to be very defensive. Indeed, it was very much a botched public relations exercise on the part of the banks.

• (1020)

On June 30, the Government responded to the committee's report in the form of Bill C-140. However, earlier that week five of Canada's six major banks said that they would voluntarily comply with the committee's recommendations. The main purpose of the legislation at that time was to assure Canadians that the Government would monitor the bank's voluntary compliance.

Yesterday the Government decided to begin the debate at second reading at 12.30, even though the Minister's office previously informed me that the debate would begin at three o'clock and I had therefore arranged other business for that time. In my absence the Hon. Member for Ottawa—Vanier (Mr. Gauthier) responded to the introduction of the Bill.

On August 17, 1988, the Minister of State for Finance (Mr. Hockin) tabled the report of the Office of the Superintendent of Financial Institutions assessing the voluntary compliance of financial institutions in making the following changes: first, that recipients of NSF cheques not be charged for depositing those cheques in their personal accounts. Many people felt that it was hard enough when a cheque they were given bounced; for the bank to impose a very large penalty on them for depositing that cheque in all innocence seemed doubly harsh.

Second, the closing of personal accounts which have been opened for more than 90 days was no longer to be subject to a cancellation fee.

The other matters on which the voluntary compliance of financial institutions was assessed included no charge for basic personal accounts if the balance fell below a certain level; no charge for services rendered due to an error on the part of financial institutions; no increase in charges for administrative and transfer services on fixed term deposits, notes, and GICs during the term of those instruments; and customers with inactive accounts and balances greater than $10 would not be charged, providing they had responded to a letter advising them that the charge would occur.

What is the status now with respect to these areas? As of August 17, the survey done by the Office of the Superintendent of Financial Institutions, tabled in this House, indicated that four banks were complying with the letter and spirit of the voluntary measures agreed upon. One bank reported that it was in compliance except for the withdrawal of the NSF chargeback fee, which would be done by November, 1988. Another bank is in compliance except for the provision of a basic no-frills account.

As a result of that report a member of the standing committee withdrew his Private Members' Bill to legislate the measures, which now remain voluntary. It does appear that voluntary compliance has occurred for the large part. Furthermore, what is particularly important, consumers are now being well informed so they are aware of the issues and, if they are not happy with the services of one financial institution, they can always take their business elsewhere.

After the report was issued in August the Minister kept his Bill on hold for six weeks. Why? What was happening in the interim? On September 15, the Minister said that the Bill would now extend the same requirements to small business. The Canadian Federation of Independent Business told him of its concerns in April. Yet up until September 15 there was no indication of any response from the Government. The Minister said that he was satisfied that the competitive market-place would solve all the ills.

However, the position of the CFIB is that increased competition in the financial institution sector is hurting more than helping small business. According to the CFIB, because of deregulation, because the banks are much more aggressively pursuing large accounts, profit margins on big business lending have decreased and, as a result, financial institutions are imposing larger and more numerous charges on small businesses. Cost saving actions undertaken by financial institutions, such as closing branches in small towns, also leave small business persons without any nearby financial institution with which to deal.

Although the committee was dealing only with consumer accounts, the small business concerns as presented to it are important for three basic reasons. First, small businesses typically have less choice in their financial dealings than do

personal customers because their freedom to switch business relationships with banks is more restricted than for the individual consumer. Second, the magnitude of service charges to small business is proportionately greater, often totalling hundreds of dollars. Third, unpredictable and sizeable changes in bank service charges can have dramatic negative impacts on the ability of small business to plan operations and cash flow, and could in turn affect the viability of the business itself.

The CFIB asked government for something it usually does not ask for, government intervention, so as to ensure the measures taken voluntarily by the banks for consumers are applied to small businesses as well. Yet the Minister of State for Finance maintained in his statement of September 15 that he expects increased competition in the financial sector to be the best method of ensuring reasonable service charge practices.

The CFIB continued to make some very specific recommendations. It wanted very complete information regarding current levels of and changes to service charges for small businesses. It wanted the elimination of chargeback fees for NSF cheques. It also wanted annual monitoring of bank practices with regard to small businesses.

The CFIB tried to negotiate with the Canadian Bankers' Association but made no headway, particularly on the NSF chargeback issue. The Government has given no quarter either. In its announcement to extend similar disclosure and complaint resolution benefits to businesses, it does agree with the recommendation on eliminating chargeback costs for NSF cheques.

The Government has released a statement of what it intends for small business, but we have not seen the actual amendments. We have been told what will be in them and, consistent with what is now proposed for personal accounts, we are told that the amendments to Bill C-140 and the draft regulations will first entitle businesses, when they open accounts, to receive an enhanced disclosure of charges applying and information on the institution's procedures for handling complaints. Second, they will entitle businesses to ensure that banks and other financial institutions make available to the public for examination, on request, a list of all charges for business services in their branches doing commercial business; third, to provide for ongoing disclosure of core account related business charges through a brochure available to the public; fourth, to provide 30-day pre-notification, through statements, of changes in account related charges.

• (1030)

The Office of the Superintendent of Financial Institutions will also mediate complaints on behalf of small business account holders. So far so good but, Mr. Speaker, I would feel much better about dealing with this if I had seen the actual text of the amendments.

The Government has promised to continue monitoring the situation. My Party and I will be watching closely to see if the disclosure of information on financial service charges continues. We will also carefully monitor whether consumers and small businesses are treated with fairness and consideration in the weeks to come.

As of yesterday the Minister was converted to being a supporter of small business, whereas before September 15 he was an ally of unbridled competition. Yesterday he also became a supporter of government intervention.

By the time he rose in the House yesterday, he still did not have amendments to offer the Opposition. We were expected to take all these flip-flops on face and vote blindly for whatever he provided us, and he wanted the amendments dealt with in Committee of the Whole. The amendments finally reached my office late last night, which surely was not the Minister's idea of giving them to us in time to study. I am in favour of what I am told we are going to have, but the Minister's "trust me" approach in presenting and debating pieces of legislation is decidedly irritating. It does not inspire confidence and we will want those amendments carefully examined.

Mr. Rod Murphy (Churchill): Mr. Speaker, I am concerned about this legislation as well. We are in a situation where the Government is rushing into this legislation only because of an impending election. I think it is obvious that there was no concern by this Government at the time that this was a crisis for many Canadians. We saw the banks charging for everything in sight. People would go to the banks not knowing that they were being charged.

We had examples raised by our critic, the Hon. Member for Nickel Belt (Mr. Rodriguez), of pensioners with very small accounts being ripped off by the banks. We had the example by our agricultural critic, the Hon. Member for Humboldt—Lake Centre (Mr. Althouse) of how farmers were being penalized by the banks. We have had other examples too. As the banks have closed down in many communities, a decision they made, residents of those communities were charged extra for using the same services in other communities.

As mentioned by the previous speaker, the Hon. Member for Trinity (Miss Nicholson), this matter was examined by a House of Commons committee. Months ago recommendations were made. Instead of acting, the Government waited and waited until the banks started to reform themselves. Recognizing that the banks may have reformed now but may jack up prices perhaps during the election, the Government has come up with this very minimal package. It is an ill-prepared one.

The Government itself has announced that it wants to pass this legislation now. It wanted to pass it in all stages yesterday afternoon, but at the same time that it wants this legislation passed the Government tells us that there are amendments to make to this Bill. Where are the amendments? If the Government really and truly wants this legislation to pass and expects the co-operation of the opposition Parties, one would assume that the Government would have come to us and shown us the amendments.

Mr. Orlikow: Where is the Minister?

Mr. Murphy: There is not a single Minister in this House who can reply to these charges. I do not know if the Minister of Fisheries (Mr. Siddon) will get up in a few minutes and explain what are the changes the Government wants to make.

Mr. Orlikow: He is a shark.

Mr. Murphy: He is a shark? I do not want to get into any personal attacks on the eve of an election. I think I will leave it to his constituents to solve his problems.

This is obviously not only a phoney issue; it is a phoney debate. You, Mr. Speaker, and everyone in the House at the present time know that when the Government wants legislation passed and wants the co-operation of the Opposition there are meetings, as we say behind the curtains, or meetings in Ministers' offices to discuss possible amendments. There has been no attempt whatever to do this. What the Government will do is go out on the campaign trail saying: "We tried to deal with the bank service charges, but the Opposition would not let the legislation pass". There has been no attempt by the Government to have this legislation passed.

I see the Minister of Finance (Mr. Wilson) is almost in the House. Perhaps he can tell us what the amendments are the Government wants to introduce because there has been no attempt to tell us. I would give him the opportunity. I will sit down now. If the Minister of Finance can get up and tell us what amendments the Government has to strengthen this rather weak legislation, then perhaps there could be some move in the House. At the present time we do not know what the amendments are. We do not know if the Government has any particular strategy to make sure that the banks do not rip off—as I mentioned earlier—the pensioners, the farmers, the fishermen and women in fishing, and all the other people who have been ripped off in the past by these outrageous and quite often hidden service charges.

I will take my seat and give the Minister of Finance an opportunity to set the record clear, if the Government really does have some amendments to show the Opposition.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I find it interesting that the Government thinks this Bill is important, but we know that it is only important to the Government. Given the tremendous antagonism to the kinds of rip-offs the banks have been doing to their customers, the Government had to appear to want to deal with the problem. In fact, this Bill does very little, if anything, to deal with the kinds of problems which thousands of customers of banks had to accept in recent years.

We are opposed to this Bill in principle because it does little to provide consumers and small businesses with any guarantees that they will be protected from unfair charges on the part of the banks.

What does this Bill do, Mr. Speaker? The Bill legislates the banks to publish a list of charges and to inform customers and small businesses of banking fees. I was in the branch of the Royal Bank with which we deal and it had a little pamphlet which said there were 168 different ways of a customer dealing with the bank. I ask Members of Parliament and the Minister of Finance (Mr. Wilson), which ordinary Canadian, which small businessman can possibly think through and come to an informed decision on which of these 150 different ways he or she can deal with the bank.

This Bill is based on the assumption that informed customers are the protected ones, but that is not the case at all. This Bill, if enacted, will do very little to help consumers who live in communities where in fact there is only one bank to help any community; nor will it do anything about charges that are already in place.

• (1040)

This Bill will require the bank to designate an employee to handle complaints about service charges. What bank employee will tell his or her employer, the bank, that it is charging exorbitant rates or that it really has not explained the situation to the customer?

As well, they can go to the Office of the Superintendent of Financial Institutions to make the last appeal for unfair charges. Given the kind of reports we are getting daily about how inadequate our financial regulators were in dealing with the Principal Group of companies, a case in which ordinary Canadians lost hundreds of millions of dollars unnecessarily, we can see how little this means.

This Bill means, in fact, that there is no independent body to handle grievances. The superintendent is charged primarily with ensuring the solvency of the banks, not the protection of their customers.

What are the kinds of complaints ordinary Canadians have made in recent years? I can tell the House of one such complaint from personal experience. My wife saw an ad for an item being sold in the United States which she thought our grandchildren would like to have. She sent a cheque marked in U.S. funds for $6 to pay for the item. Even though the cheque was marked in U.S. funds, the bank charged $8.50, and this is from memory, as a service charge.

A 62-year-old Ottawa widow was seeking change for a $20 bill so she could do her laundry at the laundromat and was charged a $2 service fee by the Bank of Nova Scotia. This happened in June of this year. A pizza vendor in Oshawa went to his bank to get some rolls of change which he needed in order to settle the accounts with his customers and was charged 40 cents for every roll of 50 pennies he got from the bank.

Let me give some details of the kinds of things the banks have been doing and which, as far as we can tell, will not change at all as a result of this legislation. As reported in *The*

Toronto Sun of August of this year, the charge for an overdraft cheque on an account will increase by $1 to $5, a 25 per cent increase. Returning an NSF cheque will cost $15, also up $1 or 7 per cent. The charge for searching for any transaction through a person's account will cost $2, up 33 per cent. If the transaction took place over 60 days previously, the charge will be $25 a hour, up 25 per cent, with the minimum charge being $15, up 50 per cent. The charge for presenting a cheque not computer encoded will rise 8 per cent to $3.50. Those are just a few examples.

Let me deal with the Royal Bank. Among other things, it will increase service charges for people holding gold, silver, term notes, demand notes, and Treasury Bills and for handling escrows. Among the increases for business services are 70 cents from 66 cents per cheque, deposit, debit or credit entry in Canadian funds; 72 cents from 68 cents for the same service in U.S. funds; $1.80 from $1.70 for each $100 of rolled coin deposited; $20 from $15 for an oral or written credit report; $25 from $20 for an oral credit report followed by a written report; and $14 from $12.50 for each NSF cheque returned. That is the charge for ordinary customers.

Let us look at what the banks will be able to do to the small businessman or woman after this Bill is enacted. After all, if one listens to Conservative Members of Parliament, to the Prime Minister (Mr. Mulroney) or to the Minister of Finance, one hears repeatedly that the small business person is the backbone of the Canadian economy, that he or she creates over 80 per cent of the new jobs, and on and on. Look what this Bill will permit the banks to do to small business people.

The illustrations I will put on the record come from the Canadian Federation of Independent Business which analysed this Bill. These small business people are not in any hurry to be critical of the banks, because without the banks they really cannot survive. They are captives to their particular branches, even more so than consumers who, if they get annoyed, can move their accounts from one bank to another. For small business, fear of offending the bank manager, something which might prejudice future business dealings, is a very real risk. Despite that, small business people still have major objections to this Bill.

First, the federation called for the banks to adopt a clear, open service charge policy which is consistently applied. Schedules must include the exact service on which a charge is applied, the exact price, and how long the price will be in effect. Nothing like that is in this Bill. Second, it calls for the elimination of blanket clauses used by the banks to waive the right to notice of service charge changes. In other words, small business people would like to know for some considerable period of time what the actual costs to them of services they get from the bank will be.

Third, the chargeback for NSF cheques from third parties should be eliminated as the banks have voluntarily done now for consumers. If an individual or company sends a cheque to a small business operation for work, service or goods supplied and the cheque bounces, why should the business person be charged for it?

Fourth, the federation says that bank errors should be paid for by the banks. It is saying that if an employee of the bank makes a mistake, and that mistake is caught at a later time, the cost of correcting the mistake made by the bank is charged to the small business person. How that can be justified by the banks, I cannot understand, and why the Government's legislation would not at least take care of that objection which is so obviously valid, I simply cannot understand either.

Fifth, the federation says that the communication of bank service charge policies and changes to these policies should be dramatically improved. In other words, to give the individual or business customer a booklet with 150 different ways of doing business is simply not good enough.

The CFIB suggests in its conversations with us that what small businesses really need is a yearly contract with their banks regarding services so they can plan their financial requirements. That seems to me to be a very valid, simple and justified request. As the CFIB has pointed out, the banks have traditionally accused small businesses of failing to manage and plan. Yet these unpredictable ever-increasing service charges are part of the problems of small business.

• (1050)

Finally, they point out that the Government's recent pronouncement on monitoring bank service charges and making changes to the Bank Act do nothing for small business. Those charges that the banks have volunteered to roll back or eliminate do not apply to small businesses. Further, they point out that given the track record of banks to date on interest rate charges on credit cards, an issue highlighted only a year ago, regulation and legislation is the way to deal with the banks.

When the Minister announced his Government's response to bank service charges as they affect consumers, he referred to "certain reprehensible and objectionable charges" having been voluntarily withdrawn, among them "recipients of NSF cheques will not be charged for depositing these cheques in their personal accounts".

Yet these same reprehensible and objectionable charges are continuing to be passed on to small business by the banks. We ask where the Government is, where the Minister is, and why the Minister does not live up to the promises he made.

When dealing with banks we are talking of a group of companies which play a tremendously important role in the economic and social life of this country. After all, the banks' decisions on whether to permit a loan, the size of the loan, the terms of the loan, and if and when the bank may call in that loan, give the banks tremendous economic and social clout.

We are not talking about some poor neighbourhood mom and pop store. We are talking about companies which are among the most profitable in this country. Let me put on record precisely what I mean. The latest figures we have are

those for 1987. Let us look at bank profits and special write-down provisions, that is, their profits after regular taxes, including deferred taxes which are usually never paid, but before special write-downs they were allowed to make for tax purposes. Let us just look at how the banks did.

The Canadian Imperial Bank of Commerce had profits of $387 million. The Bank of Nova Scotia had profits of $381 million. The Bank of Montreal had profits of $413 million. The Toronto-Dominion Bank had profits of $528 million, and the Royal Bank, the big daddy of all the banks, had profits in 1987 of $541 million. That adds up to a total of $2.25 billion on which, as I have indicated, they paid very little in real tax.

On top of that they were permitted to make special write-downs for the huge loans they made to Third World countries, to companies like Massey-Ferguson which has disappeared, and to some of the oil companies as well. They were permitted to make a special write-down—and I do not have the time to give it bank by bank—of somewhere between $2.5 billion and $3 billion. These companies, which are among the most profitable and most powerful in this country, actually paid very little in real taxes on, as I have indicated, profits of well over $2 billion.

Let us look at the profits which they made from service charges. When you and I, Mr. Speaker, go into the bank and are charged 25 cents or 50 cents for a transaction, it does not seem like a great deal, but when you add these millions of transactions together and see what the banks charge, you get an amazing picture. Here is what banks made on service charges in 1987. The Toronto-Dominion Bank made $138 million.

Mr. Fontaine: Oh, oh!

Mr. Orlikow: The Hon. Member for Lévis (Mr. Fontaine) is interjecting as he so frequently does. I invite him to get up and make his own speech. I say to the Hon. Member from Lévis that the figures I am giving are not figures which we pulled out of the air. They are figures provided . . .

Mr. Fontaine: Figures from NDP research.

Mr. Orlikow: Mr. Speaker, I can ignore the Hon. Member for Lévis because 99 per cent of the time his contributions are so pointless and so useless that I really should not spend even 30 seconds dealing with them.

The figures I am putting on the record are figures supplied by the banks to the appropriate Department of the Government, whether it be the Superintendent of Insurance, Revenue Canada, or the parliamentary committee which looked into these questions. The majority of the committee's members, of course, were Conservative Members of Parliament.

The Toronto-Dominion Bank collected, in service charges, $138 million. The Canadian Imperial Bank collected $235 million; the Bank of Nova Scotia, $113 million; the Bank of Montreal, $283 million; and the Royal Bank, $365 million, for a total in 1987 of $1.134 million collected through service charges.

That may be satisfactory to the Hon. Member from Lévis and the Hon. Member for Peace River (Mr. Cooper) who interjects almost every day when an NDP Member asks a question. He suggests that those questions come from Bob White of the Canadian Auto Workers or Shirley Carr, the President of the Canadian Labour Congress. The Hon. Member from Peace River should be much more concerned about how the banks overcharge and deal unfairly with their customers than about Shirley Carr or Bob White. The Hon. Member for Peace River, who is not here, will know what I am talking about.

Here we have a group of companies, the Big Five banks, which are among the most profitable, which pay virtually no taxes, and which have consistently ripped off their customers, whether they be individual consumers or small businessmen.

The public has demanded action and the public is not getting action because the Government is bringing in a Bill which it will be able to claim deals with the problem when in fact it is a hoax. In fact the banks will be able to continue to do almost everything they did in the past. It is for that reason, Mr. Speaker, that we intend to vote against this Bill.

Mr. Deputy Speaker: The House will now proceed to Statements pursuant to Standing Order 21.

STATEMENTS PURSUANT TO S. O. 21

[*English*]

SPORTS

OLYMPIC GAMES—CAROLYN WALDO—SYNCHRONIZED SWIMMING GOLD MEDALLIST

Ms. Sheila Copps (Hamilton East): Mr. Speaker, it is a great day for Canada, it is a great day for Canadian athletes with the gold medal won by Carolyn Waldo.

Some Hon. Members: Hear, hear!

Ms. Copps: The courage and spirit she showed were the kind of lift, as Carolyn Waldo said, that the Canadian team needed.

We have other winners. There was the stellar performance by Dave Steen of Burlington who threw off all comers to get the bronze medal in the decathlon. We have many winners representing Canada and I would like to spend a moment to read their names them into the record.

Carolyn Waldo, gold medal, Calgary; Mark Tewksbury and Victor Davis, Point-Claire, Québec; Thomas Ponting, Calgary; Sandy Goss, Toronto, silver medals, swimming; Cindy Ishoy, Hamilton, bronze medal; Ashley Nicoli, Toronto, bronze medal; Eva-Maria Pracht, Cedar Valley, bronze medal; Gina Smith, Saskatoon, bronze medal; Lori Molion, Whitby, Ontario, bronze medal; Allison Higson, Brampton, Ontario,

bronze medal; Jane Kerr, Mississauga, bronze medal; Andrea Nugent, Nanton, Alberta, bronze medal; Dave Steen, Burlington, bronze medal; and Frank McLaughlin and John Millan, both of Toronto, bronze medals.

• (1100)

[*Translation*]

And congratulations to all those who participated and who have represented Canada so well at the Olympic Games.

* * *

[*English*]

SPORTS

OLYMPIC GAMES—CAROLYN WALDO—SYNCHRONIZED SWIMMING GOLD MEDALLIST

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, all Canadians can rejoice in Carolyn Waldo's great achievement, winning the Gold Medal for synchronized swimming.

Showing the true Olympic spirit in pursuit of excellence, Carolyn Waldo went all out in her final performance, rather than playing it safe even when the Gold Medal was in reach.

Perhaps we need to learn from athletes like Carolyn Waldo, and from coaches like Debbie Muir, that doing our honest best is even more important than winning the gold. As her coach said: "We were determined to go all out, and do extremely well to show Carolyn is a worthy champion".

We know she will take that same spirit into the duet final with Michelle Cameron a few hours from now. I am sure all Members will want to join me in saying "Thank you Carolyn Waldo, and good luck".

* * *

NATIONAL MUSEUM OF NATURAL SCIENCES

ACQUISITION OF WILLIAM PINCH MINERAL COLLECTION

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, the William Pinch Mineral Collection is one of the world's finest and largest. With over 16,000 specimens, many of spectacular quality, it has great potential for both display and research purposes.

It is good news that this collection is being acquired by the National Museum of Natural Sciences for incorporation into the National Mineral Collection of Canada.

It will cost some $7 million to acquire the collection and provide suitable public display facilities but this will not be borne by the taxpayers at large. The money is being raised by private donations. About three million dollars has already been pledged by some 64 corporations and a number of individuals.

Further donations to this worth-while public purpose would be welcomed by the trustees.

* * *

VETERANS AFFAIRS

POLISH PRISONER OF WAR SURVIVORS

Mr. Ken James (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, the contribution to world peace by the Polish people is a well known historical fact. Unfortunately, many of the Polish military were displaced following the Second World War as they could not return to a country which had succumbed to communism.

Polish soldiers fought alongside Canadian troops in Italy as part of the 8th Army during the Second World War. The famous Polish "Blue" Division, which distinguished itself during the decisive Battle of Warsaw, was trained at Niagara-on-the-Lake in 1917.

Our ties are close and I believe that consideration of this closeness must be granted to the Polish prisoner of war survivors.

Given our close ties and the courage and sense of community Polish Canadians have brought to our country, I urge the Government of Canada to reconsider the existing legislation and allow the remaining Polish veterans to be eligible for prisoner of war compensation benefits.

* * *

NOBEL PEACE PRIZE

AWARD WON BY UNITED NATIONS FOR PEACEKEEPING—CANADIAN PARTICIPATION

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, Canadian soldiers are among those who have been honoured as recipients of the Nobel Peace Prize. Our nation's highly respected and competent role in peacekeeping had its strong foundation put in place by Canadian statesmen such as the Right Hon. Lester B. Pearson and the Right Hon. Louis St. Laurent.

So well did these Canadian statesmen lay that foundation for our country's role in peacekeeping endeavours that those Canadian principles have continued to develop and grow in the years since and have culminated in world-wide recognition, respect, and trust on the part of Canadians.

In a speech in the House on August 24, during debate on a motion dealing with peacekeeping, I stated that our Canadian soldiers are among the best diplomats that we have in the

Government's service when serving abroad. They are politicians in their own right because they have to understand fully the people with whom they are dealing, and finally, they are among the best trained professional soldiers in the world.

Peacekeeping is worth the price. As a nation that is looked upon as a middle power in the world, as a country that has many friends all over the world, along with the Nobel Peace Prize there is no greater tribute that can be paid to our Canadian Armed Forces than for the Parliament of Canada and all Canadians to say "Thank you for your efforts and we wish you continued success. We are firmly behind you in your mission".

Canadians are a humble people. The meek shall inherit the earth. Canada and our Armed Forces will continue to try to make that a peaceful world.

* * *

RESEARCH AND DEVELOPMENT

BELL NORTHERN RESEARCH—EXPANSION PROJECT IN NEPEAN

Mr. Bill Tupper (Nepean—Carleton): Mr. Speaker, Bell Northern Research announced today that it reached an agreement with the National Capital Commission to lease 300 acres of land adjacent to BNR's world headquarters laboratory complex in Nepean.

BNR plans to use the leased land to consolidate its various laboratory facilities in the Ottawa-Carleton region. This development will be the world headquarters for Bell Northern Research and one of the largest research and development facilities of its kind in the world.

This project will have an enormous positive impact on the economy of the national capital region. It will result in the creation of 4,000 new jobs in the high technology area.

The NCC will acquire other environmentally sensitive land in the National Capital Region to offset the impact of the use of Greenbelt land with proceeds from the lease.

This project is good for Nepean and good for Canada. It is consistent with both research and development and environmental protection.

* * *

THE ECONOMY

NATIONAL DEFICIT—POSITION OF BUSINESS ORGANIZATIONS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, for more than 10 years the organizations representing big and small business, including the Canadian Chamber of Commerce, Canadian Manufacturers' Association, Business Council on National Issues, the Canadian Federation of Independent Business, and some very prominent businessmen like Mr. Robert Campeau have been warning Governments that the deficits that federal and provincial Governments have permitted and continued are unacceptable, and will lead to disaster for our country.

The Conservative Government supposedly made the reduction of the deficit a major part of its policy. In the last couple of months the Prime Minister (Mr. Mulroney) and his Ministers have made promises. We have totalled the cost of those promises to be somewhere between $15 billion and $20 billion.

What astounds me is the cynicism of these business organizations that, after all the years of preaching restraint, are completely silent about the problems that will be created by implementing these promises that will cost billions of dollars to Canadians. They should put up or shut up.

The Government has talked about reducing the deficit. Why does it not say what these promises will mean to Canadians in the next five to ten years?

* * *

ENERGY

CANADIAN EXPLORATION AND DEVELOPMENT INCENTIVE PROGRAM

Mrs. Barbara Sparrow (Calgary South): Mr. Speaker, after analyzing the current low world prices for oil and gas, and recognizing the extreme difficulties small and medium sized producers have in raising risk capital, the Minister of Energy, Mines and Resources (Mr. Masse) announced today an adjustment in the phase-down of the Canadian Exploration and Development Incentive Program.

The incentive rate from October 1, 1988, to June 30, 1989, will drop from 33-1/3 per cent to 25 per cent. As of July 1, 1989, until December 31, 1989, the rate will be 16-2/3 per cent. The cap remains at $10 million per company or related companies.

The Minister has also recognized the number of jobs in western Canada that are totally dependent on the petroleum industry. This incentive means a further $80 million will be injected into the industry, which will keep the rigs working, protecting jobs and helping to replace Canada's depleting conventional oil reserves.

* * *

TRADE

STEEL EXPORTS TO UNITED STATES

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, Bethlehem Steel Corporation in the United States

wants U.S. trade authorities to slap punitive duties on imports of steel rails from Sydney Steel Corporation and Algoma Steel Corporation.

Bethlehem says that Canadian producers are benefiting from Canadian government loans, grants, and other subsidies. This is clear proof that the Americans consider regional development as a subsidy under the trade agreement. The term subsidy under the agreement is not to be defined for seven years, which the Government hoped would more than allow it to get through the election without Canadians knowing the truth.

There is no level playing field with this trade agreement. It is tilted in favour of the United States. If the Government has any concern whatsoever remaining for Canadian workers, it will not allow this regulatory invasion of Canada by the United States. I ask the Government, for once, to stand up for Canadian industry.

* * *

• (1110)

[*Translation*]

THE ECONOMY

GOVERNMENT'S PERFORMANCE

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, it has been four years since the Conservatives started a number of changes.

The results have been a major economic recovery, more jobs, excellent federal-provincial relations, lower taxes, environmental controls, and acquiring a market of 250 million consumers for Canadian producers and workers.

Mr. Speaker, we of the Conservative Government will continue in the same vein during the nineties.

That is what Canadians want. And good-bye to my Conservative friends!

* * *

[*English*]

THE DISABLED AND THE HANDICAPPED

PARLIAMENT HILL PLANT WATERING CONTRACT

Mr. Neil Young (Beaches): Mr. Speaker, today is the last day of employment for the four mentally handicapped adults who water plants on Parliament Hill. For the past 10 years the Ottawa and District Association for the Mentally Retarded has successfully bid for the contract to water the 5,000 plants in federal buildings. The Parliament Hill contract, at a cost of $3.50 per plant per month, ends today because a private sector competitor submitted a bid of 35 cents per plant per month lower.

I find it appalling that, in the International Decade of the Disabled, the Government is allowing this immensely worthwhile employment project to expire in order to save 35 cents per month. The project provided mentally handicapped adults with an opportunity to perform useful and productive work, and to feel valued as productive members of society.

Mentally handicapped adults face incredible obstacles in our society. In view of those obstacles, the federal Government should demonstrate leadership in recognizing the important contributions of the disabled. Instead, it is backing down on its commitment to disabled Canadians. In allowing those policies to be dictated by market forces, it is abandoning the sense of social compassion that makes Canadian society unique.

I call upon the Government to rethink its policy on employment contracts for the disabled. Governments should be providing leadership in these matters. This incident is not one I would want the private sector to follow—

Mr. Deputy Speaker: I regret to interrupt the Hon. Member. The Hon. Member for Nanaimo—Alberni.

* * *

"UP, UP, AND AWAY!"

HEAVEN-BENT FOR ELECTION

Mr. Ted Schellenberg (Parliamentary Secretary to Minister of State (Forestry and Mines)): Mr. Speaker, yesterday's successful launch of the space shuttle can be compared to another launch, soon to occur.

If you compare the *Discovery* shuttle to the Progressive Conservative election campaign, Mr. Speaker, you will quickly see the similarities!

Picture it, Mr. Speaker. The supportive polls are in place; the captain and the crew are looking good. Suddenly, with a burst of speed (and a visit to the Governor General) lift-off is accomplished.

The booster tanks—NDP hot air on one side, Liberal hot air on the other—lift the Big Blue Machine into the heavens.

Then they separate. Both the Liberal and socialist boosters fall to earth, their fuel expended. And the mean, lean, PC machine soars to the heavens where it belongs.

Mr. Speaker, it is T minus 10—and counting!

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ENVIRONMENTAL AFFAIRS

VILLAGE OF LEMIEUX—LANDSLIDE HAZARD

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, there is a quiet village in my riding by the name of

Lemieux. Unfortunately, this community is located on the banks of the South Nation River. Its banks are made of lead clay and are subject to landslides. There have been three such landslides in 1895, 1910, and 1971.

The last landslide engulfed 70 acres of land adjacent to the village. Studies have now determined that the whole village could slide into the river. The village must be moved to another site. This will result in tremendous disruption for the people of my riding. People need financial assistance to do this. I know that the Province of Ontario is working actively to help those people.

I now call upon Environment Canada or any other arm of the federal Government to provide assistance to the people of Lemieux in the riding of Glengarry—Prescott—Russell. Let us not wait for another St.-Jean-Vianney before we act.

* * *

MEMBERS OF PARLIAMENT

TRIBUTE TO RETIRING MEMBERS

Mr. David Daubney (Ottawa West): Mr. Speaker, I rise today to pay tribute to those of my colleagues who will not be standing for re-election in the upcoming election.

The Hon. President of the Treasury Board (Miss Carney), the Hon. Members for Victoria (Mr. McKinnon), Okanagan North (Mr. Dantzer), Cariboo—Chilcotin (Mr. Greenaway), Prince George—Bulkley Valley (Mr. McCuish), Wetaskiwin (Mr. Schellenberger), Red Deer (Mr. Towers), Calgary North (Mr. Gagnon), Bow River (Mr. Taylor), Qu'Appelle—Moose Mountain (Mr. Hamilton), Lisgar (Mr. Murta), Winnipeg—Assiniboine (Mr. McKenzie), St. Catharines (Mr. Reid), Stormont—Dundas (Mr. Warner), Northumberland (Mr. Hees), Durham—Northumberland (Mr. Lawrence), Simcoe South (Mr. Stewart), Elgin (Mr. Wise), Bruce—Grey (Mr. Gurbin), Cambridge (Mr. Speyer), Prince Edward—Hastings (Mr. Ellis), Ontario (Mr. Fennell), Joliette (Mr. LaSalle), Saint-Jean (Mr. Bissonnette), Langelier (Mr. Côté), Labelle (Mr. Ladouceur), Montmorency—Orléans (Miss Blouin), York—Sunbury (Mr. Howie), Carleton—Charlotte (Mr. McCain), Malpeque (Mr. Gass), Cumberland—Colchester (Mr. Coates), South Shore (Mr. Crouse), New Westminster—Coquitlam (Ms. Jewett), Cowichan—Malahat—The Islands (Mr. Manly), Sudbury (Mr. Frith), Saint-Michel—Ahuntsic (Ms. Killens), and Saint-Maurice (Mr. Grondin), have all indicated that they will not be seeking re-election.

I wish I had time to pay tribute individually to each of these men and women. However, may I mention five Hon. Members whose lengthy and honourable service merits special acknowledgement. They are the Hon. Member for Durham—Northumberland who completes 30 years in the Ontario and federal Legislatures; the three retiring members of the class of '57, the Hon. Member for Qu'Appelle—Moose Mountain, the Hon. Member for Cumberland Colchester, and the Hon. Member for South Shore; and the Hon. Member for Bow River who completes a combined total of 48 years in the Alberta and Canadian Parliaments.

I have been privileged to serve here with these Hon. Members. While they will not be returning to the House, their contributions to Parliament and to the country will not be forgotten.

ORAL QUESTION PERIOD

[*English*]

APARTHEID

SOUTH AFRICA—PRIME MINISTER'S SPEECH TO UNITED NATIONS

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, we seem to be a little thin here this morning. I say, on behalf of the Member for Oshawa, that we mean on the government side.

My question is directed to the Acting Prime Minister. Last night I was in Winnipeg and I have to say that the people of Winnipeg were not at all surprised that the Prime Minister made an announcement about Winnipeg from New York City. That was very much appreciated.

During his only other speech to the United Nations on October 23, 1985, the Prime Minister had the following to say to the Assembly: " . . . if there are no fundamental changes in South Africa, we are prepared to invoke total sanctions against that country and its repressive regime. If there is no progress in the dismantling of apartheid, our relations with South Africa may have to be severed absolutely".

When the Prime Minister made that statement to the United Nations three years ago he received world-wide praise. However, the blunt fact is that the Prime Minister broke his word. He has not invoked total sanctions against South Africa. He has not severed diplomatic relations.

Why did the Prime Minister break his word to Canadians and to the world?

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, as a Canadian I was very proud of the address delivered by our Prime Minister to the United Nations yesterday.

Some Hon. Members: Hear, hear!

Miss MacDonald: I would like to quote the Prime Minister's words when he said: "Consistent with our policy of moving systematically and deliberately to increase pressure on South Africa our Government announced earlier this week specific new measures to tighten the ban on government contracts with South African companies, and a further ban on high technology".

What is important about this approach is that it has been endorsed by the leaders of the Front Line States in southern Africa. I would refer the Leader of the Opposition to the words of those who best know the situation in southern Africa. President Mugabe has told our Prime Minister—and I want to quote his words because I see the Leader of the Opposition laughing. Mr. Mugabe told our Prime Minister privately and publicly that he endorsed the anti-apartheid measures that Canada has taken, and that further steps are not necessary at this time.

• (1120)

I want to say that ours is a consistent and pressurized approach on the South African Government that is bringing results.

Mr. Turner (Vancouver Quadra): The Minister of Communications in her role as Acting Prime Minister did not, I am sure, feel too comfortable in congratulating her Prime Minister for breaking his word.

IMPOSITION OF SANCTIONS

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, on September 13, 1985, a week earlier, in this House of Commons the Secretary of State for External Affairs had this to say:

> South Africa should have no doubt that we will invoke full sanctions unless there is tangible movement away from apartheid.

That was on September 13, 1985. The situation, as the Minister knows, has deteriorated since then.

The Prime Minister restated that position at the United Nations on October 23, 1985, and again in this House of Commons on October 28, 1985, in almost the same words. Why did the Prime Minister and the Secretary of State for External Affairs make those promises to the world, and to Canadians, if they did not intend to keep their word? They did not talk about partial sanctions. They did not talk about travel embargoes. They talked about breaking diplomatic relations and imposing total economic sanctions.

The situation has deteriorated in South Africa. Why did the Prime Minister not keep his word yesterday by imposing total sanctions and breaking diplomatic relations?

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, the policy of the Canadian Government is to move in a deliberate and systematic way toward total sanctions, and that is what we are doing. That approach is endorsed by the majority of members of the Commonwealth. It is endorsed by the leaders of the Front Line States in southern Africa. It is endorsed by those who best know the terrible situation which exists in South Africa and who really want to do something to help reverse the terrible blight of apartheid.

Mr. Turner (Vancouver Quadra): Mr. Speaker, the deliberate speed invoked by the Acting Prime Minister is a disguise for a hasty retreat from a position made firmly three years ago by the Prime Minister and the Secretary of State for External Affairs. Let's face it. The Prime Minister used the United Nations yesterday as an advanced photo opportunity for the election campaign.

[*Translation*]

DIPLOMATIC RELATIONS WITH SOUTH AFRICA—GOVERNMENT POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the Prime Minister had announced he would impose full economic sanctions and break off diplomatic relations with South Africa, but he failed to keep his word.

Why did he bother to go to New York and address the United Nations, if it was not his intention yesterday to keep his word and announce that he would break off diplomatic relations with South Africa and, in fact, break off all relations, both diplomatic and economic, with that country?

[*English*]

Hon. Flora MacDonald (The Acting Prime Minister): Mr. Speaker, the cynicism and low level tactics of the Right Hon. Leader of the Opposition know no bounds.

Mr. Epp (Provencher): That's why he is in third place.

Miss MacDonald: The Right Hon. Leader of the Opposition seeks to discredit the United Nations—

Some Hon. Members: Oh, oh!

Miss MacDonald: —and the appearance of the Prime Minister of Canada before the United Nations. I am absolutely amazed, Sir, that in a forum where one looks for a non-partisan approach, such as the United Nations—

Ms. Copps: What about sanctions?

Miss MacDonald: —the fact is that the Right Hon. Leader of the Opposition seeks to score cheap political points, cheap partisan points, which he thinks will gain him some advantage in this country. That is absolutely reprehensible.

Mr. Gauthier: Order! She is not answering the question.

Miss MacDonald: Canadians are much better attuned to world events than the Right Hon. Leader of the Opposition.

* * *

SPORTS

OLYMPIC GAMES—DISQUALIFIED CANADIAN ATHLETE—SUSPENSION FROM NATIONAL TEAM

Mr. Sergio Marchi (York West): Mr. Speaker, my question is also addressed to the Acting Prime Minister. It concerns the Ben Johnson case. Throughout this entire affair the actions of the Government have been contradictory and certainly worrisome, to say the least.

Last Friday the Prime Minister called to congratulate Ben. Then on Monday the Minister for Fitness and Amateur Sport, supported by the Prime Minister, condemned Ben to a lifetime suspension. On Tuesday the former Minister of Fitness and Amateur Sport suggested that Ben Johnson, in his belief, is innocent and that Canada should fight to defend his honour. Then on Wednesday the Prime Minister reversed himself and ordered a full inquiry under the leadership of the Deputy Prime Minister to grant Mr. Johnson an opportunity to clear his name.

How can the Acting Prime Minister justify and explain the contradictory actions of the Government in the face of the Ben Johnson story? More important, will she now do the honourable and correct thing and suspend the lifetime suspension until this inquiry, under full process, has been given a chance to look into this matter, conduct hearings and make the appropriate recommendations? Does the Government not think that this would be the fair and judicious process with which to proceed in this very crucial matter?

Hon. Jean J. Charest (Minister of State (Youth)) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I think every Canadian sympathizes with the situation of Ben Johnson, certainly for being an athlete and a person who represented us well and who is now in some difficulty. We can sympathize with him.

I have no problem sharing in that sympathy. But what I have a great deal of difficulty with is the position of the Liberal Party that would apply sanctions to all athletes in Canada, according to the rules and policies we have had up until now, but in the case of one athlete, in particular, for political reasons would take a different position. I think it is dishonest. It is inconsistent. It is not compatible with the truth and our approach as a Government, but it is typical of the Liberal Party of Canada.

Mr. Marchi: Mr. Speaker, what I have difficulty with is being a Canadian and being embarrassed and appalled in watching the Prime Minister shift gears and shift positions on this one issue of a champion, a Canadian citizen, in front of the international community, depending on where he thinks public opinion is going to be. That is what I have difficulty with.

CONDUCT OF PROPOSED INQUIRY

Mr. Sergio Marchi (York West): I return to the Acting Prime Minister. Given the fact that the Prime Minister has asked the Deputy Prime Minister to head this inquiry rather than the current Minister of Fitness and Amateur Sport, and given that that obviously signals a loss of confidence, why does the Minister and the Government, rather than simply shifting another important dossier on to the Deputy Prime Minister, not replace the existing Minister of Fitness and Amateur Sport with an individual who enjoys the confidence of the Government and Canadians?

Will the Government assure this House that that inquiry will be fully public, because it has not committed itself to that? And will it commence immediately following the completion of the Olympic Games this Sunday? Can the Minister give this House and Canadians that important assurance?

Hon. Jean J. Charest (Minister of State (Youth)) and Minister of State (Fitness and Amateur Sport)): Mr. Speaker, let me repeat the exact process. In the case of Mr. Johnson, as in the case of other athletes who are now competing in the Olympics, when a first test is positive, a whole detailed process comes into play for the B test, and that is exactly what happened in the case of Mr. Johnson. There is then a opportunity for Mr. Johnson and the Canadian Olympic Association to be heard and to present their arguments.

They had that opportunity. They were heard. The Medical Commission then reached a conclusion, transmitted that conclusion to the Executive Committee which then made a decision. That is the first decision. Once that happens, our policy since 1983—and the sanction changed in 1985-86—automatically kicks in. It automatically, in the case of Mr. Johnson, as in the case of all other athletes in Canada, applies.

Mr. Marchi: You had the option, Sir.

Mr. Charest: We applied the policy in a very consistent way as we have done for all other athletes in this country.

May I add in conclusion that, if there are any medals to be won in the category of political hypocrisy, the Liberal Party would win gold, silver, and bronze, and that is in the dope category.

* * *

[*Translation*]

DISASTERS

SAINT-BASILE-LE-GRAND TRAGEDY—GOVERNMENT COMPENSATION FOR VICTIMS—RESPECT FOR PROMISES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Minister who is today responsible for the Environment.

The day after the PCB disaster at Saint-Basile-le-Grand, I asked the Governement to share the cost of compensating the people affected by this disaster. The Government said yes, and subsequently, the Minister of Transport, speaking directly to the people in that area, said that the federal Government, and I quote: " . . . will match every dollar provided by Quebec."

My question is this: Why did the federal Goverment fail to keep its word?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, yesterday, the Minister of National Defence gave a detailed explanation of the agreement between the federal Government and the provinces concerning federal contributions in case of disasters. I could repeat those words, Mr. Speaker, but perhaps the Hon. Member would care to read the details in yesterday's *Hansard* at page 19,773.

• (1130)

PROMISE OF TRANSPORT MINISTER—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister did not answer the question directly. The Minister of Transport promised the people of the region that the federal Government intended to share (the cost) dollar for dollar with the Government of Quebec. That is the promise of the Minister of Transport. And now, this Minister (Miss MacDonald) repeated what the Minister of National Defence said yesterday; that is, we have another example of a promise broken by the Government. That is the case.

Miss MacDonald (Kingston and the Islands): No!

Mr. Broadbent: The Minister says no. But why did the Minister of Transport directly promise Quebecers that the federal Government intended to share (the cost) equally? Why?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, I made clear that the Minister of National Defence explained the formula in case of disasters yesterday and I ask the Hon. Member for Oshawa to read his words.

Mr. Broadbent: Mr. Speaker, I read his words and that is why I am asking this question. It is because the Minister of National Defence said one thing, but the Minister of Transport told Quebecers the opposite, for political reasons. I understand that very well.

* * *

[*English*]

AIR CANADA

TRANSPORTATION OF PCBS TO WALES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have another question concerning the Government's hypocrisy, to put it directly, on this matter.

A week ago we saw a couple of Ministers on television attacking Air Canada for transporting PCBs from Canada to Wales, fully consistent with federal regulations. If the Government is sincere and not just playing political games, instead of attacking Air Canada for acting on federal regulations, why does it not change those regulations?

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, I think it is very important to note that the Minister of Transport wrote to the President of Air Canada expressing the view of the Government of Canada. He said in his letter, and it has been made public, "I would like to receive your immediate assurance that Air Canada will not carry PCB waste or similar waste on aircraft carrying passengers". He made that very explicit to the President of Air Canada.

* * *

[*Translation*]

DISASTERS

SAINT-BASILE-LE-GRAND TRAGEDY—MINISTER OF TRANSPORT'S PROMISE TO COMPENSATE VICTIMS—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is for the acting Prime Minister. I want her to adjust her set because I want to read to her the words reported and heard on CKAC on August 26, 1988 at 7.45 p.m., on the program *Dimension*. These are the words of the Minister of Transport.

The message is very short. The message is very simple. It is simply to tell you that the Government of Canada intends to be involved and there are various programs. Ottawa will put in as much money as Quebec so that "we can deal with the situation in the best possible way." So said Benoît Bouchard.

Can the Minister explain to me what those words mean, in view of what the Minister of National Defence said yesterday?

[*English*]

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, I have already explained that the Minister of National Defence, who is responsible for this dossier, gave the details on this matter yesterday in the House of Commons. I want to assure the Hon. Member that certain conditions have to be met. The province must put in an official request for compensation and assistance. That is the process which must be followed.

[*Translation*]

SAINT-BASILE-LE-GRAND TRAGEDY—COMPENSATION FOR VICTIMS—GOVERNMENT POSITION

Hon. Jean Lapierre (Shefford): Mr. Speaker, I would like to get back to the Minister of Communications in her capacity of Acting Prime Minister. She heard the statement made by the Minister of Transport on August 26, which was clear and specific. Let's not confuse the issue! The fact is that the Minister of Transport promised a dollar for a dollar, not half, not one-quarter, not 25 cents, 35 cents or 50 cents, but a dollar for a dollar! I would like to ask the Minister whether the Minister of Transport's word is worth at least a dollar. If it is not, is the Minister of National Defence going to try to make us forget what the Minister of Transport said by contradicting the Minister of Transport and, in the process, make it clear to us and to the people of Saint-Basile-le-Grand that the Minister of Transport lied outright?

[*English*]

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, I have already explained that the Government of Canada will certainly meet its obligations in this regard in co-operation with the Government of the Province of Québec. Any request for assistance will come through that process, and will be honoured.

* * *

EXTERNAL AID

PERCENTAGE OF GROSS NATIONAL PRODUCT

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is also directed to the Acting Prime Minister and concerns a broken promise of the Conservative Party in 1984. Back then the Conservative Party, and I have the literature here with me, made a promise to "increase Canada's contribution to official development assistance to 0.7 per cent of GNP by 1990". In other words, it promised to increase our foreign aid budget to 0.7 per cent by 1990.

We have now heard from the Minister responsible that we will be hitting 0.5 per cent by 1990. Why has the Conservative Party broken its promise to the Canadian people? Why does the Government keep on breaking promises? How can we trust it and believe it when it is breaking promises like this?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, we know the hon. gentlemen opposite are feeling increasing tension as their time comes to a close.

Mr. Broadbent: Tell us about St. John's East again, John.

Mr. Crosbie: That is illustrated by the questions they are asking this morning. The fact is there are no promises unkept. The Government remains committed to the ODA target which is 0.50 per cent by 1991, and 0.60 per cent by 1995. We have confirmed that before. There has been significant growth in ODA. In 1987-88 over $2.6 billion was spent by the Government on ODA.

Will the Member listen to this or is he going to talk to his Leader, who is also very nervous? Over $2.6 billion was spent by the Government on ODA, an increase of about $100 million, or 4.1 per cent over the previous year, and a 23 per cent increase—that is a twenty-three per cent increase—over the $2.1 billion spent in 1984-85. Will the hon. gentleman now get up and apologize for what he said?

Mr. Nystrom: It is no wonder that, when the Rhinoceros Party looks at the Hon. Minister, it calls for "freedom of Screech" in Newfoundland.

GOVERNMENT POSITION

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the Minister of State for External Relations said recently that we will hit the target of 0.7 per cent by the year 2000. In light of that, can the Minister explain why the Conservative Party promised in 1984 that we would reach the target of 0.7 per cent by the year 1990? Why this ten-year delay? Why this breach of a promise? Why did the Minister break a promise made to the people of this country back in 1984?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, this was all explained in detail, I recall, by our fantastic Minister of Finance several years ago when he dealt with this matter.

ODA performance fell a little short of the target in 1987-88.

Mr. Broadbent: A little short?

Mr. Crosbie: The question is why. It was because our GDP expanded at a greater rate than anyone could have anticipated as a result of the efforts of the Minister of Finance. We have introduced other measures to improve the quality of ODA. There is an all-grant program. There is increased untying of bilateral aid. We have also entered into major ODA debt forgiveness for the sub-Sahara African countries. The Hon. Member should be on his feet congratulating the Government on how it has improved the quality of our aid.

* * *

• (1140)

EMPLOYMENT EQUITY

TABLING OF REPORT

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, my question is for the Acting Minister of Employment or the Acting Prime Minister.

In 1986 the Government rammed through Parliament a weak employment equity Bill which we said would not do the job for women, minorities, and the disabled because it contained no sanctions. Now, according to Section 6 of that Bill, all employers were to report progress to the Minister by June 1, 1988, and according to Section 9 the Minister was to report to Parliament as soon as possible after June 1 and not later than the end of this year.

It is now three months past the June 1 date and the Minister has not tabled the report. Will the Minister explain why the report has not been tabled, and when does she intend to table the said report?

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, I don't need to be reminded of how vigorously members of the Liberal Party have opposed employment equity. I remember very well how they opposed it when the Bill was going through the House.

I want to tell the Hon. Member, in case he has not realized it, that the work flowing from that legislation has brought

about employment equity in a great number of firms. The reports have come into the Department of Employment and Immigration and are being compiled at the present time.

That report will be made public as was stated at the time the Bill was going through the House.

REQUEST THAT REPORT BE TABLED IN OCTOBER

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, the Government is hiding this employment equity report because there has been no progress on employment equity, and there has been no progress on employment equity because there are no sanctions in the Bill as recommended by the Abella Commission, the target groups, and the Opposition.

Will the Government make a commitment to table this report before the end of October so that the people of Canada can make a judgment with respect to this program before any federal election? Will she do that and be fair with the Canadian people?

Hon. Flora MacDonald (Acting Prime Minister): Mr. Speaker, I have seen the benefits of employment equity. I want to assure the Member, who had looked at this when he was the employment critic, that 600,000 women who have come into the labour force, who have new jobs, are saying yes, indeed, employment equity is improving in this country. There are 600,000 more women at work today than there were in 1984, Mr. Speaker.

I want to assure the Hon. Member that if he would look at the number of companies that have contracts with the federal Government and which have already signed agreements to have employment equity as a condition of those contracts he would see how it is working.

* * *

PRIVATIZATION

AIR CANADA SHARE ISSUE—MARKETING AND ADVERTISING COSTS

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is for the Acting Minister of Privatization.

Can the Minister confirm that $7 million has been assigned for marketing and advertising of the Air Canada share issue? Can he explain why, since this would appear to contravene the regulations of the Ontario Securities Commission and other securities commissions?

Some Hon. Members: Hear, hear!

Hon. Michael Wilson (Minister of Finance): I thank the Hon. Members for their applause, Mr. Speaker.

Some Hon. Members: Oh, oh!

Mr. Wilson (Etobicoke Centre): I can confirm the figure to which the Hon. Member has referred.

Ms. Copps: The tax king of Canada.

Mr. Wilson (Etobicoke Centre): There is nothing contrary to the Securities Commission here. The expenses are made up with the normal things that you would expect in an issue, printing, share certificates, and advertising. I should comment that the advertising budget was somewhat greater than normal because we had, with Air Canada, asked the underwriters themselves to participate with us in broadening the market as much as we possibly could in this issue so that many Canadians could participate.

Ms. Copps: You were advertising pure and simple.

Mr. Wilson (Etobicoke Centre): The result of this was a broad advertising program with a marketing programming in which the underwriters themselves participated. The result is that we will probably have close to 100,000 Canadians who will be shareholders in this company.

Miss Nicholson (Trinity): Mr. Speaker, the brokers I talk to tell me if they hyped an issue like this, they would lose their licences.

MINISTER'S POSITION

Miss Aideen Nicholson (Trinity): Mr. Speaker, I have a supplementary question. Since the shares are priced to sell, the demand is strong, so would the Minister not agree that this $7 million was a frivolous and unnecessary expense?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think if the Hon. Member checks comparable size issues she would find that a great many fewer people participated in those issues, that there was much broader institutional participation and fewer average investors.

What we were striving for here was the broadest number of average investors we could get. I think the results of this issue speak for themselves. Close to 100,000 new investors in this company is an indication of a very successful issue and a very successful effort in exposing the issue to as many people as possible.

If I could add just one more thing, Mr. Speaker, I do a lot of travelling which I am sure is no surprise, and I talk to people from Air Canada. One of the real successes in the Air Canada issue is the broad number of employees from Air Canada—I think it is something like 70 per cent of employees—who have participated in this issue as well, which indicates their commitment to the company they work for, and it is certainly an indication of the success they expect Air Canada will have in the future as a company owned by individual shareholders.

Miss Nicholson (Trinity): Did you have to spend $7 million?

Oral Questions

CANADA MORTGAGE AND HOUSING CORPORATION

VACANT HOUSES IN KITCHENER

Mr. Neil Young (Beaches): Mr. Speaker, my question is for the Minister of Housing. As he is aware, Canada Mortgage and Housing owns some 80 townhouses in the city of Kitchener, Ontario, which have been sitting empty for about eight years because the housing was built on top of a garbage and landfill site and methane gas has been leaking into the houses.

I went to Kitchener a few weeks ago and took a look at the houses and the site. The Member for Kitchener said that he would "never in good conscience recommend to his child to move in there", and that in his opinion "the complex should be bulldozed".

Will the Minister agree that in the interests of public safety those houses should be bulldozed and the area cleaned up?

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I want to make it very clear that CMHC did not build these units. They were zoned by the municipality and permitted to be built back, I believe, in 1974-75. In 1976 it was found out that methane gas was seeping from an adjacent property. I do not believe the complex is built on top of the land site but is adjacent to it.

CMHC's position has always been that until the appropriate authorities signify what a safe level of methane gas is, it will not allow these properties to be occupied. CMHC is working with the provincial, municipal, and regional Governments to come to a decision on what the safe level might be. CMHC is also examining ways of taking methane gas away from the area. But I can tell the Hon. Member that no one will move into the units that CMHC owns until safe levels have been set. I do not think bulldozing at this time is the answer.

REQUEST THAT MINISTER VISIT SITE

Mr. Neil Young (Beaches): Mr. Speaker, I have a supplementary for the same Minister. The reason I went to see that site was to see for myself what kind of condition the site was in and also to talk to people in the surrounding area. I want to suggest to the Minister that the housing is actually built on top of a garbage dump and that is from where the methane gas is coming.

Let me suggest to the Minister that he himself should visit the site and take a look around it. If the Minister wants, I would be quite happy to go with him at that time.

Hon. John McDermid (Minister of State (International Trade) and Minister of State (Housing)): Mr. Speaker, I always enjoy the company of my hon. friend, whether we are flying back and forth to our ridings in Toronto.

This matter has been drawn to my attention by the Hon. Member for Kitchener and the Hon. Member for Waterloo (Mr. McLean).

I hope to get there in the not too distant future and look at that particular project. If I do, I will be more than happy to have the Hon. Member accompany me.

* * *

• (1150)

INDIAN AFFAIRS

BARRIERE LAKE INDIAN BAND—DEMONSTRATION ON PARLIAMENT HILL

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, my question is directed to the Acting Prime Minister. On Wednesday, 16 members of the Barriere Lake Algonquin Indian Band were arrested and their tents were dismantled and seized after they had set them up on Parliament Hill. This removal of the Barriere Lake Algonquins symbolizes what is happening in their home territory which is being threatened by clear-cut logging.

Why has the Prime Minister, or at least the Minister of Indian Affairs, not been willing to meet with these people to work out with them a plan by which together they could meet with the Quebec Government and ensure that their traditional way of life will not be destroyed?

Hon. Bernard Valcourt (Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, if the Hon. Member had done his homework and had looked at what we did, he would have realized that I met twice with the Chief and his representative in a period of two days, without notice. I have offered the Indian Band in question our full support in contacting the Government of Quebec, which the Hon. Member should understand has jurisdiction over the lands in question.

I have personally talked to my Quebec colleague, Minister Savoie, with regard to setting up a meeting with the Indians, and I am informed this morning by the Member of Parliament for the area involved that in fact they are on their way to Quebec to meet with the provincial Minister.

The issue has been handled. We have offered our support and we will do whatever we can to help the Barriere Lake Indian Band solve the problem.

REQUEST THAT TENTS SEIZED BY POLICE BE RELEASED

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, what the Minister of State has said was clearly not enough to satisfy the Barriere Lake Indians who felt themselves driven to the extreme measure of having to set up camp on Parliament Hill on Wednesday. These are desperate people.

I would ask the Minister if he would at least ensure that the tents are released so that the people can go fall hunting. Will the Government support their request for an eight-month

moratorium on all clear-cut logging in the area while another alternate environmental plan can be worked out? Will the Government commit itself to a political and a technical process with the Band and with the Quebec Government to ensure that their traditional way of life is not destroyed? Will the Government act as an advocate?

Hon. Bernard Valcourt (Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the Hon. Member points to a situation that did not begin in 1984. It is noteworthy that these people have had the problem for a long, long time, some 20 years, and no one had addressed it.

Mr. Manly: You have done nothing.

Mr. Valcourt: We have met with them.

The Hon. Member talks about interfering in the administration of justice. I understand that the police have taken action. The socialists, of course, would always intervene in police work. That is not my job to do. My job is to work with the Chief and with the people to help them get Quebec to discuss the issues they have raised. We have made that commitment and we intend to follow up on it.

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ENERGY

CANADIAN EXPLORATION AND DEVELOPMENT INCENTIVE PROGRAM

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Minister of Finance. The Government has had no trouble giving billions of dollars to the big oil companies, but today the Minister of Energy reduced the assistance to small and medium oil companies under the Canadian Exploration Development Incentive Program.

I know the Government considers small and medium oil and gas companies a nuisance even though most of them are Canadian, but to reduce funding at this time of low world oil prices will be extremely harmful. Why is the Government trying to put the small and medium oil companies out of business?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member has referred to an announcement made by the Minister of Energy, Mines and Resources this morning, and he says we decreased. In fact we increased. We increased the amount of assistance available from 16 and 2/3 per cent to 25 per cent in the Canadian Exploration and Development Incentive Program, CEDIP.

The Hon. Member has said that we view this part of the industry as a nuisance. I do not know where the Hon. Member has been over the last four years, but the policies of this Government in the energy field have been directed at bringing back that part of the industry that was destroyed, absolutely destroyed during the 1980-81-82 period.

I visited many parts of Alberta and talked to those people he is referring to as a nuisance. They may be a nuisance in the minds of the Liberal Party because that is how the previous Government treated that part of the oil and gas industry. It treated it as a nuisance, and sent so many of them south of the border during that time. That is how that industry was destroyed.

MINISTER'S POSITION

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the Minister of Finance better stop smoking that stuff, because he really knows that it is one-third now, and the small and medium oil and gas companies wanted to keep it at one-third. However, as of October 1 it is reduced from one-third to one-quarter.

The Minister was not short of funds for the big oil companies, but if he was short of funds, he could have reduced the total amount available from $10 million to $5 million instead of reducing the percentage. He is acting contrary to what the small and medium producers wanted.

The Government says it wants Canadianization but it is putting Canadian companies out of business. Why is the Government refusing to acknowledge the damage being done to small and medium oil companies by the OPEC-orchestrated low world oil prices?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member said we did not give the industry exactly what it wanted. I do not think we have given anyone in this country exactly what he or she wanted. That is the way the Liberal Government used to operate, throw the money around, make everybody happy.

Mr. Tobin: You have the face of a robber's horse.

Mr. Wilson (Etobicoke Centre): What we have done is looked at the proposal that this—

Mr. Tobin: Give us a break, Mike, sit down. Issue the writ, call the election.

Mr. Wilson (Etobicoke Centre): Clearly, the Hon. Member—

Mr. Tobin: You have more nerve than a toothache.

Mr. Wilson (Etobicoke Centre): Clearly the Member from Newfoundland is getting a little twitchy. His collar is probably getting a bit too tight because of the pressure he is under now. I know that when you are third in the polls, just bumping up against the libertarian party, it is tough.

Oral Questions

THE ECONOMY

GOVERNMENT EXPENDITURES

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Minister of Justice and relates to what he referred to in his previous answer. When his Leader was running for election in 1984 he promised that he would not be bribing us with our own money. That promise has been rehashed this week by the new Leader of the Opposition.

Does the Minister believe that the way money has been spent and thrown around in the last couple of weeks has been good for the Canadian economy and the Canadian taxpayers?

Mr. Broadbent: I want to record this one. Let's hear it.

Mr. Hnatyshyn: The socialist promises are pure hypocrisy.

Hon. Michael Wilson (Minister of Finance): My hon. friend has used a word which I think is very appropriate, hypocrisy. I think that when the Hon. Member looks at himself in the mirror, he will not be able to believe what he just heard come out of his lips. What we have demonstrated over the course of the last four years and what we propose to generate if we are re-elected—

Some Hon. Members: When.

Mr. Wilson (Etobicoke Centre): —after this next election—

Mr. Broadbent: When?

Mr. Wilson (Etobicoke Centre): Very soon, very soon. What we will see is a continuation of the fiscal responsibility that we have demonstrated very clearly over the last four years.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): We have brought down the deficit every year for three years running, the first time that has happened since the war. That is a commitment that we made to the Canadian people and it is a commitment we will continue to make to the Canadian people during the course of this campaign.

REGIONAL PROJECTS

Mr. Rod Murphy (Churchill): Mr. Speaker, my supplementary question is directed to the same Minister, and I believe it is a serious question. Canadians want their MPs to fight for projects in their provinces and their regions, but they want the Government to have some kind of sense of fiscal responsibility and fairness.

Some Hon. Members: Oh, oh!

• (1200)

Mr. Speaker: The Hon. Member for Churchill.

Mr. Murphy: The question is very straightforward. Why has this Government been a complete failure over the last four years in making sure there is an honest bidding system, and making sure that when the Prime Minister promises roads, airports, and services to remote parts of his riding, it is done for all of the remote areas of Canada?

Mr. Hnatyshyn: I see. That is fiscal responsibility.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I can't believe what I am hearing from this Hon. Member. He represents the Party that has called for an $11 billion annual—annual—child care program.

Mr. Broadbent: You're wrong again. That's your propaganda you believe.

Mr. Epp (Provencher): No, it's your proposal.

Mr. Wilson (Etobicoke Centre): It is the same Party, whose Leader, every time we brought forward any proposal to cut government spending, was the first one on his feet acting as self-righteous as he possibly can—

Mr. Broadbent: Wrong again! Wrong again!

Mr. Wilson (Etobicoke Centre): —saying the Conservatives shouldn't be cutting spending on this program, we shouldn't allow this type of change to be made.

Mr. Broadbent: Do you ever tell the truth over there? Try the truth for a change, Michael.

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AGRICULTURE

DROUGHT ASSISTANCE FOR FARMERS

Mr. Walter Van De Walle (Pembina): Mr. Speaker, my question is directed to the Minister of State for Grains and Oilseeds. The drought in many parts of Canada has reduced the production of grain and oilseeds. Is the Minister in a position to announce a program at this time? If so, would he share that with Members of the House and Canadians?

Hon. Charles Mayer (Minister of State (Grains and Oilseeds)): Mr. Speaker, I think it is well known that there have been some major production problems this year because of weather, heat, and lack of moisture. It will be a more difficult problem to address than we have had in the last couple of years. People are going to need more assistance than will be able to be provided by crop insurance.

We are in the process of consulting with producers and with the provincial Governments, Ontario and the other provinces, in order to devise a program that will target the assistance and see that it goes to the producers who have suffered the most as a result of lack of production.

We are well along in that process and hopefully we will have some announcements made as quickly as we can so that producers know there is assistance coming. That will be of some assistance to them in meeting their financial commitments this fall.

I should also say that we anticipate a very large payment under crop insurance, likely to be close to $1 billion. There will also be some payments available under the Western Grain Stabilization Fund for the western part of the country.

Mr. Broadbent: What is the total, Michael? What does it add up to?

Mr. Mayer: We are looking to do what we can for other areas, especially Ontario, that are affected by the lack of production this summer as well.

Mr. Speaker: This will be the last question. The Hon. Member for Hamilton East.

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HEALTH

HEMOPHILIACS WITH AIDS VIRUS

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. Six weeks ago the Minister met with the Canadian Hemophilia Society with respect to its proposal for a compensation package to assist the 1,000 Canadian hemophiliacs who tested positive for the AIDS virus. Given that we are expecting an election call very shortly, probably within the next few minutes or the next hour—

Some Hon. Members: Oh, oh!

Ms. Copps: —I would like to ask the Minister if he could—

Some Hon. Members: Oh, oh!

Mr. Turner (Ottawa-Carleton): You're two days late.

Mr. Speaker: The Hon. Member.

Ms. Copps: Thank you, Mr. Speaker. I would like to ask the Minister whether he will commit today in the House before the dissolution to a compensation package for hemophiliacs who have contracted the AIDS virus as a result of deficient government blood supplies.

Mr. Tobin: It is a serious question. It needs a serious answer.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, with respect to the preamble of the Hon. Member, if she knows something about leaving ships and stories about people leaving ships, of course she will have to address that.

I met with the Hemophiliac Society on August 15. We have had discussions. That was not the first. It gave us a proposal but I am not going to be making an announcement today or in the immediate days ahead.

Mr. Speaker: A short supplementary. The Hon. Member for Hamilton East.

BLOOD SUPPLY—COMPENSATION QUERY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, what I think we have here is a national tragedy. We have a national tragedy where 50 per cent of patients with hemophilia have received the AIDs virus as a result of tainted blood supply which was under the direction of the Government. I do not expect the Minister to announce a dollar figure today in the House. I do expect him to endorse the principle of compensation for the 50 per cent of hemophiliac victims who are currently facing an uncertain future because they have contracted the AIDS virus. Will the Minister commit today to the principle of compensation for those hemophiliac victims?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, what should be mentioned to the House and to those I have met with, with respect to the Hemophiliac Society—the first point that has to be made, I think, is that some of the statements the Hon. Member makes are probably made for political rhetoric rather than for health reasons.

Mr. Tobin: Come on, Jake!

Ms. Copps: Sit down!

Mr. Epp (Provencher): I mean that, because when the Member talks about trying to tie in government with irresponsibility, that has simply not been the case. This has been an international situation. Blood products up to the fall of 1985 were not heat treated and that was not only a Canadian situation, that was as the AIDS issue developed. This Government then insisted that all product be heat treated. Even today, within medical circles there is a question of whether we should go from one method of heat treatment to another.

Second, blood products coming into Canada, or Canadian products, are under the control of the Canadian Blood Committee which is a committee of federal and provincial members—

Ms. Copps: Under your direction.

Mr. Epp (Provencher): —appointed by both provincial and federal Governments. So this Government took action as early or earlier than other countries.

With respect to the principle of compensation, as was my first answer today, I cannot give a commitment as this time.

Vacancy

VACANCY

CARIBOO—CHILCOTIN—LORNE GREENAWAY, BY RESIGNATION

Mr. Speaker: I have the honour to inform the House that I have received a communication notifying me that a vacancy has occurred in the representation, namely, Lorne Greenaway, Esquire, Member for the electoral district of Cariboo—Chilcotin, by resignation.

Accordingly, I have addressed my warrant to the Chief Electoral Officer for the issue of a new writ of election for the said electoral district.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

PROTECTION OF NATURAL RESOURCES ON RESERVES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I have a significant and important petition to submit. The signatures have been collected and presented by 230 students, young Canadians, who attend Lisgar Collegiate Institute. Perhaps it is the first time they have become involved in the political process. They are concerned about an issue which they would like to bring to your attention, Mr. Speaker.

The Algonquin Indians of La Verendrye Park who were demonstrating before the Centre Block a few days ago have put forward an issue which requires your attention, namely, the right to protect natural resources on the reserves and the land which they occupy and have occupied for centuries from the devastation caused by the lumber industry and by hunters who take away from them the natural resources on which their livelihood depends.

• (1210)

The petition is duly prepared and certified and is submitted for your consideration.

LABELLING OF FOOD INGREDIENTS

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I have the honour to present 7,000 signatures to add to the 20,000 signatures which have already been put forward petitioning the Government on the issue of food labelling, given that many restaurants do not provide a complete list of ingredients in take-out foods.

I would like to present these with a special tribute to Christian and Betty Lou Taylor. Christian Taylor died as a result of eating fast food from a particular restaurant. His mother has been carrying on this battle. For Mrs. Taylor and all the other Canadians who support ingredient labelling, I table this petition.

SUGGESTED INDIAN ACT AMENDMENT

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, since this may be the last day we are here for a while, I want to present three petitions on behalf of the Hon. Member for Vancouver East (Ms. Mitchell). They deal with a request from a number of British Columbians to amend the Indian Act to end all discrimination based upon sex and to ensure that past discrimination against women can be steadily and fairly rectified by reinstatement of the status and band membership which aboriginal women would have enjoyed if not for this discrimination.

The petition goes on to detail other things they are asking for but I am sure that you, Mr. Speaker, can take a very close look at them after we finish this part of our proceedings. I wish to table these petitions on the Member's behalf.

SOUTH MORESBY PARK—HYDROCARBON EXPLORATION

Mr. Jim Manly (Cowichan—Malahat—The Islands): Mr. Speaker, I have a duly authorized petition here from a number of Canadian citizens concerned about the fact that on the very day the Government signed the South Moresby Park Agreement it also committed itself to spending $20 million or more to explore for hydrocarbons in the South Moresby Marine Park.

The petitioners point out that the Queen Charlottes region has higher earthquake activity than the San Andreas Fault and that Hecate waters are among the roughest and most unpredictable waters in the world.

Therefore, they point out that they do not want any more hydrocarbon exploration activities to take place in our coastal waters and neither do they want the Government to pay for any such activities.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, somebody said: "Here's 'old one-a-day' again". We have done more than one on many days. Our record is around 90 per cent, much better than that of the previous Government.

I think I will have a lot of answers on Monday, but today I ask that all remaining questions be allowed to stand.

Mr. Deputy Speaker: Shall all questions be allowed to stand?

Some Hon. Members: Agreed.

BUSINESS OF THE HOUSE

Mr. Lewis: Mr. Speaker, I rise on a point of order. There have been discussions among the Parties. I think you would find unanimous consent to proceed with Bill S-21 at this time.

Mr. Deputy Speaker: Is there unanimous consent to proceed with Bill S-21?

Some Hon. Members: Agreed.

Mr. Lewis: Mr. Speaker, I think you would find unanimous consent for this Bill to proceed through all stages at this time. If the motion were to read to send it to a Committee of the Whole House, we could proceed through all stages.

Mr. Deputy Speaker: Is there unanimous consent that the Bill proceed through all stages at this time?

Some Hon. Members: Agreed.

Mr. Vankoughnet: Mr. Speaker, at the request of the Hon. Member for Mount Royal (Mrs. Finestone) who will be absent from the House today, I suggest that I be made the sponsor of Bill S-21, an Act to revive Grenville Aggregate Specialties Limited of Madoc, Ontario, and to provide for its continuance under the Canada Business Corporations Act. Accordingly, I request, with the leave of this House, that my name be substituted for the name of the Hon. Member in the records of the House as sponsor of said Bill.

I seek unanimous consent of the House to proceed through all stages of Bill C-21 now.

Mr. Deputy Speaker: Members have heard the request of the Hon. Member. Is that agreed?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

GRENVILLE AGGREGATE SPECIALTIES LIMITED

Mr. Bill Vankoughnet (Hastings—Frontenac—Lennox and Addington) moved that Bill kS-21, an Act to revive Grenville Aggregate Specialties Limited and to provide for its continuance under the Canada Business Corporations Act, be read the second time and, by unanimous consent, referred to Committee of the Whole.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I had thought the Member would give some explanation of why we have agreed to pass this Bill. I think a short history would have been appropriate.

Bill S-21 apparently began in the Senate where it was sponsored by Senator Romeo Leblanc. It proceeded through all stages there in fairly short order. I do not intend to prolong debate here, but I think it is important that people understand that this is a Bill to revive a company which was incorporated in 1964 but failed to file its annual summary with the Secretary of State for three years and, therefore, following notice in *The Canada Gazette* in 1967 the company was dissolved in 1968.

Since then, however, it has apparently acted as though the company was never dissolved. Its directors continued business activities without knowledge of the company's dissolution. The company is now being sold. In order for the company to be sold it must be revived. The Canada Business Corporations Act does not provide for such revival. Therefore, a special Act of Parliament is required and that is why Bill S-21 is before us. It is no more complicated than that.

I may have a couple of questions at report stage, but I think this is a straightforward revival of a company, something we have been doing here for many years in cases where directors, lawyers, or whoever was acting on behalf of a company forgot to file the required papers with the Secretary of State annually.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

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

The Chairman: Order. House in Committee of the Whole on Bill S-21, an Act to revive Grenville Aggregate Specialties Limited and to provide for its continuance under the Canada Business Corporations Act.

Clause 1 agreed to.

On Clause 2—*Rights preserved*

Mr. Gauthier: Mr. Chairman, Clause 2 presents a concern to me. The concern which I have to put to the House arises from the wording in the Bill, that is, that the revival of this company will not prejudice the rights of any third parties which were acquired during the period of dissolution. I think that is a legitimate concern which should be answered in the House.

Is the Bill drafted in such a way as to protect those people who dealt with the company while it was not actively recognized as such? My concern is, of course, for any third parties that may have been acting with the company not knowing that it had been dissolved. Could there be a prejudice to the third party? If that concern can be answered in the positive, I would be satisfied.

Mr. Vankoughnet: Mr. Chairman, it is my understanding that the Bill has been drafted in such a way as to take this

matter into consideration. Anything that has taken place will be taken care of in this circumstance.

Clauses 2 to 4 inclusive agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the Bill be read the third time? By leave, now?

Some Hon. Members: Agreed.

• (1220)

Mr. Vankoughnet moved that Bill C-21, an Act to revive Grenville Aggregate Specialties Limited and to provide for its continuance under the Canada Business Corporations Act, be read the third time and passed.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I want to say a few words at third reading of this Bill. The Hon. Member for Mount Royal (Mrs. Finestone) was originally to pilot the Bill through its stages in the House. I want to thank her for the work she has done for this group, Grenville Aggregate Specialties Limited.

During the committee stage I rose to ask what I believe was an important question. I understand that we have assurances now that there will be no prejudice to third parties. I just read a letter dated September 23, which was signed by the Hon. Member for Mount Royal. It was addressed to Mr. Fred Seller, and the Hon. Member asked about third parties.

The answer came to her on September 26. I will quote the letter from Drache Rattenberg, barristers and solicitors, so that we understand that indeed these third parties will be protected. The letter is signed by Mr. Fred Seller. He states:

> It is my understanding that you are in possession of the draft Minutes from the Hearing before the Senate Standing Committee on Legal and Constitutional Affairs. I have enclosed herewith a copy of the final edited version which makes reference only to affidavits relating to the publications of notices.
>
> However, if you desire an Affidavit I will have the principal shareholder of Grenville Aggregate Specialties Limited swear an Affidavit accordingly.

I think that satisfies my request. Therefore, I conclude my remarks by saying to the House that these Bills occasionally come before the House of Commons. They meet with certain requirements of the law.

Some time ago I believed that we could do without this process by having another forum look at these companies which fail to file the proper documents with the Secretary of State. I hoped that the Department of Consumer and Corporate Affairs would find a solution that would avoid the House of Commons and the Senate doing what we are doing today, passing a Private Members' Bill that revives a company which failed to report according to the law.

However, I believe there could be a solution by Consumer and Corporate Affairs if we address that properly. In the next Parliament I hope to have a chance to present appropriate legislation.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed to, Bill read the third time and passed.

* * *

BANK ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Hockin that Bill C-140, an Act to amend the Bank Act, be read the second time and referred to a legislative committee.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

Motion agrees to, Bill read the second time and referred to a legislative committee.

* * *

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

The House resumed from Thursday, September 29, consideration of Bill C-152, an Act to establish the Canadian Heritage Languages Institute, as reported (with amendments) from a legislative committee; and the amendments of Mr. Marchi:

Motion No. 5

That Bill C-152 be amended in Clause 27 by striking out line 16 at page 9 and substituting the following therefor:

"third anniversary of the coming into force".

Motion No. 6

That Bill C-152 be amended in Clause 27 by striking out line 24 at page 9 and substituting the following therefor:

"before each House of Parliament and referred to such committee of the House, of the Senate, or of both Houses of Parliament as may be designated or established for the purpose, within the".

Mr. Ernie Epp (Thunder Bay—Nipigon): Mr. Speaker, the Hon. Minister responsible for housing asked whether I had come back to Ottawa to say no to the Government's Bill on service charges. If he will give a few moments of attention he will know perfectly well that I came back for a bit more than that. I came back for report stage on the Heritage Languages Institute Bill and whatever action may occur on it.

I come back with anything but good cheer on this particular Bill. Other colleagues have already pointed out the kind of treatment the Bill received in the legislative committee last week. It was outrageous treatment. One would have expected preparation for hearings, albeit limited hearings I am sure, for the testimony from persons in Canada who have a great concern about heritage languages, persons who have been involved in advancing the study of heritage languages, persons who are concerned about the organization of classes in their communities, in the various regions of Canada. I had fully expected that the establishment of a heritage languages institute in the City of Edmonton, with the responsibility to advance the study of heritage languages across the country, would have required some attention in the legislative committee to determine how the existing activities in the various regions of the country would relate and integrate with the programs that will be established by this institute. Of course, on this Friday afternoon, on September 30, it is a most doubtful question whether it will even be established, given all the speculation about an election.

The refusal of any such hearings in the legislative committee was a denial of all the conventions of the House and the parliamentary principles on which the Parliament of Canada is founded. During the last months of its mandate and the very rapid action on multiculturalism in certain areas, the Government is claiming that it understands the situation in this country and is concerned about advancing multiculturalism. At the same time it is prepared to reject the fundamental principles of the parliamentary system. That is a complete contradiction to all of its claims.

When Conservatives were members of the Opposition, they were well equipped to argue for the liberties of Parliament and assert the rights of the Opposition. For them to behave this way when they are in government is an abomination to the people of Canada. How can they make any claim to respecting the various cultures in this country and their traditions when those traditions we have derived from the Mother of Parliaments, including the principles of careful and deliberate consideration of legislation in this House and the legislative committees, were denied by government Members in the legislative committee?

• (1230)

The Taylors and the Turners who did the job on members of the Opposition in the legislative committee, who insisted that there be no hearing of witnesses at all, who pressed ahead and insisted that amendments to the Bill should be considered immediately, and who insisted that within hours the work should be done on the Bill in order to send it to the House, have no sense of what the Parliament of Canada is about.

I have attacked the Government once already in terms of the abuse of power. When it dealt with the multiculturalism Bill last spring, it suddenly cut off the process of hearings, put forward a limited list of witnesses to be considered, in the absence of opposition Members insisted on dealing with the amendments to this bill that have been put forward, and voted them down seriatim, one after another, in the legislative committee.

That abusive power is one that I have attacked from coast to coast in Canada. There are mailings to representatives of multicultural organizations and of the multicultural press. We have in this particular Bill even greater abominations, in the refusal of any kind of consideration of the testimony that could be provided by persons. This suggests a dreadful beginning for the Canadian Heritage Languages Institute when or if it is brought into existence.

If we establish this institute based on a request for a National Heritage Languages Institute in western Canada, to be based in Edmonton, it will be given a national mandate, as the Bill proposes to do. However, there is a refusal to talk with people who have been involved in the advancement of heritage languages anywhere in the country, as much in Edmonton and Winnipeg as in Toronto and Québec City. When there is this sort of refusal to consider what is going on, obviously there is no respect for traditions or for parliamentary conventions and no regard for the regional realities of Canada. What one has is the most shameless sort of playing of politics with a matter that is of enormous importance.

These comments have to be put on the record. One can only regret that at this late point in this Parliament, early on Friday afternoon of September 30, even government Members are hardly here to hear what a couple of their colleagues have chosen to do, presumably on the marching orders of the Deputy Prime Minister (Mr. Mazankowski) or whoever is in charge of these abominations coming out of this Government these days.

To focus particularly on Motions Nos. 5 and 6 which we are considering this afternoon near the end of debate at report stage, we have two amendments by the Hon. Member for York West (Mr. Marchi), both of which I would want to support in my specific comments.

The first is an amendment which would propose that the operations of this Bill become active and take effect, and that the operations of the new Canadian Heritage Languages Institute be considered not at the fourth anniversary but at the third anniversary of its operation.

Clearly, from what I have said about our inability to have proper parliamentary consideration of how effectively this institute is begun, it becomes all the more imperative to have an early review of that institute. We all know that Parliaments tend to run in about four-year cycles. We all know that if this Bill actually takes effect, it is all too likely that the fourth anniversary review would coincide very closely with the next federal general election. That makes it all the more imperative that the review to be carried out be undertaken after three years rather than four.

I think government Members could recognize the value, for the good government of Canada, of having the operations of this Canadian Heritage Languages Institute reviewed after three years, so that there might be a possibility in the next Parliament for reconsidering what we are doing in such a hurried, hasty, and unconsidered way in the late days of this particular Parliament.

As far as Motion No. 6 is concerned, we have a proposal for the report of the institute to be presented, not simply to Parliament but to the Standing Committee on Multiculturalism for consideration. That seems to be a very useful amendment to the Bill.

We have not seen in the first three and three-quarter years of this Government very much of value in the area of multiculturalism. We had wasted days and wasted opportunities time after time. Practically the only useful thing this Government did in the first three and three-quarter years of its mandate in the area of multiculturalism was to move in this House for the establishment of the Standing Committee on Multiculturalism, which was done at the end of June, 1985.

The standing committee has begun to do useful work. I suppose all Members would agree. Obviously I have a certain self-interest in asserting that as one of the ongoing Members, the New Democratic representative on it. I leave to others agreement on the value of the committee, but I would point Members to the report issued by the committee last year, at the end of June, 1987, as one indication of the hard work members of the committee have done. More of our recommendations have been taken up in the last weeks, really, than we had expected in the spring when the multiculturalism Bill came before the House without any provision for institutional changes. Suddenly the Government has decided in these last weeks to establish a full-fledged Minister and Department of Multiculturalism and Citizenship, as it happens. That shows that the Government has far more acceptance of the work of the standing committee than we had been led earlier to expect the committee would have the satisfaction of seeing.

Given this evidence of the work of one more standing committee of this House, in this particular instance, I think the case for a review by the standing committee of the work of the Canadian Heritage Languages Institute on an annual basis is a good one. It does not really take very much argument to say that they are in the standing committee where so much of the detailed work in practically every area of this House is done by Members who develop expertise, have a real concern, and work together across partisan lines. Certainly that was true in our committee.

Although the Hon. Member for Grey—Simcoe (Mr. Mitges) with whom I spoke earlier this day is not in his seat at the moment, he deserves commendation for the generally non-partisan way in which the committee operated, pressing multiculturalism and the achievement of the practices of government to ensure that the old policy statement and our Canadian commitment to it became a reality. That work in the committee is the best basis for making the argument for committee consideration of the annual reports which the Canadian Heritage Languages Institute would provide.

I speak very firmly in support of these two amendments in a positive sense, after my strong and very critical and really bitter attack on the treatment given members of the legislative committee. Opposition members particularly received bad treatment from those government members who chose to abuse the liberties of Parliament, who chose to violate the conventions of the House and ride roughshod not just over parliamentarians but over everyone in the country involved with heritage languages who deserve the right to comment on and to criticize the Bill in order to ensure that what we do here this day, this week, next week, or whenever it is concluded, is properly done.

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, we can certainly feel in the air that things are running down, but I would like to take the opportunity to make a few comments about the proposed amendments, specifically perhaps a little about the Bill in general.

It is time for the Government of Canada to support a Canadian Heritage Languages Institute. One of the hidden strengths of the country is the capacity of Canadians as a global group to speak almost every language spoken in the world today. Our immigration policies over time have brought to Canada, as landed immigrants and citizens, people from all four corners of this globe and from every nation of the world.

• (1240)

If we do not act and put public resources into the retention of those languages, we will lose the advantages that we have in terms of world trade, our influence on world peace, and our influence for a better environment on a global basis. We get some of that influence because of our heritage, our heritage languages, and the capacity of Canadians to speak with everybody on the globe. It is in the context of a better environment, a better future for people around the world, our capacity to help reduce poverty around the world, and of our capacity as a nation to contribute to the peace process around the world

and to participate in the notion of economic development that the richness of our cultural diversity and our heritage languages becomes a priority item, at least for this Government.

I heard people on the other side complaining about the Government taking so long to come forward with a number of initiatives, including the naming of a Minister. One of the first initiatives of the Government was to set up consultation processes. Whether we were talking about the changes in tax policy or the multicultural policy, the Government said, in the interests of national unity and in the interests of getting the legislation correct and making sure that it would function, it must set in place processes that provide better consultation.

It is a pipe dream for anyone to think that the moment they are elected to this Chamber somehow or another the necessary expertise to deal with all the subjects that affect Canadians falls out of the sky. Hopefully, the electorate of this country choose men and women to come to this Chamber who have some broad base of experience, a lot of common sense, and a capacity to ask good questions and listen to the answers. In the final analysis it is our job to referee disputes and produce legislation that will help us as a nation to progress. At the heart of our capacity to produce good legislation lies the notion of our capacity to consult. Consultation takes time. If one is sincere in an attempt to consult, then one has to acknowledge that there must be the passage of time spent to listen, time spent to dialogue, and time spent to reach conclusions. All of that has to be done in the context of priorities.

When this Government came into office in 1984, the nation was looking bankruptcy in the eye. We had runaway borrowing. The Government of Canada was borrowing an amount that was equivalent to more than 90 per cent of the savings of Canadians. There was no money left for Canadians to borrow to buy a car, a home, or other things without going to the international market, reducing the value of our dollar, and increasing interest rates. Our standard of living was falling like a rocket. The Government came into office with many commitments. However, the priority was to straighten out the economic situation in order that there would be jobs for Canadians to enable them to participate fully in society.

I stand here four years later with certain knowledge that there are approximately 1,300,000 more Canadians with jobs today than there were in September, 1984. It is a record of achievement. It had to be dealt with first. We could not have a Canadian heritage language institute, or the budget money for that very important initiative, or the Bill before us today, if we continued on the path that the previous Government had taken us on.

Bankruptcy produces a situation where none of the good or positive things can be done. Bankruptcy would have eroded our health care system and our unemployment insurance system. Bankruptcy would have eroded our colleges, universities, and all our social programs. We make no apology for commencing our four year term of office with those initiatives required to restore the country to economic health, to provide jobs for Canadians and ultimately taxes for the public purse, to reduce the deficit, and put us on a path that would lead to the health that we are enjoying today.

I wish to deal with the amendments for one moment and urge my colleagues to defeat the amendments. Motion No. 5 seeks to take a four-year period and reduce it to three for the Minister to comment on the success of an institute. I believe that four years might even be a little short. Certainly, to make public evaluation comments after three years in the life span of a new institute with a mandate of this type is simply too soon.

Motion No. 6 has some detail on where the reports of the institute should be referred. The Standing Orders take care of that situation. Therefore, Motion No. 6 is not necessary, and probably it is not a good idea.

I urge my colleagues in the Chamber to approve the Bill, but to reject the two proposed amendments before us at this time.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The first question is on Motion No. 5 standing in the name of the Hon. Member for York West (Mr. Marchi). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

And more than five Members having risen.

Mr. Deputy Speaker: The recorded division will be deferred.

The next question is on Motion No. 6 standing in the name of the Hon. Member for York West (Mr. Marchi). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it.

Point of Order

And more than five Members having risen.

Mr. Deputy Speaker: The recorded division will be deferred.

Normally at this time the House would proceed to the taking of the deferred divisions at the report stage of Bill C-152. However, pursuant to the provisions of Standing Order 13(5) the recorded divisions will stand deferred until six o'clock on Monday, October 3.

Hon. Doug Lewis (Minister of State and Minister of State (Treasury Board)): Mr. Speaker, we had hoped to be able to deal with the divisions and third reading today. However, I understand the position of the Official Opposition, and, therefore we will have to wait until Monday.

There have been discussions among the Parties, Mr. Speaker, and I think you would find that there would be consent to suspend the sitting until 2 p.m., and at the conclusion of Private Members' Business, which will commence at 2 p.m., to further suspend the sitting to the call of the Chair until later for the purpose of Royal Assent, and any other business unanimously agreed upon among the Parties.

[*Translation*]

Mr. Gauthier: Mr. Speaker, we agreed to the Government's request for the simple reason that there is a bill dealing with unemployment insurance that we consider to be very important and would like to see given royal assent. Otherwise we would have said no, because the Government has failed to give us satisfaction on many issues and is constantly wasting the time of the House. However, to make it easier for the unemployed to receive their benefits, we agree.

• (1250)

[*English*]

Mr. Nystrom: Mr. Speaker, I want to give our consent to the procedure outlined by the Minister. The reason, of course, is that we want to see the unemployment insurance Bill receive Royal Assent now just in case something may happen later today or tomorrow.

Mr. Marchi: Mr. Speaker, as official critic for the Liberal Party, I would like to say that notwithstanding the Government's action *vis-à-vis* the legislative committee on Bill C-152, we would have been prepared to see that Bill through report stage and third reading provided the Government co-operated and agreed to the very few amendments proposed by this side of the House.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, since it is 12.55 p.m. and we are going to adjourn until two o'clock, would the Minister be prepared to discuss Bill C-79, the amendments to the Canada Elections Act? As you know, the Legislative Committee has already been formed. I was appointed Chairman of the Committee by the Chair, and I would be willing to sit if I were sent the election reform Bill. Could we start considering the Bill today? Or would the Minister consider putting it on the agenda next week, at the House Leaders' meeting?

[*English*]

Mr. Lewis: No.

* * *

POINT OF ORDER

TRIBUTE TO RETIRING MEMBERS

Mr. David Daubney (Ottawa West): Mr. Speaker, this morning when I made my statement pursuant to Standing Order 21, I neglected to include the name of a Member who announced yesterday his intention not to run in the next election, namely the Hon. Member for Hull—Aylmer (Mr. Isabelle). I would like to add his name to the list and wish him well in retirement.

Some Hon. Members: Hear, hear!

SITTING SUSPENDED

Mr. Deputy Speaker: Is it the wish of the House to suspend the sitting?

Some Hon. Members: Agreed.

At 12.53 p.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 2 p.m.

PRIVATE MEMBERS' BUSINESS--BILLS

[*English*]

CREDIT CARD INTEREST RATE ACT

MEASURE TO ENACT

Mr. Reginald Stackhouse (Scarborough West) moved that Bill C-266, an Act to provide for the limitation of interest rates and fees in relation to credit card accounts, be read the second time and referred to a legislative committee.

He said: This Bill intends to impose a financial law of gravity: what goes up should come down. The intention of the Bill is to regulate interest charges on credit cards issued by financial institutions, petroleum companies and retail stores. It will impose a floating rate limit so that interest charges may increase when the cost of money rises and be required to fall when the cost of money declines.

The reason for the Bill is straightforward. If the companies' costs go up, so do the customers'. If the companies' costs fall, so do the customers'.

In the case of financial institutions, the limit will be 6.5 per cent above the Bank of Canada rate averaged over the previous month, if the bank, trust company or credit union charges user fees and entry and renewal fees. The limit will be 8.5 per cent above the bank rate averaged over the previous month if no fees are charged at all. The limit will be 9.5 per cent above the average bank rate in the case of petroleum companies and 11.5 per cent in the case of retail stores.

To illustrate, if this Bill were law, credit card charges would have been limited, during the month of September, by the bank rate averaged through August. That average rate was 9.73 per cent. The requirements of this Bill would thus mean important savings for Visa and MasterCard users and dramatic savings for users of petroleum cards and retail store charge cards. Petroleum companies would have been limited to 18.28 per cent instead of 24 per cent. Retail stores would have been limited to 20.8 per cent instead of 28.8 per cent. The Bill will also prevent card issuers from getting even by increasing user, entry and renewal fees. So much for summing up the intent of the Bill.

Let me raise a question for the House. Why should Parliament want to impose this kind of limit? I would like to attempt an answer which is partly philosophical and partly historical.

First, let us face the argument that Parliament should stay out of the market-place, that this Bill represents an unwarranted intrusion. I know that there are probably certain officials in Ottawa who are having apoplexy on this Friday afternoon at the thought of this Bill. It might be a good argument if the users of the argument really meant it, but they do not unless it suits their convenience. They support the theory of free enterprise but often they advocate the opposite.

Where is this free market that they like to talk about? It certainly is not found in Ottawa on Thursday afternoon at 2 p.m., for at that time, the Bank of Canada, owned by the Government of Canada, enters the market-place to control the price of money, to control the interest rate that will be charged to banks and through them to the whole country.

The Governor of the Bank of Canada does not have the slightest inhibition about telling the business community what it can expect from him and what it can expect from him is certainly not a free market-place. That is an important point for all who think that Conservatism and an unbridled free market are one and the same. Obviously they are not. The left-wing critics of Conservatism like to see it that way and so do its radical champions, but the philosophy of Conservatism has stood for something else, and it can be summed up in this way: it is the belief that no power should be unlimited, that each power should be checked and balanced by another.

Conservatives, therefore, want private enterprise instead of state enterprise having a monopoly because they do not want the state to combine economic monopoly with political monopoly. However, private enterprise also must be checked and balanced. Its power has to be limited too.

This Bill is based on the principle that the state has a right to check and balance the power of corporations. When large corporations are not fair to their consumers, the state has a right to require that they become fair.

In the United States, the top 25 firms in the country control 50 per cent of the credit business. It could well be worse in Canada, and this means that only one power in those two countries is strong enough to defend the people. In our case, it is the power of Parliament, so I bring to the floor of the House of Commons this afternoon this Bill.

Let us take another example of how the state has the right to be active in this arena and is active in it. Our statutes include a penalty for usury. It is not always realized, but they do. They define usury in the most extraordinary way. Usury is defined as interest rates that are 60 per cent or higher. The rate is so fantastic, so ludicrous, that the financial institutions do not worry about it. I suggest that they should worry about it, and all their lobbyists should be arguing against this definition of usury because it means that Parliament has accepted the principle that Parliament has the right to impose a limit on interest rates. If we do not have that right, then how can Parliament be entitled to limit interest rates to 60 per cent or to any per cent? We could choose 60 per cent, 6 per cent or 160 per cent. Once we do so, we are expressing the same principle that Parliament, in the name of the people, has the right to do that.

Bill C-266 is therefore not a radical imposition of state power where the state should not intrude. It is just the opposite. It is an application of the principle that is found in our existing law.

So much for philosophy. Let us turn briefly to history. History shows that issuers of credit cards have been very quick over the years to raise rates but have been equally reluctant to lower them. Let me give a few examples from retail stores. In the 1970s, the major retail chains throughout Canada imposed charge card rates that rose steadily from 18 per cent in 1971 to 23.4 per cent in 1980, and this was because of the rising cost of money. Then they catapulted to 28.8 per cent in 1981. That was because the bank rate soared that year to 18.3 per cent. Note this carefully: the spread between those two rates was 10.5 per cent. That is a full point less than the spread that would be imposed by Bill C-266, so it is a very moderate Bill.

• (1410)

A reasonable person might expect that stores, given the situation, would have cut their charge card rates when the bank rate fell so dramatically in the mid 1980s. You would expect that, but they have not come down a fraction of a point. The Bay, Home Hardware, Canadian Tire, Eaton's, Sears, Simpson's and Zellers are still charging 28.8 per cent. Woodwards charges 26.4 per cent.

Some of the lobbyists justify this by claiming their customers pay less than Visa or MasterCard users since the stores do not charge any interest for a certain period, often 30 days after

the purchase. Let us acknowledge that, whether it is 30 days or 21 days, but let us also see that it is only part of the truth. A customer may pay less if he pays in full in a few months, but if the bill goes on longer than three months, he will find himself paying more than if he used Visa or MasterCard.

Tough on him, you say, that is his fault, he should have paid up. Perhaps that is right, and it is tough, tough, tough on a Toronto man who wrote me and showed me how a debt he had incurred when he was working had doubled in the two years he was unemployed and could not keep up with the credit card charges.

I ask the House to take this seriously, to see this as a human problem, and to recognize that we have an opportunity and an obligation. Let us come back to the point that is so important for us to recognize. If the major store chain of this country can make profits in 1981 with a rate that was 10 per cent above the bank rate, why in August 1988 did they have to levy a charge 19 points above the bank rate in that month? Perhaps part of the answer is given here. I quote from *The Globe and Mail* of May 7, 1988. The news item is headed: "Card operations get the credit at Canadian Tire". It is a report by Karen Howlett.

> Profit at Canadian Tire Corp. Ltd. was up a whopping 27 per cent in the first quarter of this year. But most of the gains did not come from selling lawnmowers, hammers and spark plugs—they came from the company's credit card operation.
>
> Over-all, profit has been growing faster than sales at the Toronto based retailer. In its core merchandising division, however, profit gains have lagged behind sales increases.

Further on in the report we read:

> For the first time last year, the division passed the $1 billion mark in credit sales for its own and other credit cards, Mr. Groussman told shareholders. Canadian Tire's total sales, by comparison, were $2.5 billion.
>
> The credit division recorded a 29 per cent profit gain, far surpassing its revenue increase of 13 per cent.

Is it not clear, Mr. Speaker, that people who are using these charge cards of our major stores are paying more than reason and fairness should allow? Some Members may say that is true but they still do not want to pass a Bill like this. They may argue that in view of past successes by Parliament, the way to deal with this issue is to focus on it the spotlight of a House of Commons debate, such as the debate this afternoon, and committee inquiries such as we have had with some success. That method produced results with credit cards in 1987 and bank service charges in 1988. They were not the great results anyone in the House could have wished but, notwithstanding, they were results.

Why not rely on that method now? The reason, I submit, is simple. The public surely has the right to a guarantee that it will not be gouged. It cannot take that guarantee for granted in this country given the past and current practices of credit issuing institutions. Through the 1980s the bank rate has been up and down and up again and surely will be down again, but the store charge cards seem now written in stone.

Albert Einstein said that everything in this universe is relative, but he forgot about these charge cards. They are absolute. The rate on these cards cannot be changed no matter what else changes in the 20th century? So there is only one absolute left, the rate on these store charge cards, unless Parliament is ready to help the people. I ask in this debate that the House give the consumer a break and pass Bill C-266. Send it to committee. If there is quibbling about some feature of it, let the committee improve it. That is what a committee is for. It could be the Committee of the Whole this afternoon. That would be great. This Bill could be refined, of course. It is a human document, but let us pass it.

The financial institutions will not like it, but the people of Canada will. The retail chains will denounce us, but the people will cheer us. The lobbyists will show fury unbounded, but the people will see that this House of Commons is what its name suggests, it is the House of the people.

Since this just might possibly be the last hour of this Parliament, may I thank you, Mr. Speaker, and all the other speakers, for presiding over our debates with such fairness and grace. I want to say thank you, through you, Mr. Speaker, to all fellow members of this House for the opportunity to live and work with them all. I have enjoyed the company of all Members of all Parties so much, I am going to do my best to get back here.

Some Hon. Members: Hear, hear!

Mr. Les Benjamin (Regina West): Mr. Speaker, I appreciate this opportunity to speak on Bill C-266. I want to begin by congratulating the Hon. Member for Scarborough West (Mr. Stackhouse) for bringing forward a matter about which all of us from all sides of the House feel strongly. As a result of the Member's efforts and the efforts of members of the standing committee, it is obvious that something must be done about the fees and charges and interest rates on credit cards by a variety of interests.

I am sorry that my hon. friend is acquiescent enough to be satisfied that this Bill be referred to a legislative committee. I want to tell him that he would have the support of my Party and it is very possible the support of the Official Opposition for unanimous consent to deal with this Bill in all stages between now and three o'clock.

I want to refer to a story in the Bible, and I do this with some trepidation in light of the past of my good friend from Scarborough West. He knows better than I the story about Jesus driving the money changers out of the temple. That was at least 2,000 years ago and they have been sneaking in the back door ever since. They have done this in a manner which flies in the face of every Christian ethic and principle.

My hon. friend mentioned a person who was unemployed, could not pay his debt and ended up paying double. Those who would make a profit from the misfortunes of others are basically immoral. That kind of immorality flies in the face of principles and ethics not only of the Christian religion but

every other religion I can think of. It is not a case of objecting to someone making a profit. Everyone agrees that for your efforts and your investments you are entitled to a reasonable profit after you have paid your taxes. That is not a problem.

• (1420)

My hon. friend mentioned usury, and he is right on. That used to be a hanging offence. Centuries ago it was an offence for which you could be drawn and quartered. I do not think my hon. friend's Bill goes far enough. I do not think they should be entitled to 9.5 per cent to 11.5 per cent above the prime rate. That is far too generous. However, at least the Bill places a limit on what they can do.

My hon. friend is perfectly right that when interest rates went up it was amazing how fast interest rates on credit cards and other fees and charges went up. They went up almost daily, certainly weekly. When interest rates started coming down, it took a month or more before the interest rates on these credit cards started to come down. Sometimes it took two or three months.

As an innocent stubble-jumping prairie boy, an average Canadian, I do not like being taken for a sucker. I am not going to be a party to what Barnum said, that there's a sucker born every minute. If I owe money, due to actions of my own, I will pay it no matter how long it takes and I do not object to paying a reasonable interest charge on it. However, the kind of stuff that Canadians are forced to put up with nowadays is more than usury, it is criminal. I cannot remember if there was ever a charge laid under the usury provisions of the Criminal Code. There might have been a hundred years ago. It is a criminal offence, even though they never get charged.

The bank rate is approximately 11 per cent today, yet the petroleum companies, Canadian Tire, Eaton, and The Bay charge 28 per cent. That is a 17 per cent mark-up. If that is not usurious, I do not know the definition of the word. The fees of bank cards like Visa and MasterCard are smaller than that.

I remember when an organization in Toronto started up a card called Cashex. There were a couple of thousands retailers in Toronto and area which agreed to give a 5 per cent discount when you had this card and paid cash because that is what it cost the retailers when it accepted a credit card. The credit company not only charges that interest rate, but charges the retailers 5 per cent.

I am sorry that Cashex did not survive. I quite often go into a store and say: "Here is my MasterCard, or I will give you cash if you knock off 5 per cent". Once in a while they do it.

I am certain that there is all-Party agreement on this very limited Bill of my hon. friend. The Senate is sitting this afternoon and it can deal with it in five minutes. Therefore, I not only give my support to the Bill but would like to close my remarks by asking for unanimous consent that we deal with second reading, report stage, and third reading between now and three o'clock this day.

Mr. Deputy Speaker: The House has heard the proposal made by the Hon. Member for Regina West (Mr. Benjamin) that the Bill go to Committee of the Whole. Is there unanimous consent to that effect?

Some Hon. Members: No.

Mr. Deputy Speaker: There is not unanimous consent.

Mr. George Baker (Gander—Twillingate): Mr. Speaker, it is very unfortunate that government Members would not give unanimous consent. Perhaps the Bill could be voted on prior to three o'clock if government Members do not speak to it. That is the other way in which the Bill can pass the House. I will confine my remarks to only a couple of minutes.

I will speak to the principle of the Bill which involves interest rates and fees on moneys owed by Canadians. I want to put on the record the most outrageous interest rates and fees charged to Canadians.

I am sure every Member of Parliament has recently received letters from people saying such things as: "I owed $2,000 two years ago but now owe $5,000". That is all because of interest and fees. Imagine owing twice as much over a two-year period as you actually owed in the beginning. That is incredible. The person or institution to whom the money is owed then places a third party lien on the business from which the person collects his money, commonly referred to as a garnishee of wages or a third party lien.

The Prime Minister (Mr. Mulroney) was at the United Nations yesterday announcing a further forgiveness of debt owed to Canada by Third World nations. I am certainly not objecting to that, but it seems ironic that while we are being generous to our less fortunate neighbours, we are persecuting our less fortunate citizens in this country.

This morning a gentleman phoned me and told me that four years ago he owed $4,326.47. A month ago that $4,326.47 had become $22,562.94. Do you know who had put on those interest rates and fees, Mr. Speaker? It was the Government of Canada through National Revenue. There is your biggest violator. The highest interest rates and fees in the world are charged by the Department of National Revenue, the Government of Canada, the politicians.

• (1430)

His account from National Revenue came to $18,182.33 on a debt of $4,326.47. There is a line for law costs, which amounts to $51.70. I do not know what that is. I wish there was a lawyer one could hire for $51.70, but I am sure there is not. From a debt of $4,000 four years ago on a bankruptcy of a small company, this gentleman now owes over five times that amount.

This gentleman, like thousands of other Canadian families, has a gross income every two weeks of $699.56. The deductions from that include pension of $30, union fees of $16, income tax of $121, Canada Pension of $12, unemployment

insurance of $17, for a net income of $489.56 for two weeks. What did the Government of Canada do? That great Government, made up of politicians who are supposed to represent the people, garnisheed his wages. It left him with $239.56 every two weeks for that gentleman, his wife, a mortgage, three children in school and two in university. Today he is looking at a cheque for $239.56 for a two-week period, all because he was charged interest and penalties of four times the amount he owed. It happened to be the Government of Canada.

The Department of National Revenue simply goes in and begins attaching. The amount it attaches depends on the attachment of wages Act of the province in which the person is living. Unfortunately, this person happens to live in a province where the attachment level leaves one with about $120 in the pay cheque.

The attachment of wages Act is another Bill made by politicians who are representing the people of each province. They decide to allow the courts to attach wages down to that amount. The federal Government of the country then decides to pass a law saying that interest rates and penalty fees charged by the Government of Canada to individuals can be as high as to cause a debt of $4,000 to become $22,562.94 after four years.

This family and thousands of other Canadian families are being driven into Third World poverty by the Government. I say to the Prime Minister (Mr. Mulroney) and other politicians that when they talk about forgiving debts, charity begins at home. There are thousands of Canadian families who are suffering because of the actions of the Government.

Mr. Benjamin: Justice begins at home.

Mr. Baker: The hon. gentleman says that justice begins at home. That could be the subject of another long address.

Hopefully the election will be called today and there will be a new Liberal Government in power so that in two months we will sweep all of these high interest rates and charges by the Government of Canada into the ash can of history.

Mr. J. R. Ellis (Prince Edward—Hastings): Mr. Speaker, first I would ask that someone check the sky carefully. I know there is a full moon, but there must be at least two to have that kind of rhetoric this late in the day.

I agreed to speak on this Bill in the name of my good friend, the Hon. Member for Scarborough West (Mr. Stackhouse), because I want to perform a bit of subterfuge on the House. I know the Speaker will have a deaf ear on this side for at least a minute and a half.

I came into the House some 16 years ago next month. This will be the last chance I will have to speak here. In fact, as my good friend from Newfoundland said, this is very likely the last half hour of this Parliament.

I want to take some time to say a special thank you to my electors, my staff, my colleagues—both pre and post TV—the Chair and all the people who sit in it, the Table and all the staff who work with the Table, the administration staff of the House of Commons with whom I have had a particularly close relationship, the committees and their staff and the pages particularly. I took part in the initial page program. To my left there are some fellows who are grown up pages now. We appreciate the help they give us as well.

I want to comment on the Bill put forward by my friend from Scarborough West and comment particularly on a superb speech he made just recently in support of this Bill. I want to recognize the Hon. Member's contribution to the public discussion of credit cards and interest charges thereon.

In the next election his electors should know that he is largely responsible for the recent Government investigation into this issue, especially those by the House of Commons Committee on Finance and Economic Affairs. I am sure that many Canadian consumers are now more aware of the interest costs associated with credit cards because of the public debate that he initiated.

In introducing Bill C-226, a Bill to limit credit card interest rates, in September last year, there can be no doubt that my colleague was attempting to protect the interests of credit card users. However, the Government believes that the Bill does not quite do what it would like to see done.

As a result of the Government's investigation of credit card interest charges, everyone's understanding of such interest charges has increased. Initial public concern regarding credit card interest charges focused upon the apparently high interest rates of credit cards as compared to the interest rates on consumer loans and mortgages.

However, the standing committee found that the issue is considerably more complicated than it first appeared. I think the Member would be the first to agree that that is the case. Indeed, the first five of the seven recommendations in that committee's 1987 report concerned measures intended to enable consumers to understand credit card interest charges.

• (1440)

A number of the committee's recommendations for measures to facilitate consumer understanding of credit card interest charges concern matters of overlapping federal-provincial jurisdiction. Accordingly, the Minister of Consumer and Corporate Affairs (Mr. Andre) initiated joint federal-provincial activity on the issue, and this has resulted in publication of a joint federal-provincial discussion paper.

This discussion paper shows that because the interest rate is only one of the factors involved in the calculation of credit card interest charges, the credit card interest rate is not a reliable indicator of the interest charges associated with its use. The discussion paper uses an example to show that a credit card with a relatively high interest rate can sometimes involve much lower interest charges than a card with a much

lower interest rate. This clearly represents a very confusing situation for consumers.

The discussion paper outlines a number of alternative approaches which can be used by Government to help consumers make informed comparisons of the interest charges from competing credit cards. The objective of the current federal-provincial activity on credit card interest charges is to promote consumers' ability to make informed decisions on a competitive card market.

The Government has demonstrated its intention to proceed as quickly as possible to institute measures regarding credit card interest charges, which will be of great benefit to Canadians.

The House of Commons Standing Committee on Finance and Economic Affairs tabled its report on March of 1987. In June of that year, federal-provincial activity in the area of credit card charges began.

In December of that year, the Minister of Consumer and Corporate Affairs made an announcement concerning the Government of Canada's approach to the issue and, in accordance with a committee recommendation, released the first of regular consumer information materials on this issue.

The federal-provincial discussion paper was released in April of 1988. Even now, government officials are presumably preparing to report on consultations with the private sector concerning the policy options outlined in the discussion paper.

My good friend, the Hon. Member for Scarborough West, will know that not infrequently members of Government who have a particularly good reason for bringing forward a Private Member's Bill and who do a tremendous amount of work on it do not necessarily get their Bill through. I stood in this House about three years ago with a recommendation and had it talked down by my colleagues. I felt some considerable hurt at that time, because I felt then, as I do now, that the intent of the Bill was absolutely essential. In my zeal to have my Bill put through, I was quite discouraged when my colleagues talked it out. I am happy to say that the essence of my Bill is now in place. I will not talk out this Bill this afternoon. We are in the dying minutes of a Parliament that, with all things considered, has been very productive.

I think, when he comes back, as most assuredly he will, that he will be able to follow on with his quest for fairness for consumers in this particularly difficult area, and I am confident that despite the technocrats, as he made the point in his speech, he will eventually be successful. I want to go on record as wishing him every success, both in his election and in his work in this House in the future.

Thank you very much, Mr. Speaker, for giving me these few minutes to say again that when I came into this House the first day as a very young Member, the House was full to capacity. As I stand here today, there are very few of us here, but at least I have had a chance in the dying minutes to go on record and say how much I have appreciated being here. Thank you.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I am sure you will allow me to extend cordial greetings to my good friend, the Hon. Member for Prince Edward—Hastings (Mr. Ellis).

[*English*]

As you know, Mr. Speaker, for the last four years I had the honour every Wednesday of the year, almost, to chair the Members' Services Committee. We sat every Wednesday afternoon very peacefully, but very energetically. It was one of my great pleasures to be Chairman of that permanent committee of the House of Commons.

I must explain for those who are listening that, by tradition, this committee is usually chaired by a senior member of the Official Opposition. One of my pleasures, as I was saying, in being the Chairman of that committee was to have on the committee the Hon. Member for Prince Edward—Hastings (Mr. Ellis), who was the Vice-Chairman. I would rather call him by his name, as we always do. I must say that he sat on that committee before I became Chairman. Therefore, I was very privileged to be well informed by him as to the tradition of that committee.

There is a long series of great Members, and he may correct me if I miss some. I do not know how you say it in English. The *le regretté*. Mr. Duquet from Quebec was a member of that committee. That committee was chaired mainly by the Member from Nova Scotia, Bob Coates, and before him by Mr. Angus MacLean, who became Premier of Prince Edward Island. I have the honour, as I said, to chair that committee. I could not have done so without the immense co-operation of the Vice-Chairman.

I must say today that I always regret when I see an old colleague, a friend of mine, leaving the House, whatever Party he may belong to. I see with great sadness the departure of Dr. Pauline Jewett. I had the honour to sit with her as a Liberal Member when I came into the House of Commons in 1964, and I regret very much her departure. I sat with her on the committee of foreign affairs, national defence, and with Mr. Manly, who I had less chance to know.

There are so many colleagues of other Parties. I think of Dr. Isabelle right behind me, who is not going to run again. He is a long serving Member. There are so many other Members. There is Mrs. Killens. If I start, I will have to get the list of those who are not running. I hear that there are around 40 to 50 Members of Parliament who are not going to run again. I regret their departure. Every one of them, in their own way and in their own capacity has served very well.

I would also like to say that this is a good Bill. That is why I stood up to speak today. The time has come to provide for the limitation of interest rates and fees in relation to credit card accounts. I certainly pay homage to my colleague, who introduced the Bill, Mr. Stackhouse from Scarborough West.

If the electors of Saint-Denis can endure me for one more time, I hope that by next Parliament we will call each other by our names and not by our districts, or at least leave it to our choice. I would rather say, "my hon. friend, Mr. Stackhouse", than "the Hon. Member for Scarborough West or East". The time has come to look into that in the next Parliament, to be able to call each other by our own name and not by a seat.

The Hon. Member has been highly devoted in the House and has put this Bill forward with great passion, because he strongly believes in it. I passionately believe in it, too. There are so many views that are taking place that I would like to add *en passant*, at this late hour, on a Friday when everybody seems to be somewhere else—I do not know where our colleagues are, but I see that Mr. Benjamin and Mr. Stackhouse and Mr. Ellis are here, and our friend from north Canada. I do not know where the others are. It seems that there is something going on that I am unaware of. Are you aware of something, my friend, Mr. Daubney?

Mr. Daubney: No, we are paid to do the business of Canada.

Mr. Prud'homme: The House is sitting, so we are here, in case we are not back next week. I regret I did not have a chance to sit as Chairman of the legislative committee on Bill C-79, an Act to revise the electoral Act. I am the Chairman, and I am the Chairman of a committee that does not sit, so it is very frustrating.

• (1450)

I have been waiting for one year to do my duty. I would like to give my support to this Bill. As a matter of fact, if there is unanimous consent why should we speak on this Bill today? By unanimous consent we should accept this Bill at this time. I will put forward a motion to accept the Bill at this stage.

Mr. Benjamin: In all stages.

Mr. Prud'homme: Seconded by the Hon. Member for Regina West (Mr. Benjamin) or Scarborough West (Mr. Stackhouse), I am sure, since it is his Bill. I propose to the House that the Bill be accepted, if there is unanimous consent. I do not hear any nays. We could at least accept the Bill at this stage and go immediately to the next stage and see how far we could go.

I am willing to move that this Bill we are now studying be accepted at this stage of the procedure. If it was the wish of the House to accept it at this time, I would rise again at the next stage and probably make the same proposal. I propose that we do not speak too long and accept the Bill.

Mr. Deputy Speaker: There is not unanimous consent. We will resume debate.

Mr. Benjamin: Who said no?

Mr. Prud'homme: Is there unanimous consent?

Mr. Benjamin: I didn't hear a word.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, I asked whether there was unanimous consent. I hear and I see that the House is silent. Unless someone says no, I believe the House is . . .

[*English*]

Mr. Benjamin: Shaking of heads does not count.

Mr. Deputy Speaker: The Chair heard one Member say no.

Mr. Benjamin: I saw one Member shaking his head and we heard a rattle, but that is not no.

Mr. Deputy Speaker: Resuming debate with the Hon. Member for Western Arctic.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I would like to congratulate the Hon. Member for Scarborough West (Mr. Stackhouse) for bringing forward Bill C-266. The subject matter certainly requires debate. It also requires the attention of the public and this House to be focused on a most important matter. During the course of the entire thirty-third Parliament this subject has been kept before us by the Hon. Member for Scarborough West. During that time he has struck the fear of God into the hearts of credit card users throughout Canada.

Most of us have a credit card because they are so useful and convenient. Most of us have at least one in our pockets, especially those people who, like ourselves, travel around quite a bit and do not want to carry a lot of cash. They are extremely convenient and one of the things of the modern age with which we are familiar. Apart from being an advantage to the user of the card, they can also be extremely profitable to the issuer thereof. Certain examples of exactly how profitable have been given this afternoon. For example, some retail stores make more money out of the credit card side of the business than out of actual sales. Credit card issuers make money in a variety of ways. Merchants who take those cards are obliged to pay 2 per cent, 5 per cent, and I have even heard as much as 10 per cent as a commission given by the merchant to the issuer of the credit card. In that case, it would not be an in-house credit card. There are also various user fees attached, whether it be a start-up fee, or 15 cents per item that is charged. The big money maker is the interest rates charged which range all the way from the high to the extortionate.

I have one complaint against credit card companies when it comes to the calculation of the interest payable. I am one of those people who like to make a little profit out of the credit card companies, if I can. I like to pay all my bills on time within a few days of the end of the period. That way perhaps I can have some free money for a couple of weeks. Occasionally, if I have been travelling around and do not manage to make that payment on the due date, then interest is charged not from the due date until the time that the bill is paid, but going back to the date of the initial purchase. I guess it serves me right because sometimes I make money out of the credit card company, but it does not seem entirely fair.

Occasionally there are pretty high pressure sales tactics used, particularly by in-house issuers or certain retail stores. Some pretty high powered tactics are used to get people to accept their credit cards and use them. Often those retail stores have the highest rates of interest attached to the use of their cards. This afternoon we have heard examples of rates as high as 28.8 per cent.

I would like to say a few words about the Bill presented to us in response to this real problem. We have a proposed legislative solution. We are going to legislate ceilings that credit card companies can charge. It will be done on a sliding scale which gets away from some of the difficulties that happen when a maximum interest rate is imposed, and for that reason it is good. If a legislated solution of this nature can be avoided, I think that that would be the preferable way to go.

Mr. Benjamin: We tried that and it did not work. You are dreaming.

Mr. Nickerson: In the final analysis, if I accept a credit card and use it, that is a freely entered into contract between myself and some other person. If at all possible the state should not intervene in those contracts that are made on a voluntary basis.

Another reason is that where Governments in the past have imposed maximum interest rates it has resulted in non-economic allocation of resources and, in the long run, brought about things that were undesirable. An example that immediately jumps to mind is the question of the Savings and Loans in the United States that are going through a difficult period and causing a lot of problems.

Mr. Benjamin: Mr. Speaker, I rise on a point of order. I wonder if I could prevail upon my colleague, the Hon. Member for Western Arctic (Mr. Nickerson) to sit down, let us at least deal with second reading of this Bill, and quit trying to talk out the Bill of his own colleague.

Mr. Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 36(2) the order is dropped to the bottom of the list of the order of precedence on the Order Paper.

SITTING SUSPENDED

[*Translation*]

Mr. Deputy Speaker: Pursuant to order adopted earlier today, the sitting is suspended until the call of the Chair.

At 3 p.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 4.23 p.m.

The Deputy Chairman: Pursuant to order adopted earlier today, the sitting . . .

MESSAGE FROM THE SENATE

The Deputy Chairman: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-158.

Mr. Prud'homme: On a point of order.

Mr. Deputy Speaker: The Hon. Member for Saint-Denis (Mr. Prud'homme), on a point of order.

Mr. Prud'homme: Mr. Speaker, so that we may have a clear picture of the proceedings, would you be so kind as to repeat what you said initially and then dropped because it seemed inappropriate? Could you repeat "pursuant to the order adopted earlier" . . . ? I would like to hear the end of this "pursuant . . . ", what we agreed to this morning.

Mr. Deputy Speaker: Pursuant to the order approved unanimously by the House, we are back for the message from the Senate.

Mr. Prud'homme: Today?

Mr. Deputy Speaker: Yes, today. The sitting of the House was suspended, but now we are back.

I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-158, an Act to amend the Unemployment Insurance Act, 1971, without amendment.

I also have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-147, an Act to establish the International Centre for Human Rights and Democratic Development, with amendments.

GOVERNMENT ORDERS

[*Translation*]

INTERNATIONAL CENTRE FOR HUMAN RIGHTS AND DEMOCRATIC DEVELOPMENT ACT

MEASURE TO ENACT

With unanimous consent, the House proceeded to consideration of amendments by the Senate to Bill C-147, the International Centre for Human Rights and Democratic Development Act.

Hon. Doug Lewis (for the Secretary of State for External Affairs) moved that the amendments by the Senate to Bill C-147, an Act to establish the International Centre for Human Rights and Democratic Development, be now read the second time and concurred in.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt this motion? Debate. The Hon. Member for Ottawa—Vanier (Mr. Gauthier).

Human Rights

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I am aware of a number of changes the Senate has proposed to amend Bill C-147.

I wonder whether the Government could explain to the House the scope of these amendments and perhaps give us an opportunity to consider and discuss this important issue here in the House. Bill C-147, as you know, is a proposal we support and that, we believe, represents a reasonable position, but we would like some details on the process and perhaps a little more information on the amendment proposed by the Senate.

[*English*]

Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, as Members will know, the Bill in the form originally passed by the House referred in Clause 4 to the International Bill of Human Rights and certain things flowed from that. The amendments to Clause 4 make it more clear so that the average Canadian could look at the Bill and understand what it is intended to do. It is really the addition of some words such as "democratic human rights" in that clause which make it more clear. They were already in the Bill passed by the House in statutory form but in reference to the human rights Bill. Now they are in the clause itself for ease of reading and understanding.

The amendment to Clause 28 is designed to make sure that Parliament has the legal authority in the future to vote funds for the purposes specified in Clause 4. In particular, if Members look at Clause 4(b) where it says "support programs and activities for the benefit of countries other than developing countries", there was a sense in the Senate that the statutory authority to vote the funds existed only for developing countries. The insertion of that clause is to make sure that we are able to vote funds not only for developing countries but for non-developing countries.

In effect, the amendments are there for clarity as well as making sure we have the legal authority to vote funds in future to make sure the endeavour is a success. The Government is very pleased to be able to support these amendments and if Members have other questions, I am sure the House would give unanimous consent for me to rise again and give the answers if I can.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I studied the Bill very carefully. I am sorry to say that we passed such an important Bill with incredible haste. I know that my colleague from Notre-Dame-de-Grâces—Lachine East (Mr. Allmand) intended to take part in the consideration of this Bill, just as I did. We were both coming from Montreal to the House and unanimous consent had quickly been given when we arrived. The Bill had even passed third reading when we were to speak in the afternoon and the Bill was adopted.

I am sorry to get on the nerves of the majority by talking this afternoon. I have no intention to filibuster, but this Bill is very important to me.

I took part with the Right Hon. Pierre Elliott Trudeau in setting up the Institute for Peace and Security in 1984. That Bill was like this one. But I must tell the Speaker of the House that when we studied that Bill in 1984, we went through all the stages in the House. We sent the Bill to a Parliamentary Committee which I had the honour to chair for months. We studied that Bill and heard 52 witnesses. I know that the Minister is very annoyed, but what I do not understand is why always . . . As a Member of Parliament, I hope that in the future, if I have the honour to be re-elected, we will learn that very important bills should be presented in good time so that we Members can not only really discuss them but also call the people from across Canada who have a tremendous interest in that legislation. This is not just any Bill. It is a Bill to create an international centre for human rights and democratic development.

We passed it with incredible haste and today, people say to me, "I would have liked to testify. I had concrete suggestions to make. How come you did not proceed as you did with the Bill to create the Institute for Peace and Security?"

This Bill was voted on in such haste, so quickly that even today, the Government in the last minute is accepting an amendment made by the Senate. I do not intend to defend the Senate, but once again, it may do some good for the Senate to know that a Member of the Lower House can talk eloquently, I hope, about it. But the Senate, after looking at the Bill and scrutinizing it, came to the conclusion that it was quite unacceptable. If you want a good Bill, amendments will have to be made.

Today we are given a quick explanation of the amendments that were just accepted by the Senate. They relate to the purpose of the Bill, Mr. Speaker. We know very well that the purpose of a Bill almost always has legal effect and the whole purpose of this Bill was changed.

The Hon. Parliamentary Secretary gave us explanations. I would not want to make myself too unpopular this afternoon by questioning every line of that Senate amendment, but what the Senate has just proposed to us is much more than that and the Government has accepted it, because it wants to have this Bill. They blindly accepted what the majority in the Senate wanted. They accepted it. That proves that the Senate, which has a constitutional duty . . . I am not defending the Senate, but I do defend its constitutional right to go through bills, which we often pass with incredible speed here, with a fine-toothed comb. And the Senate, after giving it careful consideration, decided to change the purpose of the Bill completely. And despite what we were just told, clause 28 that was just amended is not meant to allow the Government to vote additional money for countries which are not less developed.

• (1630)

[*English*]

No way. That is Bill C-147, Clause 28. I just had a few minutes to listen to the debate in the Senate, but that is not at all what we were sent here. It is not to allow Parliament to vote supplementary credit. It is to allow the institute to derive its money from aid programs. It allows the institute to go outside of Parliament to bring in new moneys.

Let me give a concrete example, Mr. Speaker. If the institute were to initiate a study and what have you in a country that is not the object of assistance, it will allow the institute to bring money out to study what may happen, let us say, in Poland. If it wants to give some support to the question of studying Solidarity, this would not be possible under the objectives of the Bill. It will now be acceptable according to Clause 28.

I like to co-operate. I look at people on the other side who are looking at me in anger. I regret that people will be angry at me for raising this, but in matters pertaining to foreign affairs, national defence and international development, I have always had a great deal of interest. I have not always been lucky enough to get the nomination I should have had to be the critic or otherwise—this will be a long story some day—so when these matters are put before the House, it is the only occasion I have to put my views.

This is a good Bill as amended. Therefore, I thank the Senate for having at least at the last minute, on the last day maybe, scrutinized the Bill. The Senators would have come up with a totally different Bill if they had had more time, a Bill that would have made sense, one that people would understand and that people all across Canada would be happy to have and be part of. We have to agree that the Bill as presented was not that perfect if at the last minute the Government has accepted a major amendment to Clause 28. I have not read the Bill today, but I have listened to what happened a few minutes ago in the Senate.

I would have liked the Minister in charge to explain to me word by word what it means. It means a hell of a lot more than what people envisaged. I was listening to an Hon. Senator who is not a Liberal. I was there to listen to a remarkable man, Senator Ottenheimer from Waterford—Trinity. He is a Conservative from Newfoundland. He is an extraordinary, bright, articulate Senator. I was listening attentively to what he was saying just an hour ago in the other Chamber, so I cannot be accused of quoting Liberals. He asked about the definition we may have in this country on democracy.

I look at my colleagues. At least some are interested. I thank the Hon. Member for Kootenay East—Revelstoke (Mr. Graham) for his interest. I look at what they mean by pluralistic. It is the ultimate in arrogance to believe that our kind of system is the kind that applies to every country in the world. There are countries just emerging from the British Empire, the French Empire, the German Empire, et cetera. These are ex-colonies that are now new democracies in their own way. I will stand here and defend their right to be different from mine. True democracy does not necessarily mean for all the world to follow our kind of system and government. In some countries it may be a one-Party system where they have a lot of elections. Or it may be our kind. Of course we may by having a real democracy in Canada show by example, but we must not be arrogant and tell others that what we do they do. That was the meaning of some of the wording we found in the Bill.

I regret that at the very last minute I have to get up and speak like this without a file. My staff are like the majority of Members, they think there is an election on and everybody has left. It is too bad that we do not have a Minister here, perhaps the Secretary of State (Mr. Bouchard) or the Minister for External Relations (Mrs. Landry). I know everyone is busy preparing for an election. We hear it may not come but it is our duty to know what the hell we are talking about. I am trying to follow the French translation to make sure I do not speak too quickly. If I could only leave you with a thought, Mr. Speaker.

[*Translation*]

. . . a comment. I do not understand how, in our Western style democracies, we who want to give the rest of the world an example, I do not understand why every time, whether it be the Liberals, the Conservatives, the New Democrats in the Western provinces where they have held power, the PQ or Mr. Bourassa's Government in Quebec, there is always this tendency, when Members are exhausted, at the end of their rope, and something may be about to happen, tremendously important bills like the one on child care are brought forward. Child care is important, Mr. Speaker. The Senate is still discussing it and I am told that the Senate is probably going to sit tomorrow, as an exception, to study child care because they might in the last minute accept a Bill on which there is not even agreement. But frankly, for future generations of parliamentarians, for the generations to come of those who believe in the British Parliamentary system . . .

[*English*]

I say that in French for those who believe in our parliamentary system which originates from the British parliamentary system. I am not afraid to say that in French. The British parliamentary system is one of the best systems *sous lequel nous opérons*—under which we operate, I think it is in English—in the world. We must take care of the good merchandise as they say. I do not understand why government always comes at the last minute with things and is unable to arrange an agenda, but I leave that to those in the future to decide. I would have liked to have this Bill because I have received so many representations from non-governmental organizations and human rights groups. They would have liked to have appeared as witnesses. It is sad that they were not able to. It is sad that these people could not come forward and make suggestions because now we are stuck with this Bill for years to come. To have to wait three years or five years to find

out if we have made a mistake or not is sad, because this institute could do a lot to help people understand our kind of democracy.

• (1640)

Everyone is unkind to the Senate. I would like to say a word on the constitutional right of the Senate, if it is only to make the Hon. Minister a little more impatient. The virtue of politics is patience. I know the Minister wants the Bill passed and wants to have Royal Assent, but for me, each minute counts. Perhaps there will be an election, I do not know. For now, there is a duty to be done.

I will tell Hon. Members why the bell rang a minute ago. For something as important as we are doing, we need a quorum. I was not playing games. We need a quorum, according to the British North America Act of 1867, Article 48. Some believe that Mr. Speaker is the only one who could go to the Senate to represent us all, but that is not true. That has been slowly implemented, but according to my understanding of the British parliamentary system, particularly the way we have implemented it here in Canada, we should have 20 Members, and the Speaker shall be reckoned as a Member.

At times, by agreement, we can do anything. By agreement, we do not see the clock. By agreement, we can say that it is Monday. However, if a Member insists, it is too bad, and I am one of those who insisted.

I regret that neither of the Ministers could come to the House to explain exactly what they have accepted that originated in the Senate committee that studied the Bill extensively and heard from great experts. I say this for the benefit of those who are listening and those did not have a chance to come forward to put their views. I would hope that they will listen to us. They should read the speech made by Senator Ottenheimer from Waterford—Trinity. He made an excellent speech that everyone should read. The Hon. Allan MacEachen made an excellent speech that everyone should read to understand the meaning, the feeling and the work of Senators. They have the constitutional right to do this.

If we do not like the Senate, let us abolish it. But as long as the Senate exists, the Senate has the constitutional right to do certain things. I am in favour of at least amending the Senate Act, and that would please the Minister, so that the Senate could not delay any longer than three to six months any legislation. I am in favour of a system like that of Great Britain with no suspensive veto longer than three or six months.

The Right Hon. former Prime Minister Pierre Elliott Trudeau did this in matters pertaining to the Constitution. It is because of Mr. Trudeau that we have today the Meech Lake Accord. He insisted, in the repatriation of the Constitution, that in the case of amendments pertaining to the Constitution, the Senate could not delay for more than six months. It is good for people to know this, though it only refers to matters pertaining to the Constitution. That is why we have Meech Lake today. So, *en passant, un coup de chapeau*, and I do not know how to translate that.

Perhaps I will give the Minister a gift by sitting down. If he has more explanations for the object of the Bill, I will receive them with pleasure.

I for one believe that as long as the Senate exists, it has the constitutional right to do what it has done. If you do not like the Senate, abolish it. After all, when the Hon. Member for St. John's West (Mr. Crosbie) was the Minister of Justice, he wanted to amend the Senate Act, and he should have done so. He would not have had the trouble he has had today. I would vote for a suspensive veto of from three to six months any time.

The Senate has looked into the Bill, and has been highly accommodating to the Government. It passed the Bill rather rapidly. It could have taken a few more months and could have called the witnesses we forgot to call in the Lower House.

I regret, on behalf of the Commoners that we are, that we could not hear from all the people who would have liked to have attended to put forward their views on this very important piece of legislation. If it is better now, it is because the Senate majority saw fit to amend the Bill to make it more acceptable. It amended Clause 28 of the Bill and the objective of the Bill in Clause 4.

Unprepared as I may have been for this, because I was expecting to be in my riding at three o'clock, I heard that the bells were ringing. I did not know what was going on. I had to rush to the Senate and I discovered that it is because of this issue.

You can relax, Mr. Minister. I have finished. I do not know if others want to participate, but I have said enough.

I regret that we rushed the Bill. I regret that the Ministers were not here to explain the new object of the Bill. If the Minister is impatient, I would ask him to explain to me the object of the Bill. I would be interested in listening to him.

Mr. Benjamin: Mr. Speaker, I want to ask my colleague if he would tell us where he stands on the Senate. Does he want it to be abolished or elected, or was he preaching for a call?

Mr. Prud'homme: Mr. Speaker, if that is the kind of comment I have to deal with at the end of a session, I can do without it, but I will answer. I do not expect a call. The Hon. Member will never get one because he said he is against the Senate. I would love to be there if he were ever offered a chair in the other Chamber and see how he would agonize and if he would accept or not.

Where do I stand on the Senate? It is very simple. If we cannot let the Senate do its own work, abolish it. If we cannot abolish the Senate, amend the Senate Act.

Does the Hon. Member want to hear a speech on the Senate? I will make one. I sat on the Constitution committee. I sat on the special committee in 1972 which went all across Canada. We made very special recommendations including

that Senators should have a 15-year tenure of office and that Senators should only sit until 70 years of age. My Party now stands for an elected Senate, but we will have to know how this will take place. If we cannot accept the Senate, let us abolish it. As long as the Senate is there, its constitutional right is to scrutinize a Bill, regardless of pressure.

We should beware at times of the massive pressure of public opinion. Some say: "You do this," and then you panic and say, "Oh, my God, there are thousands of people on the Hill, I must do this". By the time you have finished doing it, there is another group of thousands of people who say: "You should not have done that, you should have done this". That means you must be intelligent and do what you think is best.

The Senators have done their duty and I am happy that the Hon. Minister has accepted this very substantive change. The Hon. Minister is not as stubborn as his assistant who could not come to an agreement with the Senate. It was the Hon. Secretary of State for External Affairs (Mr. Clark) who accepted the amendment. He knows that when Senators really get to work, they work well, but if they would have been given a little more time, they would have come out with a better Bill.

No one is attacking the integrity of the peace and security Bill. We took time, and every individual in Canada who had an interest in this matter was called in. I went to meetings day after day for 50 days. Today we have a good Bill which works very well. The same should be true of this.

I congratulate the Government for holding its nose and saying that what they say over there is not that foolish and it will accept at the last minute amendments put forward. I would like to try to make the Minister smile a little bit because I know he is extremely upset that I should speak for so long on such a very important piece of legislation.

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Mr. Speaker, I will not be very long. I would agree to have the Parliamentary Secretary answer some questions that I will raise. I would agree to have him answer some questions I will raise. While I was quite prepared to accept the centre as defined in the original Bill, I must say that the centre as defined by these amendments is a bit different and raises some concerns.

• (1650)

The centre we were ready to accept in the original Bill was a centre to initiate, encourage and support co-operation between Canada and other countries with respect to the strengthening of human rights. These amendments from the Senate have now introduced a new concept that the centre should not only promote human rights institutions and the development of human rights but also promote democracy. When one first looks at that we find a motherhood concept, and we are all ready to support democracy, but we also know that countries around the world define democracy in different ways.

I have a bit of concern. I would like the Parliamentary Secretary to let us know who initiated these amendments. Did they come out of a committee study in the Senate? Were they unanimously put forward in the Senate? I would like to know that because of different situations in the world. For example, the German Democratic Republic calls itself a democracy but in fact does not carry out many of the things that are set out in this amendment. It does not have the freedom of the press as we know it. It does not have pluralistic elections as we have them. On the other hand, we have the President of the United States criticizing Nicaragua and setting up an economic blockade of Nicaragua because it is not a democratic country and does not have a pluralistic democratic system. Yet there were more political Parties running in the election in Nicaragua and more Parties sitting in the Nicaragua National Assembly than there are in the American Congress.

Nicaragua might ask if they really have a democratic system in the United States. Unless one has huge sums of money, in the United States it is impossible to crack the two-party system in that country. It has a two-party system that relies on heavy financing and there is not the control of the expenditure on election campaigning as we have in Canada. One might ask if that is really democratic.

I think this amendment changes the nature of the centre to a certain extent. It was a centre in the first place that promoted and strengthened human rights institutions and dealt with the violations of human rights. By the way, human rights are more easily definable and discernible than democratic institutions. We know if someone is being tortured. We know if someone is being put in prison without trial. We know if people are being executed without trial. But when it comes to determining whether this country or that country is democratic, and what is really a proper interpretation of democracy, it becomes more difficult.

While I am willing to support this amendment because I support democracy and I support elections and the freedom of opinion and expression, I would like some assurance from the Government that we do not intend to impose our western concepts of democracy on all occasions.

It is interesting to note that if we were to apply this in a very strict manner, I think out of the approximately 150 countries in the United Nations, only 30 are democracies as we have them in the West. The great majority of the countries in the United Nations are either one-party systems, dictatorships of one kind or another or absolute monarchies, but they are not democracies as we know them. It is easy to support motherhood wording but this is motherhood wording that is open to some dangerous interpretations. I would like some assurance that we would take a small "l" liberal approach in interpreting what democracy means, what periodic elections means and what pluralistic political systems mean. All these things are mentioned in the amendment. As my hon. colleague from Saint-Denis said, to have this thrust on us at the last moment is a bit surprising.

It is true that on the original debate on second reading we questioned why the centre was called the International Centre for Human Rights and Democratic Development because when one reads the original Bill, it seems the substance of the Bill is more directed to human rights and not to democratic development. Of course, the Senate now has come forward and included some further wording with respect to democratic development. All I say is there is some danger in that and I would like some assurance from the Government that this will not be the imposition of our strict interpretation of what democracy means on other countries or to proselytize in a very aggressive way our concepts of democracy.

There are some, of course, I would not accept. I think they are phoney and foolish. On the other hand, we have just settled the Japanese question. One could question whether during the Second World War we were acting as a proper democracy when we did what we did as Canadians. If it is possible, I would like some further explanation from the Government with respect to this amendment and the matters I have just raised.

Mr. Lorne Nystrom (Yorkton—Melville): I just have a few words to say on the human rights centre, Mr. Speaker. It is rather appropriate that the human rights centre is going to be established in the City of Montreal. I was one of the Members of the House who were here in 1970 when the War Measures Act was invoked by the Liberal Government of the day. Of course, that was all centred in the City of Montreal and the Province of Québec, but particularly in Montreal as the biggest city in the province. At that time, of course, all the rights of individuals, human rights and other rights, were taken away with the implementation of the War Measures Act.

You will recall, Mr. Speaker, I am sure, that it was invoked on that day by a Liberal Government supported by the Progressive Conservative Party. I was one of 16 Members of the House who stood up and voted against the invocation of the War Measures Act. It was very interesting to note that a few years later, the Hon. Robert Stanfield said in a major television program that perhaps the biggest mistake he ever made in his political career was to support the invocation of the War Measures Act.

Some 18 years later, as it will be pretty soon, it is rather interesting to note that this centre is going to be located in the City of Montreal. It is not only what happened in the Province of Québec in 1970 that makes a centre like this so important. The other day we did what we did to redress the problems of Japanese Canadians and apologize for what was done to them during the Second World War. In addition, there have been all kinds of other examples of discrimination not only outside this country, as my friend, the Hon. Member from Notre—Dame-de-Grâce—Lachine East said, but also within this country. I think of the example of the Chinese head tax.

I think of the discriminatory action taken against Ukrainian Canadians many, many years ago. Many of these Ukrainians reside in my riding in the Province of Saskatchewan. I can think of many examples in Canadian history when there has been rampant discrimination and violation of human rights in this great country of Canada.

I think it is very symbolic that the centre is being established partly because of the invocation of the War Measures Act back in 1970. It is rather interesting to note that it has been established in the City of Montreal.

• (1700)

Mr. Prud'homme: I said that if anyone would speak on the War Measures Act and not give the facts exactly as they were, I would always stand up in the House.

My hon. friend was there, I was there, and many of us voted for it on the information that we had then. In case the Party of my hon. friend is more virtuous than they are, I would like to remind him that some of his colleagues of the New Democratic Party voted for it. I know that we are on the eve of an election, where my hon. colleague was an excellent friend, I may say, and I do not abuse that too often in the parliamentary system. I would not like Quebecers—

[*Translation*]

... men and women, to believe that the New Democratic Party is so virtuous, because several NDP Members also voted for the War Measures Act. I understand that something may be coming and that they would like to fight as the great defenders of virtue, morality and all the other fine things ... Well, I say to him that several of his colleagues at the time, with the information they had, voted for the War Measures Act. I do not want to get into a debate on the War Measures Act ... If he wants to, I will, but I have already had the opportunity to take part in such a debate and I said how much I regretted what was happening, how I would spend the rest of my days apologizing if we had committed an injustice. However, I think that we could end the debate by concentrating more on what has just happened rather than by re-opening what could be a longer debate. Let us do that somewhere else.

[*English*]

Mr. Nystrom: In response, Mr. Speaker, I was not trying to mislead the House.

[*Translation*]

... when I said I was one of the sixteen Members who voted against the War Measures Act. At the time, there were twenty-three NDP Members in our Caucus. Twenty Members voted, sixteen against and four in favour. A Member from Ontario and three Members from British Columbia voted in favour of the Act. As I said before, I was one of the sixteen who voted against invoking this appalling legislation in our country eighteen years ago, one of the vast majority of the Members in our Caucus.

[*English*]

I was very, very proud to be one of those 16 that stood up at that time. I can tell you that at that time it was not easy.

Public opinion polls that were taken at that time showed an overwhelming majority of people in Canada who believed that the Prime Minister (Mr. Mulroney) had the proper facts and that he was doing the right thing. I can recall friends and associates and supporters in the general public who, in many, many cases, could not understand why we voted in that way. But I am proud to say that of the 20 members of the caucus present, 16 of us summed up enough courage to vote in the proper way.

Mr. Prud'homme: The 10 minutes is not over. I am just glad that my hon. friend put on record that some voted against it. Otherwise, the way he put it, if it would not have been challenged, it would make them look good. My father always taught me that you do not calculate virtue. You are virtuous or you are not. If some people happen to say, well, you know, some of us did it and some of us did not do it, then there is no more virtue, really.

Mr. Nystrom: I guess virtue is in the eye of the beholder. I spoke for myself and I spoke for, I guess, 80 per cent of my NDP colleagues, because 16 Members voted against invocation of the War Measures Act. There were only four that voted against it. The three that were not there issued statements saying that if they were in the House they certainly would have been voting against the invocation of the War Measures Act as well.

I hear the Member for Hamilton East (Ms. Copps). I suppose in those days she was probably out there in support of the invocation of the War Measures Act. As I said before, I think it is appropriate to have the centre located in Montreal.

Ms. Copps: I thought in most cases the Member for Yorkton—Melville (Mr. Nystrom) was free of the political gamesmanship that often goes on in this place. I would like him to specify specifically. I do not have any particular axe to grind. There is no particular reason—or maybe he can give me a reason—why this particular institute should be placed in Montreal, other than for pork-barrelling. I would like to know if he can give me the reason as to why this institute should be located in Montreal.

Mr. Nystrom: As I said, the only reason that I can think of that made it slightly appropriate was that it was the centre of the crisis back in 1970, which was the October crisis. I suspect that the principal reason is that it is being created for pork-barrelling reasons, for political reasons. The Conservative Party is in very, very serious trouble in the City of Montreal. I suspect that, if you carried out some public opinion polls, you would still find the Conservative Party running probably third in the City of Montreal.

In addition to the human rights centre, I would not be surprised if the Prime Minister (Mr. Mulroney) announced within a week or so that the space agency is also going to be located in the City of Montreal.

Mr. Prud'homme: Are you against it?

Mr. Nystrom: I suspect that those are the real reasons. I am not against that at all. I am just making a prediction that the space agency will be announced by the Prime Minister as to the land in the City of Montreal. But that will not be done until probably the first or second week of the campaign.

Mr. Prud'homme: There is one minute left. May I ask my hon. friend where we stand on the space agency? Are you in favour of putting the space agency in Montreal? A yes or a no.

Mr. Deputy Speaker: This is not related to the Bill. On debate, the Hon. Member for Hamilton East.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I had wanted to speak to some of the elements of the Bill. Frankly, I guess I am getting a little bit cynical. In the last week we have passed more institutions around this place. It seems to me that with the budget that is being given to this institution, it is a farce. It is a joke when you consider that, with a budget, the first fiscal year of the centre is going to get a $1 million budget.

There are people in the Third World right now who are dying by the millions of starvation, and this centre that is supposed to be promoting human rights and democratic development has a total budget of $1 million. Who are we trying to kid?

Furthermore, with respect to the location of this so-called international centre for human rights and democratic development, I cannot understand it, because having previously sat as the Liberal Member on the Human Rights Committee, I do not have a particular axe to grind for any community that has the knowledge in the area of human rights, or an expertise.

I know that when I needed to get expertise, I went to the University of Ottawa, the Human Rights Institute, which was the only institute of its kind in Canada that had developed a knowledge base and an expertise in the area of human rights. I assumed that when a Bill of this nature is going to be implemented, at the very least there should be consideration as to what educational base, what knowledge base, exists in the country, and where that can best be implemented in terms of such a centre. But it seems, just like the decision that was announced yesterday in the United Nations with respect to another community, that the Government does not make decisions on the locations of institutes on the basis of what is going to be best for the institute and for the country. The Government makes those decisions on crass political bases.

I have not seen as crass a political base as the suggestion that other centres of excellence, like the City of Ottawa, should not be considered for the human rights institute. I have not seen an analysis which shows me that the knowledge base that exists in the City of Montreal should be the best place for the institute. Perhaps that exists, but it seems that it was pulled out of the blue.

We are going to spend a million bucks, create another institute, give the Government another campaign platform,

and then say that we can announce this in the City of Montreal or in another city, where the Government is desperate to save seats.

Let us face it, in the City of Montreal the Government is desperate to save seats, and it has created the location not because of the concern for the over-all development of human rights and democracy, but simply to pork-barrel, and I, as a person who has a moderate interest in human rights issues and who was involved as a Liberal critic, am distressed that the Government would not consider the issues of human rights in deciding where the most appropriate place would be to locate the centre for human rights. They would rather resort to crass political considerations.

It is not the first time that it has happened. You have a problem, create another institute! That will solve it. Who are we trying to kid?

We will all pass this Bill today and everybody will go home and sleep a little bit sounder tonight knowing that we have created the international centre for human rights and democratic development.

Frankly, with the budget that we have been accorded, with the fact that the decision for the centre was made not to create or to build on a body of excellence that already exists, but merely to pork-barrel, I think it is a bit of a farce. I want to know why we have spent our time over the last number of weeks in Parliament dealing with what I consider to be pork-barreling attempts by the Government to buy votes in a pre-election period. It would be far better if an institute of this importance were given an appropriate budget and located on the basis of an analysis of the body of expertise and experience that exists in the human rights community. Why not make that decision in the fullness of time as opposed to rushing it through so the Government can wave around another campaign promise?

• (1710)

Frankly, I am a little surprised and dismayed at the attitude of members of the NDP, the sanctimonious, holier than thou Party that is dragging up the history of the War Measures Act to justify the location of the human rights institute and then says in the same breath that they consider it pork-barreling. I consider that this has the potential to be an extremely important arm of Canadian and international democratic development. It is unfortunate that, in the course of this Government, much of the work that is going to be done by this centre has been abdicated by the Government. Our role in international aid, in foreign affairs, and as an adjunct to the foreign policies of the United States of America has diminished us in the eyes of the world community.

It used to be that, as Canadians, we could hold our heads high around the world because we were well respected for being able to maintain and sustain an independent foreign policy, and to be able to encourage the establishment of human rights and democracy in many centres and areas around the world that currently have not enjoyed the type of democratic rights that we have in this country.

Last week the President of the United States called the Prime Minister (Mr. Mulroney) a visionary. Can you imagine that, Mr. Speaker? Ronald Reagan calling Brian Mulroney a visionary. At the time I said: "My goodness, that statement alone will cost the Government thousands of votes". That statement comes from a man who, by the admission of his own advisers, was almost ruled incompetent during the course of his administration in the United States because they were so concerned about his handling of foreign and domestic affairs, and he is calling our Prime Minister a visionary. Why, Mr. Speaker? Because the President of the United States and the Prime Minister of Canada have travelled lock-step in their assessment of foreign policy. Remember the Philippines. Was it not Canada that spoke first to recognize the Government of Corazon Aquino and to recognize what many of us had known for many years, namely, that Ferdinand Marcos was an unabashed dictator? We waited and waited to see what the United States did.

It is unfortunate that the centre for human rights and democratic development will have to assume much of the work that should have been done by the Government. The Government has abdicated its role of arm's length foreign policy from the United States, and we are lock-step now in terms of the economy. In the area of regional development we have to consider what the United States will say before we can give money to Sydney Steel or do anything to support Algoma. At the same time as we are moving lock-step in the area of economic policies, social and foreign policy will follow suit.

That is why the Government has had an extremely ambiguous position on the question of Star Wars development. It did not come out against Star Wars development. The Prime Minister stated that the Government cannot get involved because it is too expensive, but the private sector can go to it.

Furthermore, let us look at the record of the Government in human rights in respect of exporting of arms and equipment that is being used to crush democratic developments in other countries, to sustain and abet regimes that depend on the use of force to sustain themselves, and on the use of military force. One of the first acts of the Secretary of State for External Affairs (Mr. Clark) was to loosen the regulations on exporting arms to other countries, and exporting arms to countries that were on the forbidden list.

It was not until it was raised by the Liberal Opposition in committee, and raised by human rights organizations, including Amnesty International, that the Minister realized the error of his 1985 amendment and changed the legislation or the regulations governing the control of the export of arms to prevent countries such as South Africa and other regimes from using Canadian armed military goods and ancillary goods, including helicopter equipment, from being used against the democratic process. We were actually supplying arms indirectly to South Africa, a country that the Prime Minister

claims to abhor. Yet we were doing it because the Government opened a loophole in the export legislation.

I am sorry that this particular centre will have to pick up where the Government has left off. It is pure folly to suggest that the establishment of this centre could have any ripple effect on human rights development around the world with a $1 billion budget. Who are we trying to kid? We are kidding ourselves with that miniscule budget. After having cut back on our commitment to foreign aid, and cut back on our promises of tying increases in foreign aid to increases in the Gross Domestic Product, we are failing in the area where Canada used to be a leader.

I do not particularly know the best location for the international centre for human rights and democratic development. Perhaps Montreal is the best location. However, it seems to me that that decision was made in the same manner as many other decisions are made by this Government, and not on the basis of building upon an extremely valuable body of expertise and knowledge. Canada is the only country in the world to have received a human rights award for the work that we collectively did as a nation when we opened our arms to the boat people fleeing from Vietnam. We are the only country in the world to be so honoured.

Certainly, we have a background and a record, but that is not to say that the centre should be put in Montreal on an arbitrary basis when perhaps there are equally good arguments to say it should be located in Ottawa. The Human Rights Institute, where I certainly drew much information when I was acting as critic in the area, is based in, attached to, and has a strong association with the University of Ottawa.

[*Translation*]

I really cannot say whether Ottawa or Montreal is the best place for the centre. When we consider human rights, we should at least consider where the centre would have the best resources to prepare a sound policy on international human rights, instead of having a situation where the Government, and that is what it is doing today, doesn't decide on the basis of the facts but of political gain, which is a form of blackmail.

Mr. Speaker, it is unfortunate that once again, when human rights are at stake, rights that are deeply cherished by all Canadians, the Government still wants to play politics.

I really can't say whether Montreal would be better as a centre. But at least we should look at the possibilities, otherwise we will just have one more organization, one more international centre that will operate with a budget of one million dollars. This is incredible, it is ridiculous and it is just one more Conservative promise that doesn't mean a thing.

So in that case, I wonder whether there are any New Democrats who could tell us how Montreal was chosen. I would like to ask the Conservatives whether they can justify this decision. I am the first to support the decision, but not for the same reasons. They will give the Centre to Montreal because otherwise they will lose votes. That is not enough, Mr. Speaker, that is bribery, and Canadians will not be bribed.

• (1720)

[*English*]

That is what I would like to find out from the Government. Has any analysis been done relating to the location of this human rights centre? Human rights are fundamental and we are just tossing this around like a pre-election pebble, throwing it where it will get the widest ripple. Unfortunately, that has characterized the approach of the Government on too many issues. As far as I am concerned, the fundamental issue of human rights is too important to be just a pre-election pork-barrelling gesture.

Mr. Nystrom: Mr. Speaker, the Hon. Member is always interesting to listen to, and usually very consistent in her logic. She condemned the Government for its cynical approach in dropping an institute here and an institute there for political reasons. I wonder if she would apply the same logic to the Canadian Institute for Peace and Security created in the dying days of the Trudeau Government in 1984 when the Liberal Party realized it was in serious trouble in Ottawa? The former Leader of the Ontario NDP, Michael Cassidy, was coming back to run in Ottawa Centre. The Hon. Member for Ottawa—Vanier (Mr. Gauthier) ran to the Prime Minister and said "Look, with Cassidy back we are going to lose". They lost the seat.

Would she say the same thing happened then, that it was a cynical move by the Trudeau Government in 1984 because it happened to drop an institute here and an institute there? Does she apply the same logic to Trudeau in 1984 that she applies to my friends across the way today? I would be very interested in knowing the answer to that question.

Ms. Copps: What happened to the Liberals in 1984?

Mr. Nystrom: They went down.

Ms. Copps: Obviously people were getting a message and they wanted to make a change and they made a change. I do not think Mr. Trudeau has to take lessons from any Member of Parliament about the issues of human rights and peace and security. When he was Prime Minister of Canada we were respected around the world. We were not wimps on our knees constantly begging the President of the United States to give us a little crumb here and there to survive in this worldwide economic mayhem.

No, I will not take a lecture from the NDP about the Liberal record on human rights prior to 1984. However, I do think that in the dying days of the Liberal Government some actions were taken that were not consistent with the long-standing record of strong human rights policy. That is why we were thrown out.

The thing I cannot understand about the NDP is this. A few minutes ago the Hon. Member for Yorkton—Melville (Mr.

Nystrom) was hearkening back to 1970 and the War Measures Act. Now he is hearkening back to 1984. When will the NDP stand up on its own policies and stop talking about something that happened almost 20 years ago? I could probably drag up something that Aggie McPhail did, and I will if that makes him feel any better. We are talking about 1988, our plans for the future and what we will do when we form a government. I wish the NDP would take the same positive approach, instead of talking about things that happened 20 years ago which I think most people would like to bury, if not forget.

Mr. Nystrom: Mr. Speaker, the Hon. Member was talking about 1984 and the export of arms and other military equipment to Third World countries. I would like to ask her whether or not a few years ago, when she was a member of the Ontario Legislature, she condemned the Liberal Government of 1980-1984 for increasing the export of military equipment to Chile, Taiwan, Paraguay and other countries like that which do not exactly have democratic Governments? After all, it was the Liberal Government that increased the export of military equipment to Chile. It seems to me the Hon. Member will want to get up and say that was wrong as well.

I admired her answer when she said in the dying days of the Trudeau Government that she disagreed with some of the things that were done. Unfortunately, the current Government kept on doing some of those things, like patronage, and dropping institutions into ridings according to political preference, and moving a prison to the riding of the Prime Minister (Mr. Mulroney), and all these last minute announcements, buying people's votes with their own money. I think those are the politics of the 1930s and they should have been gone in the 1930s, and I am very pleased the Hon. Member is getting up and saying quite frankly that she did not like what happened in the last days of the Trudeau Government and the dying days of Liberalism.

In the name of consistency, openness, honesty and integrity, will she now stand up and condemn her Liberal colleagues for the export of military equipment to Chile, Taiwan and many other countries with governments which we in this country think are reprehensible?

Ms. Copps: Mr. Speaker, I would rather talk about more recent events. I am willing to recant if the Hon. Member is willing to recant for his two pork-barrelling colleagues, such as Ian Deans, the triple dipper, the great socialist from Hamilton Mountain, despised Brian Mulroney one day and loved him the next after being offered a $95,000 a year job. Is he willing to recant? Is he willing to condemn his colleague—

Mr. Deputy Speaker: Order, please. I think we are moving away from the Senate amendments.

Ms. Copps: Mr. Speaker, I am willing to consider a response to the Hon. Member's question on arms if he is willing to agree with me that his former provincial Leader in Ontario did an absolute flip-flop. The Hon. Stephen Lewis one moment was completely against the federal Government and could not stand anything it was doing, until it offered him a cushy job in New York. He took it and sang the Government's praises for four years until the day he was about to leave the job and then started dumping on it.

The Hon. Member should not lecture me and the Liberal Party about humanity and consistency because a couple of his colleagues have a little bit to learn about that as well and I am not going to take that from him.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed to.

THE ROYAL ASSENT

Mr. Deputy Speaker: Order. I have the honour to inform the House that a communication has been received as follows:

Rideau Hall,

September 30, 19888

Sir,

I have the honour to inform you that the Honourable John Sopinka, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate chamber today, the 30th day of September, 1988, at 5.45 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Anthony P. Smythe,
Deputy Secretary, Policy and Program.

[*Translation*]

Mr. Deputy Speaker: Pursuant to order adopted earlier today, the sitting is suspended until the call of the Chair.

At 5.27 p.m. the sitting of the House was suspended.

• (1810)

SITTING RESUMED

The House resumed at 6.06 p.m.

ROYAL ASSENT

[*Translation*]

A message was delivered by the Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the Chamber of the honourable Senate.

Accordingly, Mr. Speaker with the House went up to the Senate Chamber.

And being returned:

Mr. Speaker: I have the honour to inform the House that when the House went up to the Senate Chamber, the Deputy Governor General had been pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-158, an Act to amend the Unemployment Insurance Act, 1971—Chapter No. 63, 1988.

Bill C-147, an Act to establish the International Centre for Human Rights and Democratic Development—Chapter No. 64, 1988.

Bill S-21, an Act to revive Grenville Aggregate Specialties Limited and to provide for its continuance under the Canada Business Corporations Act.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, on a point of order.

Mr. Deputy Speaker: The Hon. Member for Saint-Denis (Mr. Prud'homme), on a point of order.

Royal Assent

Mr. Prud'homme: Since we will adjourn until Monday and it seems the Senate will sit tomorrow to consider the Child Care Bill, if we don't adjourn, I wish you a happy weekend. If by any chance we do not come back, I would like to say it was a great pleasure for us on this side of the House to work with you. I want to thank you for your tremendous patience and your infinite wisdom during the difficult times we have gone through together.

Mr. Deputy Speaker: My sincere thanks to the Hon. Member for Saint-Denis (Mr. Prud'homme).

[*English*]

This House stands adjourned until Monday at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6.15 p.m.

The thirty-third Parliament was dissolved on Saturday, October 1, 1988, by proclamation of Her Excellency the Governor General.